



COMMONWEALTH OF VIRGINIA
Department of the Treasury

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October 29, 2024

Ms. Laura Wilborn
Division of Legislative Automated Systems
General Assembly Building
Richmond, VA 23219

Via Email

Dear Ms. Wilborn:

In accordance with the provisions of §§ 23.1-1216, 22.1-171 C, and 2.2-2263 of the Code of Virginia, I hereby submit the unaudited annual financial statements for the Virginia College Building Authority, the Virginia Public School Authority, and the Virginia Public Building Authority for the fiscal year ended June 30, 2024.

The financial statements are unaudited. The Auditor of Public Accounts has not completed the annual audit of these public bodies for the year ended June 30, 2024. Audited financial statements will be sent to you when completed.

The financial statements have been prepared by the Department of the Treasury, whose management is responsible for their integrity and objectivity. The financial statements are considered by management to fairly present these public bodies' financial position and results of operations. We believe the data presented is accurate in all material respects and that all disclosures necessary to enable the reader to obtain a thorough understanding of the financial statements have been included.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. L. Jones".

Bradley L. Jones
Director of Debt Management

BLJ:bj
Enclosures

VIRGINIA PUBLIC SCHOOL AUTHORITY
FINANCIAL STATEMENTS (Unaudited)
FOR THE YEAR ENDED JUNE 30, 2024



VIRGINIA PUBLIC SCHOOL AUTHORITY
FINANCIAL STATEMENTS (Unaudited)
FOR THE YEAR ENDING JUNE 30, 2024

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VIRGINIA PUBLIC SCHOOL AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)

This section of the annual financial report of the Virginia Public School Authority (the “Authority”) presents an analysis of the Authority’s financial performance during the fiscal year that ended on June 30, 2024. This information should be considered in conjunction with the information contained in the financial statements, which follow this section.

Authority Activities and Highlights

The Virginia Public School Authority, created by Chapter 11, Title 22.1, *Code of Virginia*, 1950, as amended, provides financing to localities under its pooled bond program. Under the program, the Authority issues its bonds and uses the proceeds to purchase a “pool” of general obligation bonds from localities (the “Local Issuers”). Each Local Issuer uses the proceeds for the purpose of financing capital projects for public schools.

The Authority’s 1997 Resolution, adopted on October 23, 1997, serves as the primary instrument under which the Authority issues bonds for its pooled bond program. The 1997 Resolution bonds are secured first by payments from Local Issuers on their local school bonds; second, from amounts obtained under the State Aid Intercept Provision under which the Authority can intercept state appropriations to the locality; and third, from a sum sufficient appropriation. The sum sufficient appropriation is first from available Literary Fund monies and then from the Commonwealth’s General Fund. During the fiscal year, the Authority issued a total of \$134,340,000 in bonds under the pooled bond program.

Also under its pooled bond program, the Authority has issued school tax credit bonds – Qualified School Construction Bonds (“QSCBs”) and Qualified Zone Academy Bonds (“QZABs”) – under a Master Indenture of Trust dated as of October 1, 2009. Qualified School Construction Bonds are tax credit bonds established under the American Recovery and Reinvestment Act of 2009 (“ARRA”) and Qualified Zone Academy Bonds are tax credit bonds established in the Internal Revenue Code of 1986. Both QSCBs and QZABs provide the bondholder a federal tax credit in lieu of interest. These bonds are secured by payments from Local Issuers on their general obligation local school bonds, then from amounts obtained through the State Aid Intercept Provision, and then from a sum sufficient appropriation received by the Authority pursuant to any current Appropriation Act Provision. It should be noted that the Authority can no longer issue QSCBs or QZABs since the Tax Cuts and Jobs Act of 2017 (“TCJA”) repealed the ability to issue these types of bonds. The QSCBs and QZABs currently held by the Authority were issued under its 2009 Master Indenture of Trust prior to the TCJA.

In addition to its pooled bond program, the Authority also issues special obligation bonds under its stand-alone program and notes under its technology and security program. Bonds issued under the stand-alone program are secured by the local school bonds purchased from one or more specific localities and by the State Aid Intercept Provision. The Authority acts as a conduit issuer under the stand-alone program. Under the School Technology and Security Notes Program, the Authority issues obligations to finance technology equipment purchases and fund a grant program for the purchase of security equipment for local public school systems within the Commonwealth. These obligations are payable from, or otherwise secured by, appropriations by the General Assembly from the Literary Fund and now benefit from a sum sufficient appropriation from the Commonwealth’s General Fund. The Authority issued \$64,555,000 under the school technology and security note program during the fiscal year. The Authority also issued \$135,815,000 under the stand-alone program during fiscal year 2024.

VIRGINIA PUBLIC SCHOOL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Overview of the Financial Statements

This discussion and analysis is an introduction to the Authority's basic financial statements, which are comprised of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements. The Authority is not required to present government-wide financial statements since all of its activity is reported in an enterprise fund, which would not change in measurement focus (economic resources) or basis of accounting (accrual) for government-wide statements.

The financial statements of the Authority offer short- and long-term financial information about its activities. The Statement of Net Position provides information about the nature and amounts of the Authority's cash, investments, and receivables (assets), deferred outflows of resources, and its obligations to creditors (liabilities). All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Fund Net Position. This statement measures whether the Authority successfully recovered all its costs through investment earnings, bond proceeds, appropriations from the Commonwealth, and the collection of receivables. The Statement of Cash Flows provides information on the Authority's cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financial activities.

Financial Analysis of the Authority

The Authority provides a vehicle for financing capital projects for primary and secondary public schools in the Commonwealth's counties, cities and towns. On local school bonds held by the Authority under its Pooled Bond Program that were issued prior to March 26, 2009, localities pay interest 10 basis points (0.10%) above the rates paid by the Authority on corresponding maturities of its bonds. As a result of a policy change made by the Authority on March 26, 2009, local school bonds held by the Authority under its Pooled Bond Program issued subsequent to March 26, 2009 pay interest 5 basis points (0.05%) above the rates paid by the Authority on corresponding maturities of its bonds. A further policy change was made by the Authority at its March 15, 2023 Board Meeting. Local school bonds issued under the Authority's Pooled Bond program and its Stand-Alone Bond program issued subsequent to March 15, 2023 each pay interest 5 basis points (0.05%) above the rates paid by the Authority on corresponding maturities of its bonds. This revenue is received by the Authority and used to pay the operating costs attributable to its financing programs, including staffing provided by the Department of the Treasury and arbitrage rebate compliance expenses. The Authority owns no capital assets.

