

Meeting of the Board
STATE PUBLIC SCHOOL BUILDING AUTHORITY
July 17, 2014
Room 515 North Office Building
Harrisburg, Pennsylvania
10:30 a.m. Prevailing Time

MINUTES

1. Call to Order, Filing of Proof of Sunshine Notice and of Sending Notice of the Meeting, Roll Call and Announcement of Quorum.
2. Approval of the Minutes of the Meeting of May 29, 2014.
3. Financial Report for the Month of May 2014.
4. Revolving Loan Fund.
5. Investment Activity.
6. Approval of Projects.
 - A. Resolution Authorizing the Undertaking of a Project on Behalf of the Central Pennsylvania Institute of Science & Technology.
 - B. Resolution Authorizing the Undertaking of a Project on Behalf of Delaware County Community College.
 - C. Resolution Authorizing the Undertaking of a Project on Behalf of the Albert Gallatin Area School District.
7. Old Business.
8. New Business.
9. Adjournment.

1. CALL TO ORDER, FILING OF PROOF OF SUNSHINE NOTICE AND OF SENDING NOTICE OF THE MEETING, ROLL CALL AND ANNOUNCEMENT OF QUORUM.

With a quorum of the Board being present, the meeting of the Board of State Public School Building Authority was called to order on Thursday, July 17, 2014 at 10:30 a.m. prevailing time, in Room 515 North Office Building, Harrisburg, Pennsylvania. The proof of the Sunshine advertisement and certification in regard to sending the notice of meeting is attached to these minutes and identified as Appendix "A".

Board Members Present

Steven Heuer, (Proxy for Governor Thomas W. Corbett)
Jennifer Smeltz, (Proxy for Senator Michael J. Folmer)
Lisa Felix, (Proxy for Senator Andrew E. Dinniman)
Sean Dempsey, (Proxy for Representative Warren E. Kampf)
Alan Cohn, (Proxy for Representative Anthony M. DeLuca)
Jennifer Langan, (Proxy for Treasurer Robert M. McCord)
Christal Pike-Nase, (Proxy for Auditor General Eugene A. DePasquale)
Secretary of General Services Sheri L. Phillips
Ernie Helling, (Proxy for Acting Secretary of Education Carolyn C. Dumaresq)

Authority Personnel Present

Robert Baccon, Executive Director
Jennifer Rudy, Accountant
Beverly Nawa, Administrative Officer

Also Present

William McCarty, Esquire, Hartman Underhill & Brubaker LLC
Jay Wenger, Managing Director, Susquehanna Group Advisors
Danielle Guyer, Director of Budgetary Affairs for the Speaker of the House of Representatives
Margaret Sullivan, Intern, Department of the Auditor General

Participated Via Conference Call

Lynn Freeman, Esquire, Buchanan Ingersoll & Rooney, PC
Sean Garin, Esquire, Dinsmore & Shohl LLP
David Van Buskirk, Director of Business Development, Central Pennsylvania Institute Of Science & Technology
Jamie Shelby, Robert W Baird & Co.
John Glavin, Vice President for Administration & Treasurer, Delaware County Community College
Paul Clancy, Director, Municipal Finance, RBC Capital Markets
Christopher Brewer, Esquire, Dinsmore & Shohl LLP
Denise Sheetz, Business Manager, Albert Gallatin Area School District

2. APPROVAL OF THE MINUTES OF THE MEETING OF MAY 29, 2014.

A copy of the minutes of the meeting of May 29, 2014, was distributed to the Board Members prior to this meeting. It is therefore recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the minutes of the SPSBA meeting of May 29, 2014, be and hereby are approved as presented.

Upon **MOTION** by **Ms. Langan**, and **SECONDED** by **Secretary Phillips**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of July 17, 2014.

3. FINANCIAL REPORT FOR THE MONTH OF MAY 2014.

The Financial Report for the month of May was emailed to Board Members prior to this meeting.

It is recommended that consideration be given to the adoption of the following Resolution:

RESOLVED That the Financial Report of the State Public School Building Authority for the month of May 2014 as received by this Board, be accepted and filed with the minutes of this meeting.

Upon **MOTION** by **Ms. Langan**, and **SECONDED** by **Ms. Pike-Nase**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of July 17, 2014.

