COMMONWEALTH OF VIRGINIA

Department of the Treasury

DAVID L. RICHARDSON
TREASURER OF VIRGINIA
FAX (804) 225-3187

P. O. BOX 1879
RICHMOND, VA 23218
(804) 225-2142

September 11, 2025

The Honorable Glenn Youngkin
Governor of Virginia
Office of the Governor
Patrick Henry Building, 3rd Floor
1111 East Broad Street
Richmond, Virginia 23219

The Honorable L. Louise Lucas
Chair
Senate Finance and Appropriations Committee
Post Office Box 700
Portsmouth, Virginia 23705-0700

The Honorable Luke E. Torian
Chairman
House Appropriations Committee
4222 Fortuna Plaza, Suite 659
Dumfries, Virginia 22025

Dear Governor Youngkin, Madame and Mister Chairpersons:

It is my pleasure to submit this report pursuant to §22.1-167.2 (D) of the *Code of Virginia* as enacted in 1998 (enclosed), concerning certain bonds of the Virginia Public School Authority (VPSA) secured by a sum sufficient appropriation as provided in Item 125(C)(13) of the 2025 Appropriation Act.

The 1997 Bond Resolution adopted on October 23, 1997 and the School Tax Credit Bond (Qualified School Construction Bonds (QSCB) and Qualified Zone Academy Bonds (QZAB)) Resolution adopted on September 11, 2009, by the VPSA Board of Commissioners, utilized the additional security provided by the sum sufficient appropriation to achieve greater flexibility for localities participating in pooled bond sales and higher credit ratings for the VPSA's pooled bonds from the three major credit rating agencies.

During the fiscal year ended June 30, 2025, the VPSA issued three additional series of school financing bonds under the 1997 Resolution and no additional series of QZABs under the 2009 Resolution. Accordingly, as of June 30, 2025, the total amount of the Authority's outstanding

1997 Resolution and School Tax Credit Bonds as described in §22.1-167.2 (D) of the *Code of Virginia* was $2,631,800,000.

Respectfully submitted,

John R. Riley, Jr.
Chair, Virginia Public School Authority

Enclosure

c: The Honorable Stephen E. Cummings
Secretary of Finance
Commissioners, Virginia Public School Authority

VPSA Bonds Outstanding	as of 6/30/25	
Pledge Account (97 Res)	2,276,050,000.00	
School Technology and Security Notes IX (2021)	13,250,000.00	
School Technology and Security Notes X (2022)	27,230,000.00	
School Technology and Security Notes XI (2023)	39,830,000.00	
School Technology and Security Notes XII (2024)	52,655,000.00	
School Technology and Security Notes XIII (2025)	64,545,000.00	197,510,000.00
Chesapeake Purchase Fund 2025	104,530,000.00	
Chesterfield Purchase Fund 2022	99,115,000.00	
Hanover Purchase Fund 2022	37,155,000.00	
Hanover Purchase Fund 2024	73,225,000.00	
Henrico Purchase Fund 2021A	40,885,000.00	
King George Purchase Fund 2017	17,945,000.00	
Montgomery County Purchase Fund 2016	37,665,000.00	
Montgomery County Purchase Fund 2019	22,510,000.00	
Montgomery Purchase Fund 2022	84,690,000.00	
Prince William Purchase Fund 2014	33,000,000.00	
Prince William Purchase Fund 2015	34,475,000.00	
Prince William Purchase Fund 2016	108,635,000.00	
Prince William Purchase Fund 2017	46,580,000.00	
Prince William Purchase Fund 2018	75,335,000.00	
Prince William Purchase Fund 2019A	81,855,000.00	
Prince William Purchase Fund 2019B Taxable	33,185,000.00	
Prince William Purchase Fund 2020	85,200,000.00	
Prince William Purchase Fund 2021	50,020,000.00	
Prince William Purchase Fund 2022	38,160,000.00	
Prince William Purchase Fund 2023	129,020,000.00	
Prince William Purchase Fund 2024	133,940,000.00	
Stafford Purchase Fund 2023	86,590,000.00	
Stafford Purchase Fund 2024	44,940,000.00	
Warren Purchase Fund 2014	11,020,000.00	
Qualified School Construction 2009 -1	61,120,000.00	
Qualified School Construction 2010 -1	72,655,000.00	
Qualified School Construction 2011 -1	67,400,000.00	
Qualified School Construction 2011 -2	128,960,000.00	
Qualified School Construction 2012 -1	23,265,000.00	
Qualified Zone Academy Bond 2016-1	2,350,000.00	2,631,800,000.00
Total	4,338,985,000.00	
Per monthly Cardinal as of 6/30/25	4,338,985,000.00	
difference	-	

Prepared by: Cindy Wu 7/22/2025
Reviewed by: Kathy Foote 7/27/2025

§ 22.1-167.2. Security for payment; appropriations.

A. The Authority is authorized to issue bonds to finance and refinance acquisition of bonds, notes and other obligations of counties, cities and towns (local school bonds) issued for the purpose of financing and refinancing capital projects for school purposes and to pledge to the bonds all or any combination of the following sources: (i) payments of principal and interest on the local school bonds purchased by the Authority; (ii) payments to the localities by the Commonwealth as contemplated under the provisions of § 15.2-2659 (state aid intercept) of the Code of Virginia; (iii) funds in the Literary Fund available and appropriated for such purpose; and (iv) any funds in the general fund of the Commonwealth appropriated for such purpose.

B. The Governor's Budget Bill presented each year to the General Assembly shall include an appropriation to the Authority of a sum sufficient first, from funds in the Literary Fund available for such purpose, and second, from the general fund of the Commonwealth, to cure any shortfall in pledged primary revenues on any debt service payment date on the bonds of the Authority described by this section. A shortfall in pledged primary revenues shall exist when the sum of the payments made on local school bonds due on or before such date and any proceeds derived from the implementation of § 15.2-2659 (state aid intercept) of the Code of Virginia as of such date is less than required to pay the debt service due on the Authority's bonds on such date.

C. The Literary Fund and the general fund of the Commonwealth shall be subrogated to the rights of the Authority to the extent of any such funds paid to the Authority and shall be entitled to enforce the Authority's remedies with respect to the local school bonds and to full recovery of the amount of such shortfall.

D. On or before September 30 of each year, the Authority shall submit to the Governor and the chairmen of the House Appropriations Committee and the Senate Finance Committee a report as of the end of the prior fiscal year detailing the total amount of the Authority's outstanding bonds secured by appropriations as described in subsection B. The report shall also describe any instances where any such appropriation has been used.

(1998, cc. 4, 900.)