VIRGINIA PUBLIC SCHOOL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Condensed Statement of Net Position
(in millions)

	2024	Enterprise Fund 2023	Change
Current assets	\$ 469	\$ 455	\$ 14
Noncurrent assets	3,931	3,970	(39)
Total assets	<u>4,400</u>	<u>4,425</u>	<u>(25)</u>
Total deferred outflows	<u>51</u>	<u>59</u>	<u>(8)</u>
Current liabilities	552	543	9
Noncurrent liabilities	3,831	3,894	(63)
Total liabilities	<u>4,383</u>	<u>4,437</u>	<u>(54)</u>
Net position:			
Restricted for debt service	30	12	18
Unrestricted	<u>38</u>	<u>35</u>	<u>3</u>
Total net position (deficit)	<u>\$ 68</u>	<u>\$ 47</u>	<u>\$ 21</u>

Total assets decreased during the year by \$25 million, or (0.6) percent. This is primarily due to a \$19 million receipt of interest on cash equivalents and a \$69 million decrease in local school bonds outstanding (new local school bonds were purchased in the amount of \$230 million, payments of \$299 million were made against existing local school bonds), a \$23 million increase due to principal payments received on Qualified School Construction Bonds and Qualified Zone Academy Bonds (to be held for future payment on the Authority's bonds), and receipt of proceeds for new Educational Technology and Security Notes of \$68 million. These receipts were offset by current year payments to localities from Educational Technology and Security Notes' new and existing proceeds of \$66 million. Total liabilities decreased by \$54 million, or (1.2) percent, during the same period because of a decrease in net outstanding bonds and notes payable of \$44 million, a decrease in amounts due to localities of \$4 million and a decrease in outstanding premium on bonds sold of \$6 million, because of current year amortizations. Additionally, the deferred outflow of resources decreased by \$8 million due to current year amortization of amounts deferred in prior years. Accordingly, an increase of \$21 million is reflected in net position.

VIRGINIA PUBLIC SCHOOL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

**Condensed Statement of Revenues, Expenses,
and Changes in Net Position (in millions)**

	2024	Enterprise Fund 2023	Change
Revenues:			
Operating revenues:			
Charges for services	\$ 162	\$ 151	\$ 11
Other	3	(1)	4
Total revenues	<u>165</u>	<u>150</u>	<u>15</u>
Expenses:			
Interest on long-term debt	140	134	6
Other	2	2	-
Total expenses	<u>142</u>	<u>136</u>	<u>6</u>
Payments to Literary Fund	<u>(2)</u>	<u>(2)</u>	<u>-</u>
Change in net position	21	12	9
Net position (deficit), July 1	<u>47</u>	<u>35</u>	<u>12</u>
Net position (deficit), June 30	<u>\$ 68</u>	<u>\$ 47</u>	<u>\$ 21</u>

The increase in revenues of \$15 million, or 10 percent, is mainly attributable to a \$4 million increase in the fair value adjustment of investments, and a \$7 million increase in interest on cash equivalents, both the result of improved market conditions, combined with a \$3 million increase in interest on local school bonds. The increase in expenses of \$6 million, or 4 percent, is primarily due to a \$6 million increase in interest on bonds which fluctuates with the underlying debt schedules established at issuance.

Debt Administration

As a financing entity, the whole business of the Authority is debt administration. The Authority issues bonds, pursuant to its pooled bond programs, to finance capital projects approved by the local governing bodies of counties, cities, and towns of the Commonwealth of Virginia. Such bonds are secured by general obligation bonds of the participating local issuers, which provide payment of principal and interest when due. Obligations issued pursuant to the school technology and security notes programs, in conjunction with the Board of Education, are paid from, and secured by, appropriations made from the Literary Fund. The table on the following page summarizes bond issuance activity during the year under each program. Please see Note 2.C.1 on page 15 for additional details on the table.

VIRGINIA PUBLIC SCHOOL AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Summary of Authority Bond Obligations
(in millions)

	Outstanding at 6/30/23	Issued During Year	Retired During Year	Outstanding at 6/30/24
Pooled Bond Programs ¹	\$ 2,794	\$ 134	\$ (250)	\$ 2,678
Technology and Security Notes Programs	192	65	(61)	196
Special Obligation Bonds	1,164	136	(68)	1,232
Total	\$ 4,150	\$ 335	\$ (379)	\$ 4,106

¹ Includes 1997 Resolution and School Tax Credit bonds.

The Authority obtains bond ratings from Moody's Investors Service (Moody's), S&P Global Ratings (S&P) and Fitch Ratings, Inc. (Fitch). The table below summarizes the ratings on outstanding Authority bonds.

Virginia Public School Authority Bond Ratings

	Moody's	S&P	Fitch
Pooled Bond Programs ¹	Aa1	AA+	AA+
School Technology and Security Notes	Aa1	AA+	AA+

¹ 1997 Resolution Bonds

Since the Authority's bond programs are either backed by state appropriations (School Technology and Security Notes Program) or carry the credit support of the State Aid Intercept Provision (Pooled Bond Program), the bond ratings are a direct reflection of the Commonwealth's triple-A rating from each of the three rating agencies.

Future Impact to Financial Position

On September 24, the Virginia Public School Authority issued its \$73,225,000 Special Obligation School Financing Bonds, Hanover County, Series 2024 to purchase certain general obligation local school bonds to finance capital projects for schools.

On October 30, 2024, the Virginia Public School Authority plans to issue its \$83,435,000 School Financing Bonds (1997 Resolution), Series 2024B to purchase certain general obligation local school bonds to finance capital projects for schools.

On October 31, 2024, the Virginia Public School Authority plans to issue its \$133,940,000 Special Obligation School Financing Bonds, Prince William County, Series 2024 to purchase certain general obligation local school bonds to finance capital projects for schools.

In December 2024, the Virginia Public School Authority plans to issue approximately \$53 million of its Special Obligation School Financing Bonds, Stafford County, Series 2024 to purchase certain general obligation local school bonds to finance capital projects for schools.

VIRGINIA PUBLIC SCHOOL AUTHORITY

STATEMENT OF NET POSITION (Unaudited)

As of June 30, 2024

ASSETS

Current assets:

Cash and cash equivalents (Note 2A)	\$	37,840,694
Restricted short-term investments (Note 2A)		579,848
Loans to localities:		
Restricted local school bonds (Note 2B)		307,818,201
Unrestricted interest receivable		163,071
Restricted interest receivable		60,339,208
Restricted due from Literary Fund		<u>62,370,000</u>
Total current assets		<u>469,111,022</u>

Noncurrent assets:

Restricted cash and cash equivalents (Note 2A)		345,947,093
Restricted long-term investments (Note 2A)		81,772,653
Loans to localities:		
Restricted local school bonds (Note 2B)		3,370,143,566
Restricted due from Literary Fund		<u>132,965,000</u>
Total noncurrent assets		<u>3,930,828,312</u>
Total assets		<u>4,399,939,334</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred charge on refunding		<u>51,043,300</u>
Total deferred outflows of resources		<u>51,043,300</u>

LIABILITIES

Current liabilities:

Accounts payable		<u>187,658</u>
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Current liabilities payable from restricted assets:

Interest payable		56,310,258
Due to localities (Note 2D)		136,492,494
Notes payable (Note 2C)		62,370,000
Bonds payable (Note 2C)		286,956,000
Premium on bonds sold (Note 2C)		<u>9,964,554</u>
Total current liabilities payable from restricted assets		<u>552,093,306</u>

Noncurrent liabilities payable from restricted assets:

Notes payable (Note 2C)		132,965,000
Bonds payable (Note 2C)		3,623,490,000
Premium on bonds sold (Note 2C)		<u>74,549,651</u>
Total noncurrent liabilities payable from restricted assets		<u>3,831,004,651</u>

Total liabilities		<u>4,383,285,615</u>
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DEFERRED INFLOWS OF RESOURCES

Deferred gain on refunding		<u>149,900</u>
Total deferred inflows of resources		<u>149,900</u>

NET POSITION

Restricted for debt service		29,731,012
Unrestricted		<u>37,816,107</u>
Total net position	\$	<u>67,547,119</u>

The accompanying notes to the financial statements are an integral part of this statement.

