



# Executive Summary

The purpose of this report is to provide a high-level overview of the state's outstanding debt as of September 30, 2020. Per West Virginia Code, the West Virginia State Treasurer's Office (WVSTO) prepares quarterly debt update reports. The March and September reports are shorter-in-length, three-month updates. The June and December reports are more detailed, covering six months of the fiscal year. In addition, the WVSTO compiles an Annual Debt Report as of June, summarizing the entire fiscal year.

This report is the first for fiscal year 2021. Tax supported debt as of September 30, 2020, decreased \$30.8 million from the June 30, 2020 balance. Non tax-supported debt decreased \$13.5 million during the same time period.

The focus of this letter is to provide more information about the debt service payment responsibilities of the West Virginia State Treasurer's Office (WVSTO). Debt Management (DM) is part of the Cash Management Division of the WVSTO. DM is responsible for paying the debt service on the State's outstanding general obligation bonds; which is the most critical and time sensitive duty for DM. Defaults occur if the payments are not made in a timely manner and a default can have negative impacts on the State for future bond ratings and borrowing opportunities. It can also potentially cause the State to spend more money to borrow funds. Currently, DM pays debt service for the West Virginia Water Development Authority / West Virginia Infrastructure and Jobs Development Council as well as for the West Virginia Division of Highways Safe Road Bonds and Roads to Prosperity Bonds. Each of these payments are made twice a year via wire payment to the appropriate entities. Payment schedules are dictated by the bond documents and normally included in the Official Statement, which is public record and can be found on the Municipal Securities Rulemaking Board (MSRB) / Electronic Municipal Market Access (EMMA) website as follows: <https://emma.msrb.org/>.

If you have comments or questions, please feel free to let me know.

## Contact Information:

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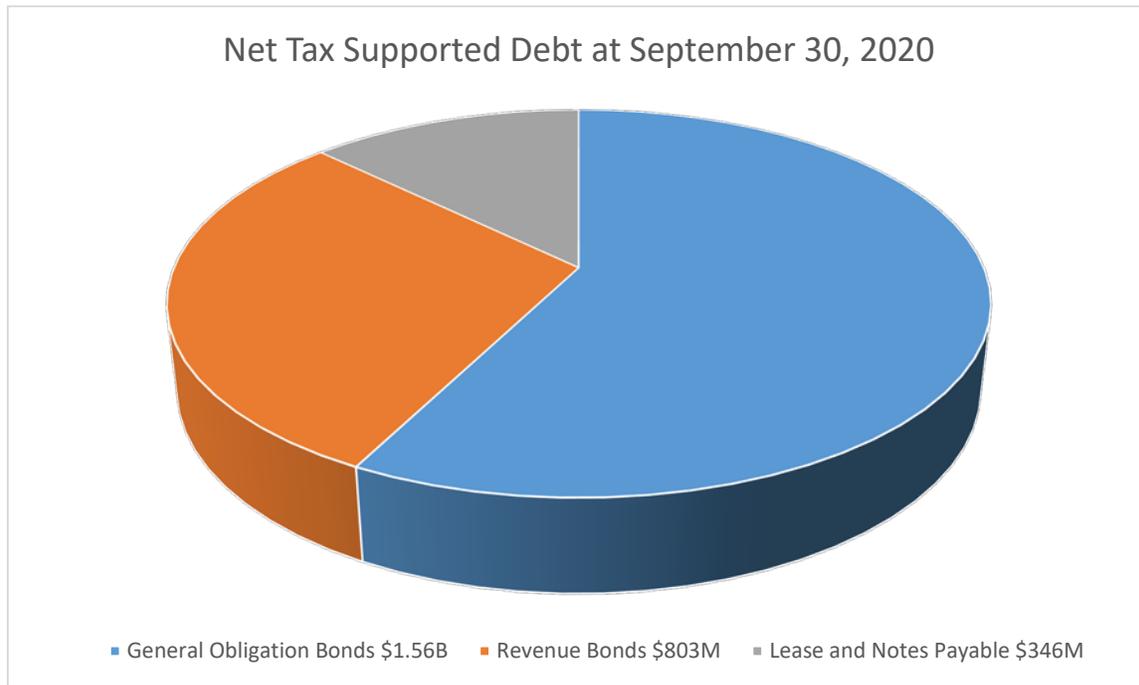


# Debt Position Report

Update: September 30, 2020

One of the most important measurements of debt for a state, city, county or any other municipal bond issuer is the amount of net tax-supported debt outstanding. The State of West Virginia had a net tax-supported debt of \$2.71 billion as of September 30, 2020.

