

Betty J. Burrell
David Swynford, Acting Treasurer
Lewis R. McCabe
Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Consideration of the Issuance of VPSA School Financing Bonds (1997 Resolution) Series 2023 Spring Bonds

Mr. Riley stated the second order of business was the consideration of the issuance of VPSA School Financing Spring Bonds Series 2023. Mr. Mahone reviewed the Preliminary Financing Summary and the Cost of Issuance Budget; and presented the Participant List for the proposed issuance of approximately \$89,460,000 School Financing Bonds (1997 Resolution) Series 2023 A. He stated the bonds are currently expected to be sold competitively on April 25, 2023 and the anticipated delivery date is on or about May 16, 2023.

Ms. Perrotte moved that the Authority approve the list of applications for the participants in the VPSA 2023 Spring 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 as shown below:

YEAS: John R. Riley, Jr., Chairman
Maria J. Perrotte, Vice Chairman
Betty J. Burrell
David Swynford, Acting Treasurer
Lewis R. McCabe
Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Ms. Perrin from McGuire Woods LLP, VPSA's Bond Counsel for the transaction, presented Series Resolution No. 23-01 authorizing the issuance of the VPSA Spring Bonds for Board consideration.

Mr. McCabe moved the adoption of Series Resolution No. 23-01; Ms. Perrotte seconded, and the motion carried unanimously as shown below:

YEAS: John R. Riley, Jr., Chairman
Maria J. Perrotte, Vice Chairman
Betty J. Burrell
David Swynford, Acting Treasurer
Lewis R. McCabe
Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Issuance of VPSA School Educational Technology Notes Series XXIII

Mr. Mahone reviewed the Preliminary Financing Summary; for the School Technology and Security Notes Series XI in the combined projected amount of \$67,946,000. He stated that the notes are expected to be sold competitively on May 9, 2023 and the anticipated delivery date is on or about May 23, 2023. He stated the projected true interest cost (TIC) was 2.70% based on market as of March 2, 2023. Mr. Mahone stated that McGuireWoods will be VPSA's Bond Counsel for the transaction and Mr. Rotty from PFM Financial Advisors LLC will be acting as VPSA's Financial Advisor for this transaction.

Mr. Jones stated that unlike the Pooled Bond Program that is backed by the localities' payments and the State Aid Intercept Provision and a state general fund sum sufficient appropriation, the notes are backed by the Literary Fund and the sum sufficient appropriations from the general fund of the Commonwealth. Therefore, the notes have a different security structure and will require additional Treasury Board approval which will be sought in April before the notes issuance.

Ms. Saunders provided an overview of Resolution No. 23-02, an Educational Technology Note Resolution authorizing the issuance of the Series XXIII Notes.

Ms. Burrell moved the adoption of Resolution No. 23-02; Ms. Perrotte seconded, and the motion carried unanimously as shown below:

YEAS: John R. Riley, Jr., Chairman
 Maria J. Perrotte, Vice Chairman
 Betty J. Burrell
 David Swynford, Acting Treasurer
 Lewis R. McCabe
 Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Issuance of VPSA School Security Equipment Notes Series XI

Ms. Saunders provided an overview of Resolution No. 23-03, a Security Equipment Note Resolution authorizing the issuance of the Series XI Notes. Mr. Dickey moved the adoption of Resolution No. 23-03; Mr. McCabe seconded, and the motion carried unanimously as shown below:

YEAS: John R. Riley, Jr., Chairman
 Maria J. Perrotte, Vice Chairman
 Betty J. Burrell
 David Swynford, Acting Treasurer
 Lewis R. McCabe
 Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Other Business

Election of Officers for Fiscal Year 2024

Ms. Burrell moved the nomination and election of Ms. Perrotte as Vice Chairman of the Virginia Public School Authority; Mr. McCabe seconded, and the motion carried unanimously as shown below:

YEAS: John R. Riley, Chairman
Maria J. Perrotte, Vice Chairman
Betty J. Burrell
David Swynford, Acting Treasurer
Lewis R. McCabe
Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Mr. McCabe moved the nomination and election of the following officers to the Virginia Public School Authority for the fiscal year 2024: the State Treasurer of Virginia as Secretary and Treasurer; the Treasury Public Finance Manager (#TRS027) as Assistant Secretary and Assistant Treasurer #1; and, the Director of Debt Management as Assistant Secretary and Assistant Treasurer #2; Mr. Swynford seconded, and the motion carried unanimously as shown below:

YEAS: John R. Riley, Chairman
Maria J. Perrotte, Vice Chairman
Betty J. Burrell
David Swynford, Acting Treasurer
Lewis R. McCabe
Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Consideration of Motion to Adopt Changes to Fee Structure of VPSA General Pooled Bond Policy and VPSA General Stand Alone Policy

