



Capital Project Revenue and Refunding Bonds, Series 2022

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Authorization to Issue Capital Project Revenue Bonds

Chapter 896 (HB 3202) of the 2007 Virginia Acts of Assembly authorized the issuance of \$3 billion of Commonwealth of Virginia Capital Projects Revenue Bonds (CPR)

- **20% dedicated to Transit Capital**
- **4.3% dedicated to Rail Capital**
- **Balance to be used to provide for federal match, enhance the Revenue Sharing Program and Statewide and Regional Projects**

Annual sales limited to \$300 million, with carry over of unsold amount

Total authorization is limited to \$3.23 billion

- **Initial authorization \$3.0 billion**
- **Increased in 2009 to \$3.18 billion to replace \$180 million of General Funds (GF) provided in 2007 and subsequently taken**
- **Additional \$50 million authorized in 2018 through Chapters 854 and 856 to match federal funds provided for capital projects by the Washington Metropolitan Area Transit Authority (PRIIA Match)**

CPR Authorization

To date, the Commonwealth Transportation Board has issued **\$2.987 billion of CPR bonds**

Next sale of \$96.6 million planned for February 2022, leaving a balance of \$146.6 million

Refunding \$211.1 million of Series 2012 for estimated NPV savings of \$50.1 million or 23.7% of the refunded par value (Based on current rates)

The annual issuance amounts were accelerated in 2011 and 2012 by the Governor’s Transportation Bill to allow for \$1.8 billion in CPR bonds

Bond proceeds are fully allocated in the SYIP. Sales are timed to support project spending

CPR Bond Authorization Summary		(in millions)
Authorized		\$ 3,230.0
Less: Sold May 2010		492.7
Sold May 2011		600.0
Sold May 2012		600.0
Sold December 2014		300.0
Sold May 2016		300.0
Sold June 2017		284.1
Sold May 2018		155.0
Sold April 2019		255.0
Planned sale February 2022*		96.6
Remaining amount to be sold in future		\$ 146.6

*Preliminary and Subject to Change

Use of the CPR Bonds

☐ CPR bonds have been allocated to the prescribed VDOT and DRPT programs each year since 2008

☐ The planned use of the full \$3.23 billion authorization is as follows:

CPR Bonds Use	Amount (in millions)	Percent Share
Transit Capital	\$600.0	20.0%
Rail Capital	129.0	4.3%
Match Federal Funds	1,044.8	34.8%
Dulles Rail	125.0	
PRIIA Match	500.0	
Construction Projects	419.8	
Revenue Sharing	70.0	2.3%
Project Funding	1,156.2	38.5%
Total 2007 Authorization	3,000.0	100.0%
2009 GF Replacement		
Transit / Rail	60.0	
VDOT	120.0	
Total GF Replacement	180.0	
2018 Authorization	50.0	
Total	\$3,230.0	

Use of the CPR Bonds

The first sale in May 2010 was used to reimburse VDOT and DRPT for eligible project costs incurred prior to the sale and for DRPT transit and rail activity during FY 2011

The two \$600 million sales in FY2011 and FY2012 provided proceeds to continue the transit and rail components overseen by DRPT and to fund the projects accelerated by the 2011 Transportation Bill

The FYs 2014, 2016, 2017 and 2018 sales continued to accelerate and support the SYIP and the on-going transit and rail activities

The FY 2022 sale continues to support projects in the SYIP and the on-going transit and rail activities

Debt Service Payments and Coverage

The first use of the revenues dedicated to the Priority Transportation Fund (PTF) is the debt service on the CPR bonds

The PTF revenue is provided from the Transportation Trust Fund in accordance with the distribution formula specified by Chapter 1230 of the 2020 Acts of Assembly of the Commonwealth of Virginia 2020 Regular Session (10.5%)

For planning and debt management purposes, maintain a 1.15x revenue to debt service coverage ratio

Priority Transportation Fund (in millions)		
Fiscal Year Ending June 30:	Forecast 2022	Forecast 2023
Allocation to the Transportation Trust Fund	\$ 1,883.5	\$ 1,959.6
Allocation to Priority Transportation Fund	\$ 236.5	\$ 245.6
Interest Earnings	9.1	9.1
Total Revenue⁽¹⁾	\$ 245.6	\$ 254.7
Planned Issuance ⁽²⁾	\$ 96.6	\$ 146.6
Coverage Ratio	1.26x	1.28x

(1) Distribution reflects adjustments pursuant to Enactment Clause 11 of Chapter 1230
 (2) Preliminary; subject to change

Capital Project Revenue Bonds, Series 2022 New Money and Refunding

Summary Terms of New Money Offering*	
Issuer	Commonwealth Transportation Board
Series	2022
Anticipated Ratings	AA+/Aa1/AA+
Sale Date	February 8, 2022
Security	The Series 2022 bonds are payable from and secured by revenues (i) first, from revenues deposited into the PTF, (ii) legally available revenues from the TTF, and (iii) from any legally available funds of the General Fund
Target Proceeds (in millions)	\$96.6
Structure	Fixed rate serial bonds maturing annually
Final Maturity (years)	25

*Preliminary; subject to change

Summary Terms of Refunding Offering*	
Issuer	Commonwealth Transportation Board
Series	2022
Anticipated Ratings	AA+/Aa1/AA+
Sale Date	February 8, 2022
Security	The Series 2022 bonds are payable from and secured by revenues (i) first, from revenues deposited into the PTF, (ii) legally available revenues from the TTF, and (iii) from any legally available funds of the General Fund
Target Proceeds (in millions)	\$215.4
Structure	Fixed rate serial bonds maturing annually
Final Maturity (years)	15

*Preliminary; subject to change

Next Steps