4. REVOLVING LOAN FUND.

Mr. Baccon explained that there were no project closing and there are no pending projects at this time.

5. INVESTMENT ACTIVITY.

Mr. Baccon explained that there is an update regarding investment activity included in the agenda. Jen Rudy of our staff is here to answer any questions Board Members may have.

Chairperson Heuer mentioned that the purchase was of a US Treasury to maintain a laddered investment portfolio.

Chairperson Heuer asked if Board Members had any questions, and hearing none, he moved to approval of projects.

6. APPROVAL OF PROJECTS.

A. Resolution Authorizing the Undertaking of a Project on Behalf of the Central Pennsylvania Institute of Science & Technology.

Mr. Baccon explained that the Joint Operating Committee of the Central Pennsylvania Institute of Science and Technology has requested that we issue a maximum of \$8,095,000 in Revenue Bonds to finance the refunding of the remaining principal balance of our Central Pennsylvania Institute of Science and Technology Project, Series A & AA of 2009.

The Underwriter will be Robert W. Baird & Co. and the Trustee will be U.S. Bank. At the request of the School, the Office of General Counsel has appointed Dinsmore & Shohl as Bond Counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the bonds.

Sean Garin, Esquire of Dinsmore & Shohl, David Van Buskirk, Director of Business Development for CPI and Jamie Shelby of Robert W. Baird are participating by conference call to answer any questions.

Chairperson Heuer asked if they target a percentage or a dollar amount in savings.

Mr. Shelby explained that in this case it is a dollar amount sometimes they do a percentage. There is no set rule as to how that is accomplished.

Chairperson Heuer asked if Board Members had any other questions or comments about the project, and hearing none, he asked for a motion to approve the project.

**RESOLUTION OF THE
STATE PUBLIC SCHOOL BUILDING AUTHORITY
AUTHORIZING
THE UNDERTAKING OF A PROJECT ON BEHALF OF
THE CENTRAL PENNSYLVANIA INSTITUTE OF SCIENCE AND TECHNOLOGY

DOCKET NO. 2428**

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS

1. The State Public School Building Authority (the “Authority”) shall undertake the financing of a refunding project (the “Refunding Project”) on behalf of the Joint Operating Committee of the Central Pennsylvania Institute of Science and Technology (the “School”) and Bald Eagle Area School District, Bellefonte Area School District and Penns Valley Area School District (the “Participating School Districts”) consisting of: (a) the refunding of the Authority’s School Building Revenue Bonds (Central Pennsylvania Institute of Science and Technology Project), Series A & AA of 2009 (the “2009 Bonds”), issued in the original aggregate principal amount of \$8,000,000; and (b) the payment of the costs and expenses of issuing the Bonds (defined below) and refunding the 2009 Bonds. At the request of the School, the Executive Director of the Authority shall have the power to add, delete or substitute for any component of the Refunding Project but only to the extent permitted by The State Public School Building Authority Act of 1947, as amended, the Department of Education, and the Federal income tax laws from time to time in effect.

2. In order to finance the Refunding Project, the Authority will enter into a Trust Indenture with U.S. Bank National Association (the “Indenture”), and shall issue up to \$8,095,000 in aggregate principal amount of bonds in one or more series (which may be issued on the same or different dates) to be designated as the “State Public School Building Authority School Building Revenue Bonds (Central Pennsylvania Institute of Science and Technology Project), Series of 2014” with an appropriate series designation (such bonds being herein referred to as the “2014 Bonds”). The 2014 Bonds shall be subject to the following parameters and subject to redemption, all as approved by the Executive Director in consultation with the School and as further provided in a bond purchase agreement hereinafter defined and described.

The 2014 Bonds shall be issued in such denominations and form and with such terms as shall be set forth in the Indenture used in connection with the issuance of the 2014 Bonds and approved by the Executive Director of the Authority. The execution of the 2014 Bonds with the manual or facsimile signature of the Governor of the Commonwealth of Pennsylvania, the President or any Vice President of the Authority together with the official seal or a facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director of the Authority is hereby authorized to deliver the 2014 Bonds to the Trustee under the Indenture for authentication, and to execute and deliver instructions to the Trustee to deliver the 2014 Bonds when so authenticated, on behalf of the Authority, to or upon the order of the purchaser thereof, against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture and/or any supplement thereof.