VIRGINIA PUBLIC SCHOOL AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION (Unaudited)
For the Year Ended June 30, 2024

Operating Revenues:	
Interest on:	
Local school bonds	\$ 135,011,064
Cash equivalents and investments	18,737,500
Payments received from Literary Fund (Note 2J)	7,421,474
Premium on bonds sold	495,238
Net increase in fair value of investments Increase	2,392,531
Other	<u>246,623</u>
Total operating revenues	<u>164,304,430</u>
Operating Expenses:	
Interest on bonds	140,551,450
Financial advisor fees	219,814
Bond Counsel	251,089
Bond rating fees	280,000
Printing and electronic distribution	3,900
Board expenses	80
Staffing expenses	586,516
Underwriters' discount	105,854
Rebate and penalty payments and calculation fees	334,051
Other	<u>86,564</u>
Total operating expenses	<u>142,419,318</u>
Operating Gain	<u>21,885,112</u>
Nonoperating Payments	
Payment to Literary Fund (Note 2J)	<u>(1,601,754)</u>
Total nonoperating revenues (expenses)	<u>(1,601,754)</u>
Change in net position	20,283,358
Net position, July 1, 2023	<u>47,263,761</u>
Net position, June 30, 2024	<u><u>\$ 67,547,119</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

VIRGINIA PUBLIC SCHOOL AUTHORITY

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2024

Cash flows from operating activities:	
Interest on cash equivalents	\$ 18,552,705
Purchase of local school bonds	(230,485,000)
Principal received on local school bonds	298,701,792
Interest received on local school bonds	135,245,883
Payments to vendors for goods and services	(1,518,992)
Payments received from the Literary Fund	66,361,575
Other operating revenues	<u>396,523</u>
Net cash provided by operating activities	<u>287,254,486</u>
Cash flows from noncapital financing activities:	
Proceeds from the sale of bonds and notes	342,738,089
Principal paid on VPSA bonds and notes	(335,570,000)
Interest paid on VPSA bonds and notes	(142,497,949)
Payments to localities (School Technology and Security Notes)	(71,174,661)
Payments to escrow agent	(43,562,799)
Rebate and penalty payments and calculation fees	<u>(337,176)</u>
Net cash used by noncapital financing activities	<u>(250,404,496)</u>
Net increase in cash and cash equivalents	36,849,990
Cash and cash equivalents, July 1, 2023	<u>346,937,797</u>
Cash and cash equivalents, June 30, 2024	<u>\$ 383,787,787</u>

VIRGINIA PUBLIC SCHOOL AUTHORITY

Reconciliation of operating income to net cash provided by operating activities:

Operating Gain	<u>\$ 21,885,112</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decreases in interest receivable	50,024
Increased in accounts payable	58,084
Decreased in interest payable	(302,980)
Payments from the Literary Fund	58,940,101
Principal received on local school bonds	298,701,792
Purchase of local school bonds	(230,485,000)
Rebate and penalty payments to the Internal Revenue Service	337,176
Amortization of premium	(10,278,755)
Underwriters' discount	105,854
Premium on bonds sold	(495,238)
Amortization of interest deferral	8,142,900
Interest paid on VPSA bonds	142,497,949
Accrual of interest on defeasance	489,998
Increased in fair value of investments	<u>(2,392,531)</u>
Total adjustments	<u>265,369,374</u>
Net cash provided by operating activities	<u><u>\$ 287,254,486</u></u>

Non-Cash Investing and Financing Activities:

Amortization of bond premium/discount on bonds	\$ 10,278,755
Amortization of gain/loss on debt refinancing	(8,142,900)
Changes in fair value of investments recognized as a component of interest income	2,392,531

The accompanying notes to the financial statements are an integral part of this statement.

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

AS OF JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Virginia Public School Authority (the “Authority” or “VPSA”) was created by Chapter 11, Title 22.1, *Code of Virginia*, 1950, as amended (the “Enabling Act”). The Authority provides financing to localities through the sale of its bonds. With the proceeds of its bonds, the Authority purchases a predetermined number of general obligation bonds issued by localities. The Enabling Act authorizes the Authority to purchase local school bonds issued by counties, cities, and towns under the provisions of Section 15.2-2600, et seq., *Code of Virginia* (the “Public Finance Act of 1991”). The Enabling Act further authorizes the Authority to issue bonds which are payable from the funds of the Authority including:

- 1) principal and interest received on local school bonds held by the Authority;
- 2) proceeds from the sale of such local school bonds;
- 3) any moneys transferred from the Literary Fund or funds appropriated from the General Assembly; and
- 4) a reserve fund(s) created from bond proceeds pledged to secure designated bonds.

Currently, the Authority has pooled bonds outstanding under its 1997 Resolution. Bonds issued under the 1997 Resolution are secured by local school bonds purchased, the State Aid Intercept Provision, and a “sum sufficient appropriation,” first from available Literary Fund monies and then from the Commonwealth’s General Fund.

The Authority also has Qualified School Construction Bonds and Qualified Zone Academy Bonds outstanding under a separate Master Indenture of Trust. These bonds are taxable, but they expect to receive a 100% interest rate subsidy from the federal government. They are secured by general obligation local school bonds in a pool pledged to their security. As a result of the Federal Sequestration, the actual December 15, 2023 and June 15, 2024 payments were reduced by 5.7%. Therefore, the localities are not receiving the full benefit of the tax credit.

In addition to its pooled bond program, the Authority also issues special obligation bonds under its stand-alone program. Bonds issued under the stand-alone program are secured by the local school bonds purchased from one or more specific localities and by the State Aid Intercept Provision. The Authority acts as a conduit issuer under the stand-alone program.

As directed by the General Assembly, the Authority has also issued obligations to finance technology and security equipment purchases for local public school systems within the Commonwealth. These obligations are payable from, or otherwise secured by, appropriations by the General Assembly from the Literary Fund and the Commonwealth’s General Fund.

A separate report is prepared for the Commonwealth of Virginia which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Authority is a component unit of the

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

Commonwealth of Virginia and is included in the basic financial statements of the Commonwealth.

The accounting and reporting policies of the Authority conform to generally accepted accounting principles (GAAP) applicable to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Authority's significant policies.

B. Basis of Accounting

The accompanying financial statements are reported using the economic resources measurement focus and the accrual basis of accounting under which revenues are recognized when they are earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. The cash basis of accounting is used during the year. The financial statements are prepared on the accrual basis at the end of the fiscal year by the Authority.

C. Fund Accounting

The activities of the Authority are accounted for in an enterprise fund, used to account for governmental operations that are financed and operated in a manner similar to private business enterprises. Enterprise fund accounting is used where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate. All fund accounts of the Authority are presented in total on the financial statements.

