

COMMONWEALTH OF VIRGINIA
VIRGINIA PUBLIC SCHOOL AUTHORITY (VPSA)

Board of Commissioners Meeting
Spring Board Meeting – March 10, 2021, 2:00 P.M.
Treasury Board Conference Room, Third Floor
James Monroe Building
101 North 14th Street, Richmond Virginia

Commissioners Present via Conference Call: Bonnie M. France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.
Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

Others Attending via Conference Call:	Don Ferguson	Office of the Attorney General
	Thomas William Bruno	McGuire Woods LLP
	Anne Curtis Saunders	McGuire Woods LLP
	Ty Wellford	Davenport & Company LLC
	Tyler Smith	Davenport & Company LLC
	Kevin Rotty	PFM Financial Advisors LLC
	Christine Ilarina	Public Resources Advisory Group
	David Swynford	Department of the Treasury
	Bradley L. Jones	Department of the Treasury
	James D. Mahone	Department of the Treasury
Melissa W. Palmer	Department of the Treasury	

Call to Order

Subject to the March 12, 2020 Executive Order Number Fifty-One (2020) Declaration of a State of Emergency Due to Novel Coronavirus COVID-19, the meeting of Board of Commissioners of the Virginia Public School Authority was witnessed telephonically, in accordance with sections [2.2-3707\(D\)](#), [2.2-3708.2\(A\)\(3\)](#), and [Section 4-0.01 of the 2020-2022 Appropriation Act](#) of the Code of Virginia. Pursuant to Section [2.2-3707\(D\)](#) of the Code of Virginia, the minutes were recorded as required. Pursuant to Section [2.2-3708.2\(A\)\(3\)](#) and [Section 4-0.01 of the 2020-2022 Appropriation Act](#) of the Code of Virginia, the meeting was conducted through conference call. Members of the public and Commissioners witnessed and participated in the meeting by using a dial-in number and PIN. Votes taken during the meeting were recorded by name in roll-call fashion and included in the minutes.

Ms. France called the meeting to order at 2:04 P.M.

Ms. France stated that she is a retired partner with McGuire Woods, 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.

Public Comment

Ms. France asked 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 September 16, 2020 Board meeting. Mr. Patillo moved to adopt the minutes of the September 16, 2020 meeting; Mr. Von Moll seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.
Vik G. Murthy
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

NAYS: None

ABSTAIN: Michael Nguyen

Consideration of the Issuance of VPSA School Financing Bonds (1997 Resolution) Series 2021 Spring Bonds

Ms. France stated the first order of business was the consideration of the issuance of VPSA School Financing Spring Bonds Series 2021. Mr. Mahone reviewed the Preliminary Financing Summary and the Cost of Issuance Budget and presented the Participant List for the proposed issuance of approximately \$117,020,000 School Financing Bonds (1997 Resolution) Series 2021 A. He stated the bonds are currently expected to be sold competitively on April 20, 2021 and the anticipated delivery date is on or about May 11, 2021.

Mr. Murthy moved that the Authority approve the list of applications for the participants in the VPSA 2021 Spring Bond sale as presented by staff and the submission of all items necessary to complete their respective VPSA pooled bond applications; Ms. Burrell seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.

Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

NAYS: None

Ms. Saunders from McGuire Woods LLP, VPSA's Bond Counsel for the transaction, presented Series Resolution No. 21-01 authorizing the issuance of the VPSA Spring Bonds for Board consideration.

Mr. Patillo moved the adoption of Series Resolution No. 21-01; Mr. Nguyen seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.
Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

NAYS: None

Issuance of VPSA School Educational Technology Notes Series XXI

Mr. Mahone reviewed the Preliminary Financing Summary for the School Technology and Security Notes Series IX in the combined projected amount of \$68,085,200. He stated that the anticipated sale date is April 27, 2021 and the anticipated delivery date is on or about May 13, 2021. Mr. Mahone stated that PFM Financial Advisors LLC will be acting as VPSA's Financial Advisor for this transaction. Mr. Mahone discussed the use of the MuniAuction electronic selling platform for the Notes and commissioners were invited to view the sale electronically.

Mr. Rotty from PFM Financial Advisors LLC, VPSA's Financial Advisor for the transaction, stated the projected true interest cost (TIC) was 0.60% based on market as of March 2, 2021.

Ms. Saunders provided an overview of Resolution No. 21-02, an Educational Technology Note Resolution authorizing the issuance of the Series XXI Notes.

Mr. Murthy moved the adoption of Resolution No. 21-02; Ms. Burrell seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie France, Chairman
Betty J. Burrell, Vice Chairman

Cardell C. Patillo, Jr.
Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

NAYS: None

Issuance of VPSA School Security Equipment Notes Series IX

Ms. Saunders provided an overview of Resolution No. 21-03, a Security Equipment Note Resolution authorizing the issuance of the Series IX Notes. Mr. Patillo moved the adoption of Resolution No. 21-03; Mr. Murthy seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.
Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

NAYS: None

Other Business

Election of Officers for Fiscal Year 2021

Mr. Patillo moved the nomination and election of the following officer to the Virginia Public School Authority for the fiscal year 2021: the Assistant Director of Debt Management as Assistant Secretary and Assistant Treasurer #2; Mr. Von Moll seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie M. France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.
Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James Lane

NAYS: None

Award of \$12 Million in New School Security Equipment Grants

Mr. Mahone reviewed the news release to announce the award of \$12 million in new School Security Equipment Grants that were issued in 2020 to protect students, faculty and visitors in 489 schools in 102 school divisions.