3. The proceeds from the sale of the 2014 Bonds shall be loaned to the School and the Participating Districts pursuant to the terms of a Loan Agreement among the Authority, the School and the Participating School Districts (herein referred to as the "Loan Agreement") and shall be applied by the School for and toward the costs of the Refunding Project including: (a) the refunding of the 2009 Bonds, and (b) the payment of the costs and expenses of issuing and insuring the 2014 Bonds.

4. The President, any Vice President or Executive Director is hereby authorized on behalf of the Authority to enter into an acceptable purchase proposal and any addenda thereto with Robert W. Baird & Co. (the "Underwriter"), as requested by the School, for the purchase of any series of the 2014 Bonds issued hereunder (the "Bond Purchase Agreement"), in accordance with the terms of this Resolution and the President, any Vice President, the Secretary or any Assistant Secretary, or the Executive Director of the Authority is hereby authorized to execute and deliver the particular Bond Purchase Agreement on behalf of the Authority and to take such further action as he or she deems necessary or advisable to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of the following documents relating to the issuance of 2014 Bonds of any series authorized hereunder and the financing of the Refunding Project: the Indenture, the Loan Agreement and any other documents required in connection with the issuance of the 2014 Bonds; any remarketing agreement, auction agent agreement and/or indexing agent agreement if any of the 2014 Bonds shall bear interest at a variable rate; any escrow or other agreement required in connection with the refunding of the 2009 Bonds or any obligations connected with the Refunding Project; and any other document to which the Authority is a party and which is required in connection with the financing of the Refunding Project; all in such form as shall be acceptable to Bond Counsel, the Attorney General of the Commonwealth, the Office of General Counsel, and Authority Counsel and as shall be approved by the Executive Director of the Authority.

6. The President, the Vice President or the Executive Director of the Authority, and each of them is hereby authorized to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary and each of them, is hereby authorized to attest and affix the official seal of the Authority to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

7. Any preliminary official statement and/or final official statement which may be used in connection with the offer and sale of the 2014 Bonds shall be in such form as shall be approved by the Executive Director of the Authority with the advice of Bond Counsel and Authority Counsel. The Executive Director is hereby authorized to execute any such preliminary official statement and/or final official statement in the name and on behalf of the Authority, and such execution by the Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval, as limited by the terms thereof, of such documents. The circulation and distribution of copies of any such documents in connection with the offer and sale of the 2014 Bonds is hereby authorized.

8. The Underwriters shall be and are hereby authorized to purchase the 2014 Bonds, upon the terms and conditions hereof and contained in the Bond Purchase Agreement. U.S. Bank National Association shall be and hereby is authorized to act as Trustee under the Indenture in connection with the issuance of the 2014 Bonds. At the request of the School, the Office of General Counsel has appointed Dinsmore & Shohl LLP as Bond Counsel for this issue.

9. The appropriate officers of the Authority are hereby authorized to take such further action and to execute and deliver in the name and on behalf of the Authority any and all other documents and certificates, in addition to those specified above, as they shall deem necessary or advisable in connection with the issuance of the 2014 Bonds and the implementation of this Resolution.

10. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefore pursuant to the Indenture, which by the terms of such Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture.

11. The appropriate officers of the Authority are, and each of them is, hereby authorized to execute and deliver in the name and on behalf of the Authority such other documents and to take such other action as they shall deem necessary in order to effectuate the financing of the Refunding Project, the execution, delivery and receipt of the Indenture, the Loan Agreement, the Bond Purchase Agreement, the distribution of a preliminary official statement and/or final official statement and the issuance and sale of the 2014 Bonds, all in accordance with this Resolution.

12. The appropriate officers of the Authority, including the President, the Vice President and the Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Refunding Project (collectively, the "Bond Documents") requested by the School and the Participating Districts and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

13. This Resolution shall take effect immediately upon its adoption, and all prior Resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Mr. Helling**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of July 17, 2014.

EXHIBIT A

CENTRAL PENNSYLVANIA INSTITUTE OF SCIENCE AND TECHNOLOGY

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2428	Centre	Financing of: (i) the refunding of the remaining principal balance of the State Public School Building Authority's School Building Revenue Bonds (Central Pennsylvania Institute of Science and Technology Project), Series of 2009; and (ii) the payment of the costs and expenses of issuing the refunding bonds and refunding the prior bonds.	\$8,095,000

Maximum Term: 13 years.

