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COMMONWEALTH OF VIRGINIA VIRGINIA PUBLIC BUILDING AUTHORITY

Board of Directors Meeting

October 14, 2010

11:00 a.m.

3rd Floor Conference Room

James Monroe Building

101 North 14th Street,

Richmond, Virginia

Members Present: Sarah B. Williams, Chair
Sharon McDonald, Vice Chair
Manju S. Ganeriwala, Secretary/Treasurer
James H. Flinchum
F. Dudley Fulton

Members Absent: Robert Maddox

Others Present:

Evelyn Whitley	Department of Treasury
Tracy L. Clemons, Sr.	Department of Treasury
Sherwanda Cawthorn	Department of Treasury
Donald Ferguson	Office of the Attorney General
Eric Ballou	Christian & Barton, L.L.P.
Megan Gilliland	Christian & Barton, L.L.P.
Janet Lee (via telephone)	Public Resources Advisory Group
Sarah Greear	Public Financial Management
Janet Aylor	Department of Treasury

CALL TO ORDER

With a quorum present, the Chair, Mrs. Williams, called the meeting to order at 11:06 a.m.

PUBLIC COMMENT

There was no public comment.

INTRODUCTION OF NEW BOARD MEMBER

Mrs. Williams introduced new board member F. Dudley Fulton.

APPROVAL OF MINUTES

Mr. Flinchum made a motion to approve the minutes of the January 19, 2010 meeting. The motion was seconded by Mr. Von Moll and unanimously approved by the Board members present.

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REVIEW OF SERIES 2010A BOND SALE

Ms. Cawthorn led the discussion reviewing the Series 2010A final financing summary. The bond issues were sold competitively on February 10, 2010, with Wells Fargo/Wachovia senior underwriting the Series 2010A-1 Bonds and J.P. Morgan senior underwriting the Series 2010A-2 Bonds. Ms. Ganeriwala asked that the Build America Bonds (“BABs”) subsidy be explained to the board. Ms. Whitley explained that a subsidy of 35% of each interest payment due on the 2010A-2 BABs would be paid to the Commonwealth by the federal government, prior to each interest payment date.

CONSIDERATION OF RESOLUTION ISSUANCE OF VPBA PUBLIC FACILITIES REVENUE BONDS, SERIES 2010B-1, 2010B-2 and 2010B-3

Mr. Clemons introduced the financial advisor from Public Financial Management (“PFM”), Sarah Greer, to the board. He explained that PFM is the authority’s secondary advisor and the Fall 2010 financing would give them the opportunity to be primary advisor. Mr. Clemons asked Ms. Greer to talk about the current market environment.

At the conclusion of Ms. Greer’s brief overview of market conditions, Mr. Clemons reviewed the preliminary financing summary for the 2010B bond issue (Attachment A) and proceeded to walk the board through the form documents associated with the bond issue. The new money bonds were expected to include Build America Bonds (BABs). Build America Bonds are federally taxable bonds that offer a 35% federal subsidy of the interest paid.

Mr. Ballou then reviewed the parameters of the Bond Resolution. The Chair, Mrs. Williams asked for a motion to approve the resolution as presented. Mr. Von Moll, asked about the status of projects that are included in this financing. Mr. Clemons stated that he would provide that project list for review.

The motion was made by Mrs. Ganeriwala and seconded by Mr. Flinchum with unanimous approval by the Board.

MARKET UPDATE AND VARIABLE RATE MONITORING REPORT

Ms. Lee, of Public Resources Advisory Group, Primary financial advisor to the Authority, provided an overview of the Authority’s Variable Rate monitoring report for the Series 2005D bonds. (Attachment B) Ms. Lee reminded the Board that the existing liquidity from Dexia will expire next year and they will not be extending the same terms. Ms. Whitley commented that the variable rate can be taken out with a fixed rate at anytime. Ms. Williams asked about the speed to refinance from variable rate to a fixed rate. Ms. Lee answered that the process can happen pretty quickly. Staff will present options for the Board’s consideration at the next meeting

OTHER BUSINESS

There was no other business.

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ADJOURNMENT

Having no other business to be brought before the Board, the meeting was adjourned at 12:06 p.m.

Respectfully submitted,
Tracy L. Clemons, Sr.
Assistant Secretary/Treasurer #2

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