Resolution in Recognition and Appreciation of Service by Mr. Jay Bhandari

Ms. France presented the Resolution in Recognition and Appreciation of Mr. Jay Bhandari for his service as a member of the Board of Commissioners of the Virginia Public School Authority. Ms. France moved the adoption of the Resolution; Ms. Ganeriwala seconded, and the motion carried unanimously as shown below:

YEAS: Bonnie France, Chairman
Betty J. Burrell, Vice Chairman
Cardell C. Patillo, Jr.
Vik G. Murthy
Michael Nguyen
Manju S. Ganeriwala
David A. Von Moll
Kent C. Dickey, designee for Dr. James F. Lane

NAYS: None

Results of Sale and Final Financing Summary

Special Obligation School Financing Bonds Prince William County Series 2020 – Ms. Palmer reviewed the Final Financing Summary, as amended (Attachment A); for the \$106,510,000 School Financing Bonds Prince William County (1997 Resolution) Series 2020. She stated the Series 2020 bonds sold competitively on September 29, 2020 at a true interest cost of 1.428569% to J. P. Morgan Securities LLC and with a delivery date of October 15, 2020. Ms. Palmer stated the bond structure includes serial bonds maturing annually in years 2021 through 2040, paying current semiannual interest and annual principal. She stated the payment dates include principal due annually on October 1, beginning October 1, 2021; with a final maturity of October 1, 2040 and interest due semi-annually on April 1 and October 1; beginning April 1, 2021.

School Financing and Refunding Bonds Series 2020 B (Tax-Exempt) and School Financing Refunding Bonds Series 2020 C (Taxable) – Ms. Palmer reviewed the Final Financing Summary, as amended (Attachment B); for the \$142,195,000 School Financing and Refunding Bonds (1997 Resolution) Series 2020 B (Tax-Exempt) and \$320,840,000 School Financing Refunding Bonds (1997 Resolution) Series 2020 C (Taxable). She stated the Series 2020 B (Tax-Exempt) and Series 2020 C (Taxable) bonds sold competitively to Bank of America Merrill Lynch and Wells Fargo Bank, National Association, respectively, on October 20, 2020 and with a delivery date of November 10, 2020. Ms. Palmer stated Series 2020 B (Tax-Exempt) new

money and VPSA refundings true interest cost was 1.813988% and 0.343057%, respectively. She stated Series 2020 C (Taxable) VPSA pool refundings and Warren County refunding true interest cost was 1.516160% and 2.039684%, respectively. Ms. Palmer stated that School Financing and Refunding Bonds Series 2020 B (Tax-Exempt) resulted in \$18,808,067.01 in present value savings or 6.68% of the refunded VPSA bonds and School Financing Refunding Bonds Series 2020 C (Taxable) resulted in \$519,929.49 in present value savings, or 5.01% of the refunded Warren County Stand Alone bonds. Mr. Mahone stated that all savings from VPSA refunding issues are returned to the participating localities and the Literary Fund.

Adjournment

There being no further business to be brought before the Board, Ms. France declared the meeting adjourned at 3:21 P.M.

Respectfully submitted,

James D. Mahone
Assistant Secretary

ATTACHMENT A

FINAL FINANCING SUMMARY

Virginia Public School Authority
\$106,510,000
Special Obligation School Financing Prince William County Series 2020,
March 10, 2021

Title: \$106,510,000 Special Obligation School Financing Bonds Prince William County Series 2020 (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 purchase \$106,510,000 general obligation school bonds issued by Prince William County, Virginia (the “County”) to (i) pay the cost of various capital school improvement projects for the County and (ii) pay the issuance cost of the bonds.

Security: The Bonds will be secured by (i) principal and interest payments on the general obligation school bonds issued by the County, held by the Authority and pledged to the payment of the Bonds and (ii) the State Aid Intercept Provision. 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 via Parity.

