



Federal Transportation Grant Anticipation Notes Series 2018

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Commonwealth Transportation Board: Federal Transportation Grant Anticipation Notes, Series 2018

Summary Terms of Offering*	
Issuer	Commonwealth Transportation Board
Projects	Projects with GARVEE allocations in the Six-Year Improvement Program (SYIP)
Anticipated Ratings	Double-A Category
Pricing Date	November 2018
Security	The Series 2017 bonds are payable from and secured by revenues (i) first, from Project specific reimbursements, (ii) legally available revenues from the TTF, and (iii) from other such funds designated by the General Assembly for such purposes.
Par (in millions)	\$86.17*
Structure	Serial Bonds 2019 - 2033
Final Maturity (years)	15

* Preliminary and subject to change

GARVEE Program Overview

Chapter 830 and 868 of the Acts of Assembly of 2011 authorized the issuance of \$1.2 billion of GARVEEs.

Successor program to Federal Highway Reimbursement Anticipation Notes (FRANs) authorized in 2000.

Limits the outstanding GARVEEs and FRANs to \$1.2 billion.

Limits the maturity to 20 years.

Secured first by project specific federal reimbursements and then by:

- Legally available revenues from the TTF.
- Other such funds designated by the General Assembly for such purposes.

All FRANs were retired in September 2015.

Memorandum of Agreement (MOA) with Federal Highway Administration (FHWA) for the GARVEE program was executed in December 2011 and updated in August 2017.

Exhibit A of the MOA identifies the approved GARVEE supported projects and includes the projects to be supported by this sale.

GARVEE Issues

The CTB has issued five series of GARVEEs to date:

<u>Date of Issuance</u>	<u>Amount (in millions)</u>	
February 2012	\$298	GARVEE Proceeds have been used to date to support the Public Funds Amount for P3 Projects and projects with allocations provided in the adopted Six-Year Improvement Program (Pre-SMART SCALE and in Rounds 1 and 2 of SMART SCALE). Currently, all GARVEE allocations available are committed to SMART SCALE distribution.
July 2012	\$144	
November 2013*	\$307	
October 2016	\$317	
December 2017	\$195	

Debt Service for the GARVEE Bonds

Virginia's GARVEE bonds are secured first by project specific federal reimbursements and then by, legally available revenues from the TTF, from other such funds designated by the General Assembly for such purposes.

Bond issuances are limited to:

Maximum outstanding amount cannot exceed \$1.2 billion

Debt service must have 4x coverage

After this sale:

Outstanding GARVEEs - \$1.03 Billion (additional revolving authorization provided to SMART SCALE in future years)

Coverage – greater than 10x

Next sale anticipated for Fall 2019 and is estimated to be \$96 million

Recent GARVEE Transactions

	Commonwealth Transportation Board	Oklahoma Dept. of Trans.	State of Ohio	Tri-County Met. Trans. District	Commonwealth of Mass.	Idaho Trans. Board ⁽³⁾	Arizona DOT	State of North Carolina	Georgia State Road and Tollway Authority ⁽²⁾	Alabama Fed. Highway Finance Authority
Ratings (M/S/F)	Aa1/AA+/AA+	-/AA/-	Aa2/AA/-	A3/A/-	Aa2/AAA/-	A2/-/A+	Aa2/AA+/AA	A2/AA/A+	A2/AA/A+	Aa1/AAA/-
Pricing Date	11/22/2017	5/16/2018	3/27/2018	1/30/2018	11/1/2017	9/29/2017	8/30/2017	8/3/2017	7/19/2017	6/20/2017
Security	Discretionary Pledge of TTF Revenues and Other Funds	Stand Alone	Other lawfully available funds, including State Highway Fund monies	Stand Alone	Other available funds, including Fuel Tax, Registry Fees	Stand Alone	Other lawfully available funds, including State Highway Fund monies	Stand Alone	Stand Alone	Fuel Taxes
Series	Series 2017	Series 2018A	Series 2018-1	Series 2018A	2017 Series A	2017 Series A	Series 2017A	Series 2017	Series 2017AB	Series 2017AB
Par (in Millions)	\$483.00	\$61.51	\$369.975	\$113.90	\$142.68	\$91.265	\$62.595	\$224.640	\$349.765	\$556.320
Structure	Serial 2018 – 2032	Serial 2019 - 2033	Series 2018 - 2029	Series 2020 - 2034	Serial 2021 - 2027	Serial 2020 – 2027	Serial 2018 – 2032	Serial 2018 – 2023	Serial 2018 – 2029	Serial 2018 – 2037
Final Maturity (Years)	15 years	15 years	11 years	16 years	10 years	10 years	15 years	6 years	12 years	20 years
All-in Rate⁽¹⁾	2.32%	2.89%	2.34%	3.37	2.11%	1.940%	2.348%	1.379%	1.635%	2.724%

(1) Approximate All-in TIC based on information found in Official Statements (2)GA SRTA Indirect GARVEEs rated A1/AA/A+ (3) On behalf of Idaho Transportation Department

Next Steps for Virginia's Sixth GARVEE Issue