The Authority considers revenues and expenses as operating if the revenue or expense results from the Authority's principal purpose. The Authority's principal purpose is to provide financing to localities through the sale of its bonds. With the proceeds of its bonds, the Authority purchases a predetermined number of general obligation bonds issued by localities. Therefore, the Authority's operating revenues or expenses generally include revenues or expenses related to bonds purchased or sold and revenues or expenses related to usual operating activities such as cash management.

D. Bond Issuance Costs, Discounts, and Premiums

Costs associated with issuing debt, which are either offset by fees collected over the life of the respective pooled bond issues from local issuers, or reimbursed directly by localities participating in stand-alone issues, are expensed in the year incurred. The net original issue discount or premium (after distributing the allocable share to various participating localities), for each bond issuance, is also expensed or recorded as revenue in the year incurred unless it exceeds 1% of the amount of bonds issued. In that case, the net original issue discount or premium is deferred and amortized, on a straight-line basis, over the life of the outstanding debt.

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

2. DETAILED NOTES

A. Cash, Cash Equivalents and Investments (Unrestricted and Restricted)

Cash and Cash equivalents of \$187,862,763 are held by the Treasurer of Virginia. Cash equivalents of \$195,925,024 and investments of \$82,352,501 are held by U.S. Bank. Cash is defined as currency on hand and demand deposits, or monies in accounts or cash management pools having the characteristics of demand deposit accounts. Cash equivalents are defined as investments with an original maturity of less than three months.

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”). Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice will pledge collateral that ranges in amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Section 2.2-4500 and Section 2.2-4501 of the *Code of Virginia* outline the instruments in which public sinking funds and other public funds may legally invest. The Authority adheres to these general guidelines unless bond resolutions require more restrictive investment policies.

Custodial credit risk for cash equivalents and investments is the risk that, in the event of a failure of the counterparty, the Authority will not be able to recover the value of its cash equivalents and investments. All cash equivalents and investments of the Authority are held in the Authority’s name and are therefore not exposed to custodial credit risk.

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Authority has elected to disclose the risk for its debt investments using the segmented time distribution method.

The Authority’s cash equivalents are valued at amortized cost, which approximates fair value, and its investments are valued at fair value. Fair values are based upon quoted market prices (level 1 inputs, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*). Details of cash equivalents and investments are presented on the following page.

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

Summary of Cash, Cash Equivalents, and Investments
(Dollars in Thousands)

<u>Investment Type</u>	June 30, 2024	<u>Investment Maturities (in years)</u>			S&P Rating	
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>		<u>More Than 10</u>
U.S. Treasury Securities	\$ 82,352	\$ 580	\$ 57,269	\$ 21,157	\$ 3,346	AA+
Money Market Accounts ¹	233,895	233,895	-	-	-	AAAm
State Non-Arbitrage Program ^{® 2}	149,893	149,893	-	-	-	AAAm
Total cash, cash equivalents, and investments	<u>\$ 466,140</u>	<u>\$ 384,368</u>	<u>\$ 57,269</u>	<u>\$ 21,157</u>	<u>\$ 3,346</u>	

1 The Authority invests certain short-term cash balances held within its accounts in the State Street Institutional Treasury Plus Money Market Fund – Premier Class. The Treasury Plus Fund attempts to meet its investment objective by investing only in U.S. Treasury bills, notes and bonds (which are direct obligations of the U.S. government) and repurchase agreements collateralized by these obligations. The Authority also invests certain short-term cash balances held within the First American Government Obligation Fund which seeks to provide maximum current income and daily liquidity by purchasing U.S. government securities and repurchase agreements collateralized by such obligations.

2 The Virginia State Non-Arbitrage Program[®] (SNAP[®]) offers a professionally-managed money market mutual fund, which provides issuers with a temporary pooled investment vehicle for proceeds pending expenditure, and with record keeping, depository and arbitrage rebate calculation services. SNAP[®] is in compliance with all of the standards of GASB Statement No. 79 and elects to report its investments for financial reporting at amortized cost. Participants in SNAP[®] should also report their investments in SNAP[®] at amortized cost.

The Authority does not limit the amount that may be invested in any one issuer. The Authority had investments of five percent or more in the State Non-Arbitrage Program[®] (32%), the First American Government Obligation Fund (42%), US Government Treasury Strips (18%), and the State Street Instl Invt Tr Money Market Fund (8%).

B. Local School Bonds

The Authority purchases bonds from (makes loans to) various localities throughout the Commonwealth, which are issued to finance the construction of local public school facilities. These bonds are recorded at a purchase price that is equal to the face value of the bonds. Local school bonds purchased under the 1997 Resolution are held in a pledge account of the General Pledge Fund established under its bond resolution. Local school bonds purchased under the stand-alone program are deposited in separate purchase funds established for each issue. Assets of the Authority that are held or received in purchase funds, pledge funds, or debt service funds are classified as restricted assets because their use is limited to the purpose of the funds in which they reside, in accordance with applicable bond resolutions. The local school bonds are held and pledged to repay the Authority's bonds.

The interest rates on the local school bonds are determined by the Authority and fixed at the time of sale of the Authority bonds issued to fund the acquisition of the local school bonds. On local school bonds held by the Authority that were issued prior to March 26, 2009, the interest rate on each maturity of the local bonds is ten basis points (0.10%) higher than the interest rate paid by the Authority on the corresponding maturity on its bonds. As a result of a policy change made by the Authority on March 26, 2009, local school bonds issued by localities subsequent to March 26, 2009, and held by the Authority, will pay interest 5 basis points (0.05%) above the rates paid by the Authority on corresponding maturities of its bonds. A further policy change was made by the Authority at its March 15, 2023 Board Meeting. The Authority's Pooled Bonds and its Stand- Alone Bonds issued

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

subsequent to March 15, 2023 each pay interest 5 basis points (0.05%) above the rates paid by the Authority on corresponding maturities of its bonds and this fee covers the Authority's administrative expenses. Costs of issuance incurred by the Authority for its Pooled Bond and Stand-Alone Bond programs are passed through to the local issuer.

Local school bonds held by the Authority as of June 30, 2024 are shown below.