Interest Rate: Fixed.

Rating/Insurance: The school has applied for a rating. For reference purposes, the 2009 Bonds were issued with an underlying rating of A1 by Moody's and A+ by S&P. The purchase of bond insurance will be determined based on the rating received.

Bond Counsel: At the request of the School, the Office of General Counsel has appointed Dinsmore & Shohl LLP.

Trustee: U.S. Bank National Association.

Underwriter: Robert W. Baird & Co.

Minority, Veteran and/or Female Participation in this Financing: To be determined by the School in consultation with the Executive Director.

Approved by the SPSBA Board at its meeting of July 17, 2014.

6. APPROVAL OF PROJECTS (CONTINUED).

B. Resolution Authorizing the Undertaking of a Project on Behalf of Delaware County Community College.

Mr. Baccon explained that Delaware County Community College has requested that we issue a maximum of \$15,000,000 in Revenue Bonds to finance the acquisition, construction, improvement, renovation, furnishing, equipping and installation of certain alterations and improvements at the College's Delaware County and Chester County campuses.

RBC Capital Markets will serve as the Underwriter and The Bank of New York Mellon Trust Company is the Trustee for this issue. At the request of the College, the Office of General Counsel has appointed Saul Ewing as Bond Counsel.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the Bonds.

Paul Clancy, Director of Municipal Finance for RBC Capital Markets and John Glavin, Vice President for Administration & Treasurer of the College, are participating by conference call to answer any questions.

Chairperson Heuer asked if Board Members had any questions or comments about the project.

Mr. Dempsey asked for more detail regarding the project description.

Mr. Glavin explained that it is a multi-faceted project. They are combining their testing center and their assessment center into one specific area. They are adding sprinklers throughout the Marple campus. They are also adding a welding lab which they really need. They are renovating classrooms in addition to a lighting efficiency project. They are also combining their student records and financial aid into one general area.

Secretary Phillips said that the exhibit mentioned that the rate is not to exceed 7.5%. She assumed that is just to make sure that the issue goes through because she did not think it would be that high.

Mr. Glavin said that she was correct. That was a parameters budget.

Chairperson Heuer asked if Board Members had any other questions or comments, and hearing none, he asked for a motion to approve the project.

**RESOLUTION OF THE
STATE PUBLIC SCHOOL BUILDING AUTHORITY
AUTHORIZING
THE UNDERTAKING OF A PROJECT ON BEHALF OF
DELAWARE COUNTY COMMUNITY COLLEGE**

DOCKET NO. 2429

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The State Public School Building Authority (the "Authority") shall undertake a project (the "Project") on behalf of Delaware County Community College (the "College") generally anticipated to consist of one or more of the following components: (i) the acquisition, construction, improvement, renovation, furnishing, equipping and installation of certain alterations and improvements, personal property and/or fixtures at the College's Delaware County and Chester County campuses; and (ii) the payment of certain costs of issuing the Bonds (defined below) (including bond insurance or other forms of credit enhancement if advantageous to the College).

2. In order to finance the Project, the Authority will enter into an Eighth Supplemental Trust Indenture, to be dated as set forth therein (the "Eighth Supplemental Indenture"), which Eighth Supplemental Indenture will further amend and supplement a Trust Indenture dated as of October 1, 1993, as previously amended and supplemented (the "Original Indenture," and as further amended and supplemented by the Eighth Supplemental Indenture, the "Indenture") with The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), and shall issue up to \$15,000,000 (exclusive of any original issue discount) in aggregate principal amount of bonds to be in one or more series issued as either taxable or tax-exempt (which may be issued on the same or different dates) to be designated "State Public School Building Authority, College Revenue Bonds (Delaware County Community College Project), Series of 2014" (or such other designation, as appropriate) with the appropriate alphabetical series designation, as applicable (the "Bonds"). The Bonds shall have a term not to exceed thirty (30) years and shall bear interest at a fixed rate acceptable to the College, shall mature in such principal amounts and at such times, and shall be subject to redemption and purchase, as applicable, all as approved by the Executive Director of the Authority in consultation with the College and further provided in one or more Bond Purchase Agreements (as hereinafter defined).