Mr. Mahone stated that the proposed VPSA Pooled Bond fee structure is to maintain the 5 basis point coupon rate surcharge on the bond interest and to pass-through VPSA's costs of issuance to the individual Pooled Bond transactions. He stated that the proposed VPSA General Stand Alone fee structure is to maintain the VPSA costs of issuance pass-through and replace the current \$22,000 flat fee at closing with the 5 basis point coupon rate surcharge on the bond interest. Mr. Mahone stated that the proposed fee structure changes will equalize the fees for the Pool and Stand Alone Programs. He stated that, in addition to the fee structure changes, the minimum size for a Stand Alone issue is increased from \$20,000,000 to \$40,000,000. Mr. Mahone stated based

on projections at recent issuance average volume we believe these fee changes will be sufficient to cover VPSA's expenses for the foreseeable future. Mr. Mahone stated that according to Davenport & Company LLC, the proposed changes would add 2-3 basis points on average to a locality's true interest cost. He stated that participants borrowing smaller amounts, relative to the overall size of the Pool Bond issuance, could see an increase closer to 5 basis points while borrowers of amounts \$10,000,000 or less, relative to an overall small Pool Bond issuance size, could see an increase to true interest cost over 10 basis points. Mr. Mahone stated the VPSA fee structure changes are needed to equalize fees for the Pool and Stand Alone Programs, which require similar resources for administration as well as to ensure consistency in the services offered by VPSA and to maintain the fiscal integrity of the overall VPSA programs.

Ty Wellford from Davenport & Company LLC, VPSA's financial advisor, stated that in the case of small borrower in a small Pool Bond issuance there will be an ongoing dialogue with that borrower. He stated that it is on average cheaper than increasing the Pooled Bond Program fee to 10 basis points. Mr. Wellford stated the local borrower has the option to wait until the next VPSA Pool Bond issuance.

Ms. Perrotte asked when the policy would be effective. Donald Ferguson stated that the policy could be effective March 15, 2023 or July 1, 2023. It was noted that the motion as drafted would be effective either March 15, 2023 or July 1, 2023 depending on the Board's preference. Ms. Burrell stated that it should be made clear that the policy changes do not affect the current pool participants. Mr. McCabe asked whether it would be better to make the policy effective March 16, 2023. Mr. Riley stated that the current consensus was to make the policy effective March 16, 2023.

Mr. Riley asked for an amended motion to adopt the fee structure changes as presented at this meeting to the Virginia Public School Authority General Pooled Bond Policy and General Stand Alone Policy, effective March 16, 2023 (Attachment B). Mr. Swynford moved, as amended, to adopt the fee structure changes to the Virginia Public School Authority General Pooled Bond Policy and General Stand Alone Policy, effective March 16, 2023; Mr. McCabe seconded, and the motion, as amended, carried unanimously as shown below:

YEAS: John R. Riley, Jr., Chairman
 Maria J. Perrotte, Vice Chairman
 Betty J. Burrell
 David Swynford, Acting Treasurer
 Lewis R. McCabe
 Kent C. Dickey, designee for Aimee Guidera

NAYS: None

Consideration of Motion to Adopt VPSA Remote Meeting Policy Regarding Electronic Participation in Board Meetings

Mr. Mahone reviewed the VPSA Remote Meeting Policy Regarding Electronic Participation in Board Meetings. He stated that this policy meets the requirements of VA Code §[2.2-3708.2](#) and §[2.20-378.3](#).

Mr. Jones stated that this policy does not include the provision to allow remote participation by a Board member through electronic communication because a Board member's principal residence is more than 60 miles from the meeting location identified in the required meeting notice.

Ms. Perrotte moved the adoption of the Virginia Public School Authority Remote Meeting Policy Regarding Electronic Participation in Board Meetings, as presented at this meeting; Mr. Swynford seconded, and the motion carried unanimously as shown below:

YEAS: John R. Riley, Chairman
 Maria J. Perrotte, Vice Chairman
 Betty J. Burrell
 David Swynford, Acting Treasurer
 Lewis R. McCabe
 Kent C. Dickey, designee for Aimee Guidera

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 2021 to protect students, faculty and visitors in 583 schools in 93 school divisions.

Results of Sale and Final Financing Summary

VPSA School Financing Bonds (1997 Resolution) Series 2022 B – Ms. Palmer reviewed the Final Financing Summary; for the \$99,915,000 School Financing (1997 Resolution) Series 2022 B. She stated the Series 2022 B bonds sold competitively to Barclays Capital Inc. at a true interest cost of 4.18% on October 18, 2022 and with a delivery date of November 9, 2022.

Adjournment

There being no further business to be brought before the Board, Mr. Riley declared the meeting adjourned at 2:41 P.M.

Respectfully submitted,

James D. Mahone
Assistant Secretary

ATTACHMENT A

DRAFT

**COMMONWEALTH OF VIRGINIA
VIRGINIA PUBLIC SCHOOL AUTHORITY (VPSA)**
Board of Commissioners Meeting
Winter Board Meeting – December 5, 2022, 2:00 p.m.
Treasury Board Conference Room, Third Floor
James Monroe Building
101 North 14th Street, Richmond Virginia

Members Present: Maria J. Perrotte, Vice Chairman
Betty J. Burrell
Michael Nguyen
David L. Richardson, Treasurer
Lewis R. McCabe
Kent C. Dickey, designee for Jillian Balow

Members Absent: John R. Riley, Jr., Chairman
Cardell C. Patillo, Jr.