Local school bonds:

Held in 1997 Pledge Account	\$ 2,339,180,853
Held in 2009 Purchase Fund (Qualified School Construction Bonds)	12,316,180
Held in 2010 Purchase Fund (Qualified School Construction Bonds)	14,065,000
Held in 2011-1 Purchase Fund (Qualified School Construction Bonds)	15,821,365
Held in 2011-2 Purchase Fund (Qualified School Construction Bonds)	50,571,011
Held in 2012-1 Purchase Fund (Qualified School Construction Bonds)	11,928,025
Held in 2014 Purchase Fund (Prince William County Stand Alone)	37,125,000
Held in 2014 Purchase Fund (Warren County Stand Alone)	12,505,000
Held in 2014-1 Purchase Fund (Qualified Zone Academy Bonds)	451,000
Held in 2015 Purchase Fund (Prince William County Stand Alone)	39,400,000
Held in 2016 Purchase Fund (Prince William County Stand Alone)	122,920,000
Held in 2016 Purchase Fund (Montgomery County Stand Alone)	44,645,000
Held in 2016 Purchase Fund (Qualified Zone Academy Bonds)	1,253,333
Held in 2017 Purchase Fund (Prince William County Stand Alone)	50,465,000
Held in 2017 Purchase Fund (King George County Stand Alone)	18,605,000
Held in 2018 Purchase Fund (Prince William County Stand Alone)	81,130,000
Held in 2019 Purchase Fund (Montgomery County Stand Alone)	23,565,000
Held in 2019-1 Purchase Fund (Prince William County Stand Alone)	87,315,000
Held in 2019-2 Purchase Fund (Prince William County Stand Alone)	33,480,000
Held in 2020 Purchase Fund (Prince William County Stand Alone)	90,525,000
Held in 2021 Purchase Fund (Henrico County Stand Alone)	43,295,000
Held in 2021 Purchase Fund (Prince William County Stand Alone)	52,965,000
Held in 2022 Purchase Fund (Chesterfield County Stand Alone)	104,945,000
Held in 2022 Purchase Fund (Montgomery County Stand Alone)	84,690,000
Held in 2022 Purchase Fund (Hanover County Stand Alone)	39,220,000
Held in 2022 Purchase Fund (Prince William County Stand Alone)	40,280,000
Held in 2023 Purchase Fund (Stafford County Stand Alone)	89,485,000
Held in 2023 Purchase Fund (Prince William County Stand Alone)	135,815,000
Total local school bonds	\$ 3,677,961,767

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

C. Long-Term Indebtedness

1. Changes in Long-Term Debt

The following schedules reflect summary changes in long-term debt of the Authority for the year ended June 30, 2024.

Change in Long-Term Debt - Authority Bonds and Notes					
	Balance July 1, 2023	Issuances and Other Increases	Retirements and Other Decreases	Balance June 30, 2024	Due Within One Year
Pooled Bond Programs	\$ 2,706,515,000	\$ 134,340,000	\$ (246,060,000)	\$ 2,594,795,000	\$ 199,750,000
Technology and Security Notes Programs	191,765,000	64,555,000	(60,985,000)	195,335,000	62,370,000
Special Obligation Bonds	1,164,300,000	135,815,000	(67,740,000)	1,232,375,000	79,335,000
Add: Unamortized Premium	90,493,255	4,299,705	(10,278,755)	84,514,205	9,964,554
Total	<u>\$ 4,153,073,255</u>	<u>\$ 339,009,705</u>	<u>\$ (385,063,755)</u>	<u>\$ 4,107,019,205</u>	<u>\$ 351,419,554</u>

Change in Long-Term Debt - Authority Direct Placement Bonds					
	Balance July 1, 2023	Issuances and Other Increases	Retirements and Other Decreases	Balance June 30, 2024	Due Within One Year
Pooled Bond Programs	\$ 87,286,000	\$ -	\$ (4,010,000)	\$ 83,276,000	\$ 7,871,000
Total	<u>\$ 87,286,000</u>	<u>\$ -</u>	<u>\$ (4,010,000)</u>	<u>\$ 83,276,000</u>	<u>\$ 7,871,000</u>

2. Annual Requirements to Amortize Bonds Payable and Notes Payable

The following schedules provide the annual funding requirements necessary to amortize long-term debt of the Authority outstanding at June 30, 2024.

Annual Requirements to Amortize Long-Term Debt Authority Bonds and Notes			
<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 341,455,000	\$ 151,580,536	\$ 493,035,536
2026	326,890,000	136,803,270	463,693,270
2027	505,205,000	122,873,439	628,078,439
2028	278,145,000	102,994,570	381,139,570
2029	253,375,000	91,210,771	344,585,771
2030-2034	1,095,410,000	308,691,137	1,404,101,137
2035-2039	718,050,000	149,553,498	867,603,498
2040-2044	360,805,000	56,992,157	417,797,157
2045-2049	96,060,000	18,863,660	114,923,660
2050-2054	47,110,000	3,204,813	50,314,813
Unamortized Premium	84,514,205	-	84,514,205
Total	<u>\$ 4,107,019,205</u>	<u>\$ 1,142,767,851</u>	<u>\$ 5,249,787,056</u>

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

Annual Requirements to Amortize Long-Term Debt
Authority Direct Placement Bonds

Year Ending June 30	Principal	Interest	Total
2025	\$ 7,871,000	\$ 2,139,851	\$ 10,010,851
2026	4,105,000	2,023,571	6,128,571
2027	4,160,000	1,905,795	6,065,795
2028	4,215,000	1,786,451	6,001,451
2029	4,270,000	1,665,540	5,935,540
2030-2034	24,610,000	6,455,108	31,065,108
2035-2039	23,940,000	3,166,208	27,106,208
2040-2044	10,105,000	289,204	10,394,204
Total	<u>\$ 83,276,000</u>	<u>\$ 19,431,728</u>	<u>\$ 102,707,728</u>

D. Technology and Security Notes

Periodically, the Authority issues Technology and Security Notes, the proceeds of which are used to make grants to school divisions for the purchase of educational technology and security equipment. The proceeds are invested in the Virginia State Non-Arbitrage Program[®] until requisitioned by localities. The following schedule details the notes that have been issued which still have either bonds outstanding or funds remaining to be disbursed to localities as of June 30, 2024.

Technology and Security Notes

Issue	Description	Amount Issued	Outstanding Balance	Remaining Available for Disbursement
Educ Tech Series XIX	2019 Notes	\$ 52,110,000	\$ -	\$ 913,312
Educ Tech Series XX	2020 Notes	49,670,000	10,850,000	4,420,429
Security Series VIII	2020 Notes	10,595,000	2,315,000	19,266
Educ Tech Series XXI	2021 Notes	49,800,000	21,315,000	9,305,162
Security Series IX	2021 Notes	10,655,000	4,555,000	30,842
Educ Tech Series XXII	2022 Notes	52,510,000	32,860,000	18,473,707
Security Series X	2022 Notes	11,230,000	7,025,000	591,255
Educ Tech Series XXIII	2023 Notes	52,400,000	42,700,000	33,613,214
Security Series XI	2023 Notes	11,240,000	9,160,000	6,703,307
Educ Tech Series XXIII	2024 Notes	53,145,000	53,145,000	12,000,000
Security Series XII	2024 Notes	11,410,000	11,410,000	50,422,000
		<u>\$ 364,765,000</u>	<u>\$ 195,335,000</u>	<u>\$ 136,492,494</u>

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

E. Qualified Zone Academy Bonds

On October 31, 2012, the Authority issued \$2,014,104 for the City of Roanoke as a QZAB, as part of the School Tax Credit Bonds (Direct Payment) Series 2012-1. On December 30, 2014, the Authority issued \$3,816,000 for the Cities of Franklin and Petersburg as QZABs, as part of the School Tax Credit Bonds (Direct Payment) Series 2014-1. On November 30, 2016, the Authority issued \$2,350,000 for the Cities of Covington and Danville as QZABs, as part of the School Tax Credit Bonds (Direct Payment) Series 2016. These bonds were issued pursuant to Section 1297E of the Internal Revenue Code of 1986, as amended, and the Authority purchased certain general obligation school bonds of the Cities of Roanoke, Franklin, Petersburg, Covington, and Danville to finance capital projects for public schools.