The Bonds shall be issued in such denominations and form and under such terms as shall be set forth in the Indenture used in connection with the issuance of the Bonds and approved by the Executive Director. The execution of the Bonds with the manual or facsimile signature of the President of the Authority and the Treasurer of the Authority together with a manual or facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director of the Authority is hereby authorized and directed to deliver the Bonds to the Trustee under the Indenture for authentication and to execute and deliver instructions to the Trustee to deliver the Bonds when so authenticated, on behalf of the

Authority, to or upon the order of the purchaser thereof against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture.

3. The proceeds from the sale of the Bonds shall be loaned to the College pursuant to the terms of a Loan and Security Agreement, dated as of October 1, 1993, as previously amended and supplemented (the "Original Loan Agreement," and as further amended and supplemented by the Eighth Supplemental Loan Agreement, to be dated as set forth therein, the "Eighth Supplemental Loan Agreement," together with the Original Loan Agreement, the "Loan Agreement"), between the College and the Authority and shall be applied by the College for and towards the costs of the Project including, without limitation, printing and reproduction costs, fees and expenses of bond counsel and underwriter's counsel, fees and expenses of the Trustee, and administrative costs and expenses of the College and the Authority, all upon submission of the proper documentation thereof; the payment of the premium for a policy of municipal bond insurance if determined to be advantageous by the College; and the funding of funds established under the Indenture, to the extent necessary.

4. The President, any Vice President or the Executive Director is hereby authorized to negotiate with the underwriter hereinafter appointed for an acceptable proposal for the purchase of the Bonds issued hereunder, to enter into one or more purchase agreements (each, a "Bond Purchase Agreement") for such purpose in accordance with the terms of this resolution and the President, any Vice President or the Executive Director is hereby authorized to execute and deliver each Bond Purchase Agreement on behalf of the Authority and to take such further action as may be required or proper to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize the execution and delivery of any documents to which the Authority is a party and which are required to be executed and delivered in connection with the financing of the Project and the issuance of the Bonds authorized hereunder, including but not limited to the Indenture, Loan Agreement, Bond Purchase Agreement, provided that all such documents shall be in such form as shall be acceptable to Bond Counsel, the Office of General Counsel, the Attorney General of the Commonwealth and Authority Counsel and as shall be approved by the Executive Director of the Authority.

6. The appropriate officers of the Authority, including the President, the Vice President and the Executive Director are, and each of them is hereby authorized and directed to execute such further documents and do such further things as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

7. The appropriate officers of the Authority, including the President, the Vice President, the Executive Director and any Assistant Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Project (collectively, the "Bond Documents") requested by the College and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond

Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation, if applicable.

8. The President, any Vice President or the Executive Director of the Authority shall be, and each of them is hereby, authorized and directed to execute, acknowledge and deliver in the name of and on behalf of the Authority, and the Secretary or Assistant Secretary of the Authority shall be and each of them is hereby authorized and directed to attest and affix the official seal of the Authority (if any) to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of the forms of said documents.

9. The form of any preliminary official statements, reoffering circulars and/or final official statements (collectively, the "Offering Documents") which may be used in connection with the sale and issuance of the Bonds shall be approved by the Executive Director with the advice of Bond Counsel and Authority Counsel. The Executive Director shall be and hereby is authorized and directed to execute any such final Offering Documents, and such execution by the Executive Director shall constitute conclusive evidence of the Authority's approval of the form of such documents. The Authority is hereby authorized to circulate and distribute copies of any such Offering Documents in connection with the Project.

10. RBC Capital Markets, LLC is hereby appointed Underwriter for the Bonds (the "Underwriter"). The Underwriter has selected Eckert Seamans Cherin & Mellott, LLC as Underwriter's Counsel.

11. The appropriate officers of the Authority are hereby authorized to take such further action and to execute any and all other documents and certificates, in addition to those specified above, as shall be required in connection with the issuance of the Bonds and the implementation of this resolution.

Upon **MOTION** by **Ms. Langan**, and **SECONDED** by **Secretary Phillips**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of July 17, 2014.

