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**VIRGINIA COLLEGE BUILDING AUTHORITY
BOARD OF COMMISSIONERS MEETING**

October 22, 2015, 10:00 a.m.

Treasury Board Conference Room

James Monroe Building

101 North 14th Street, 3rd Floor

Richmond, Virginia

Members Present: Lane B. Ramsey, Chairman
John G. Dane, Vice-Chairman
Dennis C. LaGanza
McLain T. O’Ferrall, Jr.
Katharine M. Bond
David A. Von Moll

Members Absent: Peter A. Blake
Sylvia Le Torrente
Charles Mann
Manju S. Ganeriwala
Daniel S. Timberlake

Others Present: Donald R. Ferguson, Esq. Attorney General’s Office
Charles Shimer Kutak Rock LLP
George Scruggs Kutak Rock LLP
Jean Mottley State Council of Higher Education
Janet A. Aylor Department of the Treasury
Michael D. Walsh Department of the Treasury
David T.S. Jonas Department of the Treasury

Call to Order

Mr. Ramsey called the meeting to order at 10:05 a.m. After welcoming visitors, he asked if there were any members of the public present that wished to express general comments to the Board. There were no public comments. Mr. Ramsey then introduced David Jonas, the new Public Finance Analyst at Treasury.

Mr. Ramsey asked if there were any comments or questions about the minutes of the June 22, 2015 Virginia College Building Authority (the “VCBA”) meeting. Hearing none, he requested a motion for approval of the minutes. Mr. Dane made the motion; Mr. Van Moll seconded the motion, and the motion was unanimously adopted by all members present and voting.

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Election of the Secretary

Mr. Walsh briefly discussed the election of the Secretary for the Virginia College Building Authority Board. Mr. Ramsey solicited nominations for the position of Secretary. Mr. O’Ferrall nominated Janet Aylor to be Secretary. Mr. Ramsey then asked if there were any other nominations. Seeing none, he asked for a second to the motion to confirm Janet Aylor as Secretary of the VCBA. Mr. Dane seconded the motion, and the motion was adopted unanimously.

Consideration of the Issuance of Virginia College Building Authority Educational Facilities Revenue and Revenue Refunding Bonds (Public Higher Education Financing Program) Series 2015A and 2015B

Mr. Walsh reviewed the Preliminary Financing Summary for the proposed issuance of \$191,645,000 of Virginia College Building Authority Educational Facilities Revenue and Revenue Refunding (Public Higher Education Financing Program) Bonds, Series 2015A (new money) and Series 2015B (refunding). Mr. Walsh indicated that as of October 20, the estimated True Interest Cost (TIC) was 3.25% for the new money and 2.63% for the refunding bonds with a savings of \$16.7 million or \$13.5 million on a present value basis.

Mr. O’Ferrall then asked a series of questions about the estimated Cost of Issuance and more specifically, about the fees charged by the rating agencies. A discussion ensued.

Mr. Walsh concluded the discussion by recommending that staff confer with its financial advisor and come back to the Board with an approach to address rating agency fees.

Mr. Shimer from Kutak Rock, bond counsel to the Authority, reviewed the Resolution before the Board. Mr. O’Ferrall asked about the resolution’s provision allowing for the Authority to enter into a negotiated sale rather than a competitive bid. Ms. Aylor noted that negotiated sales were rare and usually reserved for unique market conditions (such as the market crash in 2008), and this provision was there so that the Authority could act if necessary without calling a full board meeting to gain specific approval.

Ms. Bond moved approval of the motion of the Virginia College Building Authority authorizing the issuance of and sale of its Educational Facilities Revenue and Revenue Refunding Bonds (Public Higher Education Financing Program) Series 2015A and 2015B. Mr. Van Moll seconded, and the motion was unanimously adopted by all members present and voting.

Consideration of the modification of the mandatory redemption provisions of the VCBA Educational Facilities Revenue Refunding Bond for Shenandoah University (Series 2011)

Mr. Walsh then reviewed Shenandoah University’s request to modify the mandatory redemption provisions of the VCBA Educational Facilities Revenue Refunding Bond, Series 2011. Mr. Walsh explained that the resolution before the Board does not change any other aspect of the

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underlying terms of the deal; it only gives Shenandoah University the ability to negotiate a delay of the mandatory redemption provision with the bank.

Mr. Shimer then reviewed the specific legal language of the resolution approving the change for SU and answered questions from the Board.

Mr. Ramsey then asked if there were any other questions or comments. Hearing none, he asked if any member wanting to make a motion to approve the resolution issuing the bonds. Mr. O’Ferrall made the motion to approve the resolution. Ms. Bond seconded the motion, and the motion was unanimously adopted by all members present and voting.

Final Financing Summaries for VCBA Issuances Approved during June, 22 2015 Meeting

Mr. Walsh then reviewed the final financing summaries for four issuances the Board had previously authorized during their June 22, 2015 meeting. These included:

- \$290,065,000—VCBA Educational Facilities Revenue Bonds (21st Century College and Equipment Programs), Series 2015D
- \$14,240,000—VCBA Educational Facilities Refunding Revenue Bond (Hampton University), Series 2015
- \$66,815,000—VCBA Educational Facilities Revenue and Refunding Bonds (Marymount University Project), Series 2015A
- \$150,000,000—VCBA Tax-Exempt Commercial Paper (Liberty University Issue)

There were no questions or comments from the Board concerning these issuances.

Other Business and Adjournment

Several Board members described technical issues with the system administering the required conflicts of interest trainings. Mr. Walsh advised that Board members contact Treasury staff if they experienced any further problems.

Mr. Ramsey then asked if there were any comments or questions from Board members. Hearing none, Mr. Ramsey requested a motion from Board members for dismissal. Mr. LaGanza made a motion for dismissal of the meeting. Ms. Bond seconded the motion, and the motion was unanimously adopted.

Having no other business to be brought before the Board, the meeting was adjourned.

Adjournment

Respectfully submitted,
Michael D. Walsh
Assistant Secretary

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/s/ Michael D. Walsh

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