The localities will make annual principal payments to the Authority on the anniversary date of each issuance. Such payments received by the Authority will be held in trust and invested in accordance with the funding agreements, until the QZABs mature. The final annual principal payments on the 2012 QZAB, the 2014 QZABs, and the 2016 QZABs are due December 15, 2034, December 1, 2024, and December 1, 2031, respectively, at which dates the QZABs will mature.

F. Qualified School Construction Bonds

In prior years, the Authority has issued Qualified School Construction Bonds and has used the proceeds to purchase general obligation school bonds issued by certain localities. The bonds have been issued as “qualified school construction bonds” in accordance with Section 54F of the Internal Revenue Code of 1986, as amended. The total amount outstanding under this program as of June 30, 2024 is \$353,400,000 (which includes the 2012 QZAB detailed under Note 2E that was issued as part of the 2012 School Tax Credit Bonds). These bonds are non-interest bearing; however, a taxpayer who holds such bonds during a taxable year will be allowed a federal income tax credit for such taxable year in accordance with the structure established at issuance.

G. Direct Placement Bonds

The Authority has issued the 2014-1 Qualified Zone Academy Bond (QZAB) in the amount of \$3,816,000, and the 2016 QZAB, in the amount of \$2,350,000, as direct placement bonds. These bonds were issued as QZABs within the meaning of Sections 54A and 54E of the Internal Revenue Code of 1986, as amended.

The bonds are non-interest bearing bonds. The owner of the bonds is entitled to a tax credit on each tax credit allowance date equal to one-fourth of the product of the principal amount of the bonds owned, times the applicable tax credit rate.

Should the 2014-1 QZAB become disqualified as a QZAB, it shall bear interest at the tax credit rate on each tax credit allowance date, beginning on the first such date after the disqualification date. Not later than 60 days after the disqualification date, the Authority shall pay to the owner of the 2014-1 Bonds the amount which, after taking into account all penalties, fines, interest and additions to federal income tax (including lost tax credits) that are imposed on the owner of the 2014-1 Bonds as a result of the determination of

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

disqualification, would restore the owner of the 2014-1 Bonds to the same after-tax yield on the 2014-1 Bonds that the owner would have realized had the determination of disqualification not occurred.

From and after an event of default under the Master Indenture, the 2014-1 Bonds shall bear interest at the default rate, payable on demand by the owner of the 2014-1 Bonds.

Should the 2016 QZAB become disqualified as a QZAB, it shall be subject to extraordinary mandatory redemption prior to its fixed maturity date, in whole or in relevant part, within ninety (90) days after the disqualification notice date, at a redemption price equal to 100% of the principal amount of the Bonds called for redemption, plus the redemption premium, plus the amount which, after taking into account all penalties, fines, interest and additions to federal income tax (including lost tax credits taken by the owner prior to the disqualification notice date) that are imposed on the owner of this Bond as a result of the determination of disqualification, would restore the owner of this Bond to the same after-tax yield on this Bond that the owner would have realized had the determination of disqualification not occurred.

The Authority also issued its Series 2020A Pooled Bonds as direct placement bonds. These bonds are secured by the State Aid Intercept Provision and a sum sufficient appropriation from the Commonwealth. Therefore, there are no other default provisions related to these bonds.

H. Defeasance of Debt

From time to time, when interest rates indicate that it would be favorable to do so, the Authority has issued refunding bonds to defease outstanding bonds. These refundings have placed the proceeds of the new bonds in irrevocable trusts with escrow agents to provide for all future debt service on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the Authority's financial statements.

The Authority issued one series of refunding bonds during fiscal year 2024. The proceeds of the refunding bonds were placed with an escrow agent to provide for all future debt service on the defeased bond. Accordingly, the liability for the defeased bonds in not included on the Authority's financial statements. Any savings realized as a result of this refunding will be passed through, on a pro rata basis, to the issuers of the related underlying local school bonds in accordance with the Authority's Enabling Legislation. The table on the following page reflects the refunding activity during the year.

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

Refunding Bonds Issued During Fiscal Year 2024

<u>Refunding Issue</u>	<u>Refunded Issue</u>	<u>Maturities Defeased</u>	<u>Amount Defeased</u>
2024A	2014C	2025-2035	\$ 43,225,000
Total Defeased, FY 2024			\$ 43,225,000

The issuance under the 1997 Resolution of the Authority’s Series 2024A bonds refunded certain outstanding bonds under the 1997 resolution as reflected on the above schedule. This debt defeasance resulted in an accounting gain of \$152,200. Total debt service payments over the next 12 years will be reduced by \$1,804,176. Present value saving of \$1,535,334 reflected the True Interest Cost of each component of the refunding at the discount rate.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 23, “Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities,” as amended by GASB Statement No. 65, “Items Previously Reported as Assets and Liabilities,” the difference between the reacquisition price and the net carrying amount of the bonds defeased with refunding debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of Interest and Fiscal Charges over the shorter of the remaining life of the refunded debt or the life of the new debt.

At June 30, 2024, \$90,730,000 of bonds outstanding are considered defeased for financial reporting purposes.

I. Local School Bond Credits

Beginning in fiscal year 2015, the Authority modified its process for returning refunding savings to localities. Previously, these savings had been returned to localities in the form of lump sum payments when refunding bonds were issued. This process negatively impacted the Authority’s net position. Under the current process, the Authority has calculated credit amounts to be returned to each locality annually as savings are actually achieved. The savings accrue to the Authority over time and the return of refunding savings to localities is now consistent with the timeframe in which the savings are earned by the Authority. As of June 30, 2024, the total remaining credits to be paid to the impacted localities over the next nineteen years is \$51 million.

J. Payments to/from the Literary Fund

In fiscal year 2024, after final rebate computations on the School Educational Technology Notes XVIII, the residual earnings of \$1,601,754 on the related bond proceeds were paid to the Literary Fund, which had been the source of the debt service appropriation for these Notes.

The Authority received \$7,421,474 from the Literary Fund to pay interest on the various outstanding Educational Technology and Security Notes.

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

K. Arbitrage Earnings

The Tax Reform Act of 1986 requires that governmental entities issuing tax-exempt debt subsequent to August 1986 calculate and rebate arbitrage earnings to the federal government. The U.S. Treasury has issued regulations on calculating the rebate amount and complying with the provisions of the Tax Reform Act of 1986. The Authority and the issuers of local school bonds purchased by the Authority must comply with the rebate regulations in order for the Authority's bonds to maintain a tax-exempt status. The regulations require the excess of the aggregate amount earned on investments purchased with the bond proceeds over the amount that would have been earned if the proceeds were invested at a rate equal to the bond yield to be rebated to the federal government.