EXHIBIT A

DELAWARE COUNTY COMMUNITY COLLEGE

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2429	Delaware	(i) the acquisition, construction, improvement, renovation, furnishing, equipping and installation of certain alterations and improvements, personal property and/or fixtures at the College's Delaware County and Chester County campuses; (ii) the payment of certain costs of issuing the Bonds (defined below) (including bond insurance or other forms of credit enhancement if advantageous to the College).	\$15,000,000*

Term: Not more than thirty (30) years.

Rate: Fixed Rate not to exceed 7.50% per annum.

Rating: "A1" (underlying from Moody's Investor Services, Inc.).

Minority, Veteran and/or Female participation in this issue: McElwee & Quinn (financial printer).

Underwriter: RBC Capital Markets, LLC.

Bond Counsel: At the request of the College, the Office of General Counsel has appointed Saul Ewing LLP as Bond Counsel.

Trustee: The Bank of New York Mellon Trust Company, N.A.

Approved by the SPSBA Board at its meeting of July 17, 2014.

* Exclusive of any original issue discount.

6. APPROVAL OF PROJECTS (CONTINUED).

C. Resolution Authorizing the Undertaking of a Project on Behalf of the Albert Gallatin Area School District.

Mr. Baccon explained that the Albert Gallatin Area School District has requested that we issue a maximum of \$18,500,000 in revenue bonds to finance the refunding of the remaining principal balance of our Albert Gallatin Area School District, Variable Rate Demand Revenue Bonds, Series 2007.

The Underwriter is Janney Montgomery Scott, the Financial Advisor will be Susquehanna Group Advisors and the Trustee will be Wells Fargo Bank. At the request of the School District, the Office of General Counsel has appointed Dinsmore & Shohl as bond counsel for this issue.

The Resolution in your agenda approves all of the actions necessary in connection with the issuance of the refunding bonds.

Jay Wenger, Managing Director of Susquehanna Group Advisors is in attendance to answer questions. Chris Brewer, Esquire of Dinsmore & Shohl and Denise Sheetz, Business Manager of the school district are participating by conference call.

Chairperson Heuer asked if Board Members had any questions or comments.

Ms. Langan asked how much they expect to save from the refinancing.

Mr. Wenger explained that the primary reason for the financing is to rid the school district of third party credit fees and to get rid of the risk of bond insurance credit rating exposure in the transaction. The savings are going to be very modest in interest rate savings but they are doing it as better structure and risk profile for the school district.

Chairperson Heuer asked Mr. Wenger to explain the structure.

Mr. Wenger explained that currently the school district has a variable rate loan obligation that resets on a weekly basis. PNC Bank is both the standby liquidity provider and the remarketing agent. The bonds are insured by what is now AGM. In the new structure it is going to be a direct floating rate note. There will be no third party credit. The bonds will trade solely on the strength of the school district. It will still be a variable rate obligation.

Chairperson Heuer asked if Board Members had any questions or comments about the project, and hearing none, he asked for a motion to approve the project.

**RESOLUTION OF THE
STATE PUBLIC SCHOOL BUILDING AUTHORITY
AUTHORIZING
THE UNDERTAKING OF A PROJECT ON BEHALF OF
THE ALBERT GALLATIN AREA SCHOOL DISTRICT**

DOCKET NO. 2430

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS

1. The State Public School Building Authority (the "Authority") shall undertake the financing of a refunding project (the "Refunding Project") on behalf of the Albert Gallatin Area School District (the "School District") consisting of: (a) the refunding of the Authority's Variable Rate Demand Revenue Bonds (Albert Gallatin Area School District Project), Series 2007 (the "2007 Bonds"), issued in the original aggregate principal amount of \$25,725,000; and (b) the payment of the costs and expenses of issuing the Bonds (defined below) and refunding the Prior Bonds. At the request of the School District, the Executive Director of the Authority shall have the power to add, delete or substitute for any component of the Refunding Project but only to the extent permitted by The State Public School Building Authority Act of 1947, as amended, the Department of Education, and the Federal income tax laws from time to time in effect.