The net tax-supported debt calculation does not include claims and judgments, accrued compensated absences, pension costs, other post-employment benefits costs or other liabilities of the state. Those obligations are detailed in the state's Comprehensive Annual Financial Report (CAFR) available from the Division of Finance of the Department of Administration or online at [www.wvfinance.state.wv.us](http://www.wvfinance.state.wv.us).



### DISCLAIMER

*Pursuant to W.Va. Code §12-6A-6, every state spending unit is required to report quarterly on its debt to the West Virginia State Treasurer's Office. The Treasurer's Office prepares this Report using information provided by the spending units and information from other sources considered reliable. This report is unaudited and may be amended when updated information is provided to the Treasurer's Office.*

**Spending units not reporting for first quarter: Concord University, the Division of Corrections, and the Hospital Finance Authority.**



## West Virginia Net Tax-Supported Debt Outstanding as of September 30, 2020

Type of Debt	Principal Outstanding September 30, 2020
<b>GENERAL OBLIGATION BONDS</b>	
Safe Road Bonds	\$ 100,830,000
Roads to Prosperity Bonds	1,364,455,000
Infrastructure Improvement Bonds	95,487,884
<b>Total General Obligation Bonds</b>	<b>\$ 1,560,772,884</b>
<b>REVENUE BONDS</b>	
School Building Authority Capital Improvement Bonds	61,921,250
Economic Development Authority, Lottery Revenue Bonds	269,720,000
Economic Development Authority, Excess Lottery Revenue Bonds	163,630,000
Higher Education Policy Commission, Lottery and Excess Lottery Revenue Bonds	254,765,000
Higher Education Policy Commission, Excess Lottery Revenue Bonds (BABs)	50,265,000
School Building Authority, Lottery Revenue Bonds	117,087,500
School Building Authority, Excess Lottery Revenue Bonds	69,925,000
School Building Authority, Excess Lottery Revenue Bonds (QSCBs)	150,480,000
West Virginia Infrastructure & Jobs Development Council (Excess Lottery Revenue Bond)	59,360,000
<b>Total Revenue Bonds</b>	<b>1,197,153,750</b>
<b>TOTAL LEASE OBLIGATIONS / NOTES PAYABLE</b>	<b>346,316,212</b>
<b>GROSS TAX SUPPORTED DEBT</b>	<b>3,104,242,846</b>
<b>DEDUCTIONS FOR ESCROW/SINKING FUND/RESERVE FUNDS</b>	
Economic Development Authority, Excess Lottery Revenue Bonds	(26,364,934)
Economic Development Authority, Lottery Revenue Bonds	(135,940,000)
Higher Education Policy Commission Excess Lottery Revenue Bonds	(79,220,000)
School Building Authority Capital Improvement Revenue Bonds	(61,921,250)
School Building Authority, Excess Lottery Revenue Bonds (QSCBs)	(90,645,048)
<b>Total Deductions</b>	<b>(394,091,232)</b>
<b>NET TAX-SUPPORTED DEBT</b>	<b>\$ 2,710,151,614</b>



# Debt Position Report

Update: September 30, 2020

The State of West Virginia has more than 20 bonding authorities that may issue revenue bonds backed by various pledges of revenue. Each authority has its own specific parameters such as volume caps, interest rate caps, etc., which is codified in relevant sections of the West Virginia Code. The authorities listed below have outstanding debt that is self-supporting and is not considered as part of the state's direct debt burden. This debt is considered non tax-supported debt.

## West Virginia Non Tax-Supported Debt Outstanding as of September 30, 2020

Issuer	Principal Outstanding September 30, 2020
Building Commission/Regional Jail	\$8,420,000
Commissioner of Highways	246,745,000
Concord University	14,970,800
Economic Development Authority	3,514,121,458
Fairmont State University	65,258,445
Glenville State College	37,439,853
Higher Education Policy Commission	50,278,836
Hospital Finance Authority	2,692,711,087
Housing Development Fund	356,195,000
Marshall University	101,995,000
Mountwest Community and Technical College	455,349
Parkways Authority	163,540,000
Shepherd University	34,757,505
Tobacco Settlement Finance Authority	707,803,000
Water Development Authority	157,082,715
West Liberty University	17,429,149
West Virginia Infrastructure & Jobs Development Council	89,300,000
West Virginia State University	11,143,083
West Virginia University	664,365,470
<b>NON TAX-SUPPORTED DEBT (net)</b>	<b>\$8,934,011,750</b>