Income earned on excess earnings is also subject to rebate. Rebate payments, if required, are due at least every five years over the life of the bonds. Some Authority bonds may be exempt from the rebate requirement if they meet statutory exceptions per the rebate regulations. The Authority may also elect, on or before the date of the bond issue, to pay a penalty in lieu of rebate if it does not meet certain expenditure schedules. If such an election is made and if the Authority (local issuer) meets the expenditure schedule, the Authority (local issuer) retains any arbitrage earnings. The Authority, to date, has not elected penalty in lieu of rebate due to the difficulty in estimating local issuer's expenditure schedules. Rebate and penalty payments are calculated and paid by the Authority as required by law on bond issues that do not meet the statutory exceptions. Rebate installments must be paid no later than 60 days after the computation date.

In most cases, rebate liability is payable by local issuers whose local school bonds were purchased by the Authority. During the year, the Authority's rebate calculation agent, or the locality's rebate calculation agent in the case of special obligation stand-alone bonds, calculate rebate liability or penalty in lieu of rebate if selected by a locality. Rebate calculations were performed for the following issues during the year:

Bond Issue	Computation Time Frame	Computation Date	Liability	Fee
(97 Resolution) 2013A	Final	8/1/2023	\$ -	\$ 700
(97 Resolution) 2013B	10 Year	8/1/2023	-	- *
(97 Resolution) 2014A&B	10 Year	8/1/2023	-	3,625
(97 Resolution) 2018B	5 Year	8/1/2023	-	7,350
(97 Resolution) 2019A&B	5 Year	8/1/2023	-	4,275
Educational Technology and School Security Notes Series VII	Final	4/15/2024	315,261	2,840 **

* Series 2013B had its first calculation in 2018. Pursuant to a 2023 letter from Bingham Arbitrage Rebate Services, no further calculation is needed as all bond proceeds were spent during the first 5-year period.

** VPSA's Series 2019 Notes (Series VII) owed a rebate liability of \$315,260.86 as of April 15, 2024. This amount was paid from VPSA's General Fund on May 16, 2024 and reimbursed to VPSA from the Virginia Department of Education on June 7, 2024.

The Authority paid \$18,790 to its rebate calculation agent for services provided in connection with the above rebate calculations.

VIRGINIA PUBLIC SCHOOL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

L. Subsequent Events

On September 24, the Virginia Public School Authority issued its \$73,225,000 Special Obligation School Financing Bonds, Hanover County, Series 2024 to purchase certain general obligation local school bonds to finance capital projects for schools.

On October 30, 2024, the Virginia Public School Authority plans to issue its \$83,435,000 School Financing Bonds (1997 Resolution), Series 2024B to purchase certain general obligation local school bonds to finance capital projects for schools.

On October 31, 2024, the Virginia Public School Authority plans to issue its \$133,940,000 Special Obligation School Financing Bonds, Prince William County, Series 2024 to purchase certain general obligation local school bonds to finance capital projects for schools.

In December 2024, the Virginia Public School Authority plans to issue approximately \$53 million of its Special Obligation School Financing Bonds, Stafford County, Series 2024 to purchase certain general obligation local school bonds to finance capital projects for schools.

M. Risk Management

The Authority is exposed to various risks of loss related to torts; theft, damage to, and/or destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department of the Treasury participates in insurance plans maintained by the Commonwealth of Virginia on behalf of the Authority. The risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The Department of the Treasury pays premiums to this Department for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Annual Comprehensive Financial Report.

**VIRGINIA PUBLIC SCHOOL AUTHORITY
SUPPLEMENTARY INFORMATION**

**Detail of Long-Term Indebtedness
June 30, 2024
(Dollars in Thousands)**

Detail of Long-Term Indebtedness by Series

	Dated	Bond	True Interest	Amount	Local	Outstanding	Issued	Outstanding	Original
	Date	Resolution	Cost ("TIC")	Issued (a)	School Bonds	July 1,	(Retired)	June 30,	Maturity
					Purchased	2023	During	2024	
Series 2009-1 QSCB	11/13/09	School Tax Cr.	0.63%	\$ 61,120	\$ 61,120	\$ 61,120	\$ -	\$ 61,120	09/15/26
Series 2010 B	05/13/10	1997	5.09%	63,840	63,840	36,870	(4,540)	32,330	08/01/30
Series 2010-1 QSCB	07/08/10	School Tax Cr.	0.06%	72,655	72,655	72,655	-	72,655	06/15/27
Series 2011-1 QSCB	06/28/11	School Tax Cr.	0.05%	67,400	67,400	67,400	-	67,400	06/15/27
Series 2011-2 QSCB	12/15/11	School Tax Cr.	0.00%	128,960	128,960	128,960	-	128,960	12/15/30
Series 2012 A	03/08/12	1997	2.28%	282,230	-	175	(175)	-	08/01/30
Series 2012-1 QTCB	10/31/12	School Tax Cr.	0.01%	23,265	23,265	23,265	-	23,265	12/15/34
Series 2013 A	05/09/13	1997	2.57%	141,840	141,840	8,535	(8,535)	-	08/01/33
Series 2013 Prince William County	07/31/13	Stand Alone	3.30%	59,990	59,990	3,000	(3,000)	-	07/15/33
Series 2013 B	11/21/13	1997	3.45%	45,075	45,075	9,300	(2,210)	7,090	08/01/40
Series 2014 A	05/15/14	1997	3.03%	51,510	51,510	34,610	(2,375)	32,235	08/01/39
Series 2014 B	05/15/14	1997	2.21%	215,405	-	92,845	(22,235)	70,610	08/01/26
Series 2014 Prince William County	10/07/14	Stand Alone	2.62%	82,545	82,545	41,255	(4,130)	37,125	07/15/34
Series 2014 C	11/20/14	1997	2.76%	81,265	81,265	51,900	(47,505)	4,395	08/01/35
Series 2014 Warren County	12/09/14	Stand Alone	3.42%	42,440	42,440	13,920	(1,415)	12,505	07/15/39
Series 2014-1 QZAB	12/30/14	School Tax Cr.	0.00%	3,816	3,816	3,816	-	3,816	12/15/24
Series 2015 A	02/17/15	1997	2.20%	435,715	-	283,755	(37,470)	246,285	08/01/37
Series 2015 B	05/14/15	1997	3.11%	33,820	33,820	27,035	(1,315)	25,720	08/01/38
Series 2015 Prince William County	07/30/15	Stand Alone	2.89%	98,485	98,485	44,325	(4,925)	39,400	08/01/35
Series 2015 C	11/19/15	1997	2.91%	49,350	49,350	36,170	(1,995)	34,175	08/01/45
Series 2016 Prince William County	04/27/16	Stand Alone	2.38%	171,160	171,160	131,870	(8,950)	122,920	08/01/36
Series 2016 A	05/17/16	1997	2.40%	101,770	90,970	75,490	(5,695)	69,795	08/01/36
Series 2016 Montgomery County	11/10/16	Stand Alone	2.22%	64,605	64,605	51,770	(7,125)	44,645	02/01/32
Series 2016 B	11/17/16	1997	2.49%	90,080	83,665	69,765	(4,725)	65,040	08/01/36
Series 2016-1 QZAB	11/30/16	School Tax Cr.	0.00%	2,350	2,350	2,350	-	2,350	12/15/31
Series 2017 Prince William County	03/09/17	Stand Alone	2.88%	77,660	77,660	54,350	(3,885)	50,465	03/01/37
Series 2017 A	05/16/17	1997	2.93%	18,470	18,470	15,265	(740)	14,525	08/01/37
Series 2017 B	08/22/17	1997	2.37%	106,075	-	100,230	(8,660)	91,570	08/01/36
Series 2017 C	11/07/17	1997	2.99%	115,820	115,820	101,780	(3,490)	98,290	08/01/47
Series 2017 King George County	11/09/17	Stand Alone	2.97%	20,840	20,840	19,220	(615)	18,605	02/01/38
Series 2018 A	05/15/18	1997	3.12%	63,920	63,920	54,855	(2,715)	52,140	08/01/38
Series 2018 Prince William County	05/24/18	Stand Alone	2.97%	115,895	115,895	86,925	(5,795)	81,130	03/01/38
Series 2018 B	11/06/18	1997	3.36%	109,070	109,070	90,700	(4,940)	85,760	08/01/38
Series 2019 A	05/21/19	1997	2.89%	88,250	88,250	80,480	(2,770)	77,710	08/01/49
Series 2019 B	05/21/19	1997	1.69%	156,560	-	41,935	(12,240)	29,695	08/01/28
Series 2019 School Technology and Security Series VII	05/23/19	Equip. Notes	1.63%	57,595	-	12,605	(12,605)	-	04/15/24
Series 2019 Montgomery County	10/24/19	Stand Alone	2.21%	27,315	27,315	24,570	(1,005)	23,565	02/01/40
Series 2019 A Prince William County	10/29/19	Stand Alone	2.18%	109,155	109,155	92,775	(5,460)	87,315	10/01/39
Series 2019 B Prince William County	10/29/19	Stand Alone	2.67%	34,610	34,610	33,770	(290)	33,480	07/15/33
Series 2019 C	11/12/19	1997	2.36%	88,360	88,360	79,480	(3,115)	76,365	08/01/39
Series 2019 D	11/12/19	1997	2.72%	22,290	-	21,535	(210)	21,325	08/01/40

