Members Present: Bonnie M. France, Chairman
Vik G. Murthy
Betty J. Burrell
Manju S. Ganeriwala
Kent C. Dickey, designee for Dr. James Lane

Members Absent: Jay Bhandari, Vice Chairman
Cardell C. Patillo, Jr.
David A. Von Moll

Others Attending: Arthur E. Anderson II  McGuire Woods LLP
Thomas William Bruno  McGuire Woods LLP
Anne Curtis Saunders  McGuire Woods LLP
Ty Wellford  Davenport & Company LLC
Mitchell Crowder  Davenport & Company LLC
Don Ferguson  Office of the Attorney General
Janet A. Aylor  Department of the Treasury
James D. Mahone  Department of the Treasury
Melissa W. Palmer  Department of the Treasury
Debora Greene  Department of the Treasury
David Swynford  Department of the Treasury

Call to Order and Public Comment

Ms. France called the meeting to order at 2:07 P.M. She stated the first order of business was to introduce newly appointed Board of Commissioners Members: Dr. James Lane from the Department of Education and Ms. Betty Burrell from City of Richmond. Ms. France provided an opportunity for any public comment. There was no public comment.

Approval of Minutes

Ms. France asked for a motion for approval of the minutes of the March 15, 2018 Board meeting. Mr. Dickey moved to adopt the minutes of the March 15, 2018 meeting as presented; Ms. Ganeriwala seconded, Mr. Murthy abstained, and the motion carried.

Mr. Mahone reviewed the amended Preliminary Financing Summary and the Cost of Issuance Budget (Attachment A) and presented the Participant List for the proposed issuance of approximately $122,785,000 School Financing Bonds (1997 Resolution) Series 2018 B. He stated the bonds are expected to be sold competitively on October 16, 2018 and the anticipated delivery date is on or about November 6, 2018.

Ms. France stated that she is a retired partner with McGuireWoods, bond counsel to the VPSA and at times to localities within the Commonwealth, and she receives certain residual payments from the firm. Therefore, when approving school bonds, she is required to comply with the declaration requirements pursuant to § 2.2-3112 A2, § 2.2-3112 A3, subsection F of § 2.2-3114, and subsection G of § 2.2-3114 of the Virginia State and Local Government Conflict of Interests Act. A copy of the declaration is available for public inspection at the offices of the Virginia Department of the Treasury.

Dr. Lane left the meeting at 2:23 P.M.

Mr. Murthy moved that the Authority approve the list of applications for the participants in the VPSA 2018 Fall Bond sale as presented by staff and the submission of all items necessary to complete their respective VPSA pooled bond applications; Mr. Dickey seconded and the motion carried unanimously.

Mr. Bruno from McGuire Woods LLP, VPSA’s Bond Counsel for the transaction, presented the Series Resolution No. 18-04 authorizing the issuance of the VPSA Fall Bonds for Board consideration.

Ms. Ganeriwala moved the adoption of Series Resolution No. 18-04; Mr. Murthy seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie M. France, Chairman
       Vik G. Murthy
       Betty J. Burrell
       Manju S. Ganeriwala
       Kent C. Dickey, designee for Dr. Steven Staples

NAYS: None
Other Business

Discussion of the Final Bond Counsel and Financial Advisor Selections

Mr. Mahone reviewed the financial advisor and bond counsel selection process as delegated to staff for the procurement of financial advisory and bond counsel services at the March 15, 2018 Board meeting. He stated that the selected bond counsel is McGuire Woods LLP and financial advisors are Davenport & Company LLC, Public Resources Advisory Group, Inc., and PFM Financial Advisors LLC.

Results of Sale and Final Financing Summary


School Technology and Security Notes Series VI – Ms. Palmer reviewed the Final Financing Summary for the $59,805,000 School Technology and Security Notes Series VI. She stated the bonds sold competitively on May 8, 2018 at a true interest cost of 2.017572% to Citigroup Global Markets Inc. with a delivery date of May 22, 2018.

Prince William County Series 2018 Special Obligation Financing Bonds – Mr. Mahone reviewed the Final Financing Summary for the $115,895,000 Prince William County Series 2018 Special Obligation Financing Bonds. He stated that the bonds sold competitively on May 9, 2018 at a true interest cost of 2.968820% to Citigroup Global Markets Inc. with a delivery date of May 24, 2018.

Adjournment

There being no further business to be brought before the Board, Mr. Dickey moved that the meeting be adjourned; Mr. Murthy seconded and the motion carried unanimously at 2:42 P.M.

Respectfully submitted,

_________________________
James D. Mahone
Assistant Secretary
PRELIMINARY FINANCING SUMMARY

Virginia Public School Authority
$122,785,000* School Financing Bonds (1997 Resolution) Series 2018 B
September 12, 2018

Title: $122,785,000* School Financing Bonds (1997 Resolution) Series 2018 B (the “Bonds”).

Issuer: Virginia Public School Authority (the “Authority”).

Constitutional Reference: Article X, Section 9(d).

Legislative Reference: Chapter 11 Title 22.1 of the Code of Virginia, as amended.

Purpose: The proceeds of the Bonds will be used to (i) purchase $122,785,000* general obligation school Bonds issued by certain Virginia localities that are to use the proceeds for capital projects for their public schools and (ii) pay a portion of the issuance cost of the bonds.

Security: The Bonds will be secured by (i) principal and interest payments on the general obligation school bonds held by the Authority and pledged to the payment of the Bonds, (ii) the State Aid Intercept Provision and (iii) a state general fund sum sufficient appropriation. The Bonds do not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia.

Method of Sale: Competitive, using electronic bidding.

Sale Date: October 16, 2018*

Dated Date: November 6, 2018*

Delivery Date: November 6, 2018*

Bond Structure: Serial bonds maturing annually in years 2019 through 2039*, paying current semiannual interest and annual principal and structured on a blended amortization basis to accommodate the schedules requested by the participants.

Payment Dates: 

*Preliminary, subject to change.
PRELIMINARY FINANCING SUMMARY

Virginia Public School Authority
$122,785,000* School Financing Bonds (1997 Resolution) Series 2018 B
September 12, 2018

Optional Redemption Provision*: The Bonds due on and after August 1, 2029 may be redeemed prior to their respective maturities at the option of the Authority, in whole or in part at any time on any date beginning August 1, 2028, at the redemption price of par, together with interest accrued to the date fixed for redemption.

Denomination: $5,000 or multiples thereof.

Registration Provisions: Book-entry only bonds.

True Interest Cost: TBD

Expected Ratings: Fitch Ratings: AA+
Moody’s Investors Service: Aa1
Standard & Poor’s Rating Service: AA+

Underwriter: TBD

Bond Counsel: McGuire Woods LLP, Richmond, Virginia.


Registrar/Paying Agent: State Treasurer

Estimated Costs of Issuance: $281,475302,475* excluding underwriters’ discount.

*Preliminary, subject to change.
VIRGINIA PUBLIC SCHOOL AUTHORITY
School Financing Bonds (1997 Resolution)
Series 2018 B

$122,785,000

Cost of Issuance Budget

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* Ratings:  
  - Fitch  
  - Moody's  
  - S&P  
  
  Budget

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  **Other Expenses: CUSIP Issuance Service Fee**