Sale Date: September 29, 2020

Dated Date: October 15, 2020

Delivery Date: October 15, 2020

Bond Structure: Serial bonds maturing annually in years ~~2020~~2021 through ~~2039~~2040 ~~with respect to the Series 2019 A Bonds~~, paying current semiannual interest and annual principal. ~~Serial bonds maturing annually in years 2020 through 2033 with respect to the Series 2019 B Bonds, paying current semiannual interest and annual principal.~~

Payment Dates: *Principal:* Annually on October 1, beginning October 1, ~~2020~~2021; with a final maturity of October 1, ~~2039~~2040 ~~with respect to the 2019 A Bonds and beginning July 15, 2020; with a final maturity of July 15, 2033 with respect to the 2019 B Bonds.~~

Interest: Semi-annually on April 1 and October 1; beginning April 1, ~~2020~~2021 ~~with respect to the 2019 A Bonds and Semi-annually on January 15 and July 15; beginning January 15, 2020 with respect to the 2019 B Bonds.~~

FINAL FINANCING SUMMARY

Virginia Public School Authority
\$106,510,000

Special Obligation School Financing Prince William County Series 2020,
March 10, 2021

**Optional
Redemption**

Provision: The Series 2020 Bonds due on and after October 1, ~~2030~~2031 may be redeemed prior to their respective maturities at the option of the Authority, in whole or in part, on any date beginning October 1, ~~2029~~2030, at a 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.

Summary of Bids:

J.P. Morgan Securities LLC	1.428348%
Bank of America Merrill Lynch	1.443235
Citigroup Global Markets Inc.	1.458221
Robert W. Baird & Co., Inc.	1.498419
Wells Fargo Bank, National Association	1.519006
TD Securities	1.593666

Underwriter: J.P. Morgan Securities LLC

True Interest Cost: 1.428569% (based on final sizing)

Ratings:

Fitch Ratings:	AAA
Moody's Investors Service:	Aaa
Standard & Poor's Rating Service:	AAA

Bond Counsel: McGuire Woods LLP, Richmond, Virginia as bond counsel for the Authority.
Norton Rose Fulbright US LLP, Washington, D.C. as bond counsel for the County.

Financial Advisor: Public Resources Advisory Group, New York, New York as financial advisor for the Authority.
PFM Financial Advisors LLC, Arlington, Virginia, as financial advisor for the County.

**Registrar/
Paying Agent:** State Treasurer

Costs

Of Issuance: \$415,000 excluding underwriters' discount.
(the County will reimburse cost of issuance)

ATTACHMENT B

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FINAL FINANCING SUMMARY

Virginia Public School Authority

\$142,195,000 School Financing and Refunding Bonds (1997 Resolution) Series 2020 B (Tax-Exempt) and \$320,840,000 School Financing Refunding Bonds (1997 Resolution) Series 2020 C (Taxable)

March 10, 2021

Payment Dates: *Principal:* Annually on August 1, beginning August 1, 2021; with a final maturity of August 1, 2050 with respect to the 2020 B Bonds and beginning August 1, 2021; with a final maturity of August 1, 2041 with respect to the 2020 C Bonds.

Interest: Semi-annually on February 1 and August 1; beginning August 1, 2021 with respect to the 2020B Bonds and the 2020C Bonds.

Optional Redemption Provision:

The Bonds due on and after August 1, 2031 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, 2030, 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.

Summary of Bids: (Series B)	Bank of America Merrill Lynch	1.748661%
	Citigroup Global Markets Inc.	1.749616
	J.P. Morgan Securities LLC	1.749839
	Morgan Stanley & Co. LLC	1.757554
	Wells Fargo Bank, National Association	1.806628

Summary of Bids: (Series C)	Wells Fargo Bank, National Association	1.638011%
	Citigroup Global Markets Inc.	1.721336
	J.P. Morgan Securities LLC	1.754840
	Morgan Stanley & Co. LLC	1.776157
	Bank of America Merrill Lynch	1.779331

Underwriter: Series B: Bank of America Merrill Lynch
Series C: Wells Fargo Bank, National Association

True Interest Cost: Series B: New Exposure - 1.813988% (based on final sizing)
VPSA Refundings - 0.343057% (Based on final sizing)
Series C: VPSA Pool Refundings - 1.516160% (based on final sizing)
Warren Cnty Refunding - 2.039684% (based on final sizing)

Deleted: 1.633166

Ratings: Fitch Ratings: AA+

Moody's Investors Service: Aa1
Standard & Poor's Rating Service: AA+

FINAL FINANCING SUMMARY

Virginia Public School Authority

\$142,195,000 School Financing and Refunding Bonds (1997 Resolution) Series 2020 B (Tax-Exempt) and \$320,840,000 School Financing Refunding Bonds (1997 Resolution) Series 2020 C (Taxable)

March 10, 2021

Refunded Bonds: Refunded bonds include certain outstanding maturities of five series of 1997 Resolution bonds. Included are certain maturities of Series 2010C, 2012A, 2012C, 2012D, 2013 A Bonds, and certain maturities of the Series 2014 Warren County Stand Alone issue.

Savings: \$18,808,067.01 in present value savings, or 6.68% of the refunded VP[SA](#) bonds. \$519,929.49 in present value savings, or 5.01% of the refunded Warren County Stand Alone bonds.

Bond Counsel: McGuire Woods LLP, Richmond, Virginia.

Financial Advisor: Davenport & Company LLC, Richmond, Virginia.

**Registrar/
Paying Agent:** State Treasurer

**Costs
of Issuance:** \$456,223 excluding underwriters' discount.