(a) Includes refunding bonds issued.

**VIRGINIA PUBLIC SCHOOL AUTHORITY
SUPPLEMENTARY INFORMATION**

**Detail of Long-Term Indebtedness
June 30, 2024
(Dollars in Thousands)**

Detail of Long-Term Indebtedness by Series (continued)

	Dated Date	Bond Resolution	True Interest Cost ("TIC")	Amount Issued (a)	Local School Bonds Purchased	Outstanding July 1, 2023	Issued (Retired) During Year	Outstanding June 30, 2024	Original Maturity
Series 2020 A	05/08/20	1997	2.85%	88,990	88,990	81,120	(4,010)	77,110	08/01/40
Series 2020 School Technology and Security Series VIII	06/09/20	Equip. Notes	0.34%	60,265	-	25,695	(12,530)	13,165	04/15/25
Series 2020 Prince William County	10/15/20	Stand Alone	1.43%	106,510	106,510	95,850	(5,325)	90,525	10/01/40
Series 2020 B	11/10/20	1997	1.63%	142,195	118,820	123,325	(10,145)	113,180	08/01/50
Series 2020 C	11/10/20	1997	1.63%	320,840	11,910	305,505	(43,210)	262,295	08/01/41
Series 2021 A	05/11/21	1997	1.74%	77,790	77,790	74,415	(2,660)	71,755	08/01/50
Series 2021 B	05/11/21	1997	2.30%	10,535	10,535	10,245	(115)	10,130	08/01/39
Series 2021 School Technology and Security Series IX	05/13/21	Equip. Notes	0.32%	60,455	-	37,890	(12,020)	25,870	04/15/26
Series 2021 Henrico County	10/12/21	Stand Alone	1.50%	48,115	48,115	45,705	(2,410)	43,295	08/15/41
Series 2021 Prince William County	10/21/21	Stand Alone	1.68%	58,855	58,855	55,910	(2,945)	52,965	10/01/41
Series 2021 C	11/09/21	1997	1.76%	150,235	150,235	144,140	(7,145)	136,995	08/01/41
Series 2022 Chesterfield County	02/08/22	Stand Alone	1.78%	116,605	116,605	110,775	(5,830)	104,945	01/15/42
Series 2022 Montgomery County	04/26/22	Stand Alone	3.21%	84,690	84,690	84,690	-	84,690	02/01/42
Series 2022 A	05/17/22	1997	3.63%	213,080	213,080	213,080	(4,015)	209,065	08/01/51
Series 2022 School Technology and Security Series X	05/24/22	Equip. Notes	2.47%	63,740	-	51,935	(12,050)	39,885	04/15/27
Series 2022 Hanover County	09/28/22	Stand Alone	3.05%	41,285	41,285	41,285	(2,065)	39,220	08/01/42
Series 2022 B	11/09/22	1997	4.18%	99,915	99,915	99,915	(1,115)	98,800	08/01/52
Series 2022 Prince William County	11/10/22	Stand Alone	4.08%	42,400	42,400	42,400	(2,120)	40,280	10/01/42
Series 2023 Stafford County	03/14/23	Stand Alone	3.52%	89,935	89,935	89,935	(450)	89,485	08/01/43
Series 2023 A	05/16/23	1997	3.31%	69,780	69,780	69,780	-	69,780	08/01/43
Series 2023 School Technology and Security Series XI	05/23/23	Equip. Notes	2.50%	63,640	-	63,640	(11,780)	51,860	04/15/28
Series 2023 B	11/09/23	1997	4.37%	79,710	79,710	-	79,710	79,710	08/01/48
Series 2023 Prince William County	11/09/23	Stand Alone	4.25%	135,815	135,815	-	135,815	135,815	10/01/43
Series 2024 A	05/14/24	1997	3.26%	54,630	14,960	-	54,630	54,630	08/01/44
Series 2024 School Technology and Security Series XII	05/16/24	Equip. Notes	3.05%	64,555	-	-	64,555	64,555	04/15/29
Total				\$ 6,027,141	\$ 4,049,426	\$ 4,149,866	\$ (44,085)	\$ 4,105,781	

Detail of Long-Term Indebtedness by Resolution

	Amount Issued (a)	Local School Bonds Purchased	Outstanding July 1, 2023	Issued (Retired) During Year	Outstanding June 30, 2024
1997 Resolution	\$ 3,668,415	\$ 2,060,950	\$ 2,434,235	\$ (115,730)	\$ 2,318,505
Stand Alone Issues	1,628,910	1,628,910	1,164,300	68,075	1,232,375
Technology and Security Notes	370,250	-	191,765	3,570	195,335
School Tax Credit	359,566	359,566	359,566	-	359,566
Total	\$ 6,027,141	\$ 4,049,426	\$ 4,149,866	\$ (44,085)	\$ 4,105,781

(a) Includes refunding bonds issued.

VIRGINIA PUBLIC SCHOOL AUTHORITY
Richmond, Virginia

BOARD OF COMMISSIONERS

As of June 30, 2024

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Michael Nguyen, Vice Chairman

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