Others Attending:	Jonathon C. Munch	Stafford County Government
	Thomas William Bruno	McGuire Woods LLP
	Ty Wellford	Davenport & Company LLC
	Tyler Smith	Davenport & Company LLC
	Kevin Rotty	PFM Financial Advisors LLC
	Don Ferguson	Office of the Attorney General
	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

Others Attending via	Janet Lee	Public Resources Advisory Group
Conference Call:	Christine Ilarina	Public Resources Advisory Group

Call to Order and Public Comment

Ms. Perrotte called the meeting to order at 2:02 P.M.

Ms. Perrotte stated the first order of business was to provide an opportunity for any public comment. There was no public comment.

Approval of Minutes

Ms. Perrotte asked for a motion for approval of the minutes of the September 15, 2022 Board meeting. Ms. Burrell moved to adopt the minutes of the September 15, 2022 meeting; Mr. Dickey seconded, and the motion carried unanimously as shown below:

DRAFT

YEAS: Maria J. Perrotte, Vice Chairman
Betty J. Burrell
David L. Richardson
Lewis R. McCabe
Kent C. Dickey

NAYS: None

ABSTAIN: Michael Nguyen

Consideration of the Issuance of Special Obligation School Financing Bonds, Stafford County Series 2023

Ms. Perrotte stated that she is a retired former chief financial officer for Stafford County, Virginia which is anticipated to issue its school bonds through the Virginia Public School Authority in connection with the undermentioned transaction. She stated that she is no longer employed by and does not receive any financial benefit from or provided by Stafford County and she is able to participate in the undermentioned transaction fairly, objectively, and in the public interest.

Mr. Richardson stated that he is a retired partner with McGuire Woods, bond counsel to the VPSSA and at times to localities within the Commonwealth, and he receives certain residual payments from the firm. Therefore, when approving school bonds, he is required to comply with the declaration requirements pursuant to [§2.2-3112](#) B1, [§2.2-3112](#) B2, 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.

Mr. Mahone reviewed the Preliminary Financing Summary and the Cost of Issuance Budget for the \$101,715,000 Special Obligation School Financing Bonds, Stafford County Series 2023. He stated that approximately \$101,715,000 in bond proceeds will be issued to pay the cost of various capital school improvement projects for the County and to pay the cost of issuance. He stated the bonds are expected to be sold competitively using Parity or the MuniAuction platform on February 1, 2023 and the anticipated delivery date is on or about February 15, 2023.

Mr. Mahone introduced Mr. Jonathon Munch, Chief Financial Officer from Stafford County Government.

Mr. Bruno from McGuire Woods LLP, VPSSA's Bond Counsel for the transaction, presented the Series Resolution No. 22-11 authorizing and securing the issuance of Special Obligation School Financing Bonds, Stafford County Series 2023. Mr. Richardson moved the adoption of Resolution No. 22-11; Mr. Nguyen seconded, and the motion carried unanimously as shown below:

YEAS: Maria J. Perrotte, Vice Chairman
Betty J. Burrell
Michael Nguyen

DRAFT

David L. Richardson
Lewis R. McCabe
Kent C. Dickey

NAYS: None

Other Business

Discussion Regarding Fee Structure Under the General Pooled Bond Policy and Stand Alone Bond Programs

Mr. Mahone updated the Board on the sufficiency of the current fee structure to continue to cover bond costs of issuance and operating expenses, with a recommendation to begin charging General Pooled Bond Program participants for VPSA's actual costs of issuance and to begin charging Stand Alone Bond Program participants a 5 basis point surcharge on the interest rate of their bonds. He stated this would equalize the fees between the two programs. The Board asked that this be made an agenda item for vote at the March 2023 meeting.

Discussion Regarding Establishment of Electronic Meeting Policy

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Mr. Ferguson summarized the electronic meeting policy. Discussion ensued. The Board asked that a policy be made an agenda item at the March 2023 meeting.

Results of Sale and Final Financing Summary

Special Obligation School Financing Bonds Hanover County Series 2022 – Ms. Palmer reviewed the Final Financing Summary; for the \$41,285,000 Special Obligation School Financing Bonds Hanover County Series 2022. She stated the Series 2022 bonds sold competitively using the MuniAuction platform on August 16, 2022 at a true interest cost of 3.054361% to BofA Securities, Inc. and with a delivery date of September 28, 2022.

Adjournment

There being no further business to be brought before the Board, Ms. Perrotte declared the meeting adjourned at 2:45 P.M.

Respectfully submitted,

James D. Mahone
Assistant Secretary

ATTACHMENT B

**Virginia Public School Authority
Spring Board Meeting – March 15, 2023**

I move the adoption of the fee structure changes to the Virginia Public School Authority General Pooled Bond Policy and General Stand Alone Policy, as presented at this meeting, to be made effective March 16, 2023.

Motion: _____ Second: _____