2. In order to finance the Refunding Project, the Authority will enter into a Trust Indenture with Well Fargo Bank, N.A. (the "Indenture"), and shall issue up to \$18,500,000 in aggregate principal amount of bonds in one or more series (which may be issued on the same or different dates) to be designated as the "State Public School Building Authority Variable Rate Demand Revenue Bonds (Albert Gallatin Area School District Project), Series 2014" with an appropriate series designation (such bonds being herein referred to as the "2014 Bonds"). The 2014 Bonds shall be subject to the following parameters and subject to redemption, all as approved by the Executive Director in consultation with the School District and as further provided in a bond purchase agreement hereinafter defined and described: (a) the 2014 Bonds shall not mature later than the dates set forth on Exhibit "A" attached hereto and made part hereof; (b) the purchase price for the 2014 Bonds shall not be less than 95% or more than 120% of par of the 2014 Bonds; (c) the Underwriter's discount/Placement Agent's fee shall not exceed \$10.00 per \$1,000.00 of 2014 Bonds; (d) the Refunding Project shall produce savings to the School District in the form of reduced or eliminated credit costs, along with relief from certain contractual requirements; and (e) the maximum principal amounts and the maximum interest rates shall not exceed those stated on Exhibit "A".

The 2014 Bonds shall be issued in such denominations and form and with such terms as shall be set forth in the Indenture used in connection with the issuance of the 2014 Bonds and approved by the Executive Director of the Authority. The execution of the 2014 Bonds with the manual or facsimile signature of the Governor of the Commonwealth of Pennsylvania, the President or any Vice President of the Authority together with the official seal or a facsimile of the official seal of the Authority and the attestation thereof by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority is hereby authorized. The Executive Director of the Authority is hereby authorized to deliver the 2014 Bonds to the Trustee under the Indenture for authentication, and to execute and deliver instructions to the Trustee to deliver the 2014 Bonds when so authenticated, on behalf of the Authority, to or upon the order of the

purchaser thereof, against receipt of the purchase price together with any accrued interest, all in accordance with the requirements of the Indenture and/or any supplement thereof.

3. The proceeds from the sale of the 2014 Bonds shall be loaned to the School District pursuant to the terms of a Loan Agreement among the Authority and, the School District (herein referred to as the "Loan Agreement") and shall be applied by the School District for and toward the costs of the Refunding Project including: (a) the refunding of the Prior Bonds, and (b) the payment of the costs and expenses of issuing and insuring the 2014 Bonds.

4. The President, any Vice President or Executive Director is hereby authorized on behalf of the Authority to enter into an acceptable purchase proposal and any addenda thereto with Janney Montgomery Scott LLC (the "Underwriter/Placement Agent"), as requested by the School District, for the purchase or placement of any series of the 2014 Bonds issued hereunder (the "Bond Purchase Agreement"), in accordance with the terms of this Resolution and the President, any Vice President, the Secretary or any Assistant Secretary, or the Executive Director of the Authority is hereby authorized to execute and deliver the particular Bond Purchase Agreement on behalf of the Authority and to take such further action as he or she deems necessary or advisable to carry out the obligations of the Authority thereunder.

5. The Authority does hereby authorize (or ratify) the execution and delivery of the following documents relating to the issuance of 2014 Bonds of any series authorized hereunder and the financing of the Refunding Project: the Indenture, the Loan Agreement, a note purchase proposal and any other documents required in connection with the issuance of the 2014 Bonds; any remarketing agreement, calculation agent agreement (when the 2014 Bonds bear interest at a variable rate); any escrow or other agreement required in connection with the refunding of the Prior Bonds or any obligations connected with the Refunding Project; and any other document to which the Authority is a party and which is required in connection with the financing of the Refunding Project; all in such form as shall be acceptable to Bond Counsel, the Attorney General of the Commonwealth, the Office of General Counsel, and Authority Counsel and as shall be approved by the Executive Director of the Authority.

6. The President, the Vice President or the Executive Director of the Authority, and each of them is hereby authorized to execute, acknowledge and deliver in the name and on behalf of the Authority, and the Secretary or Assistant Secretary and each of them, is hereby authorized to attest and affix the official seal of the Authority to each of the aforesaid documents. The execution of the aforesaid documents as hereinabove authorized shall be deemed to conclusively evidence the approval of the Authority of said documents.

7. Any preliminary official statement and/or final official statement which may be used in connection with the offer and sale of the 2014 Bonds shall be in such form as shall be approved by the Executive Director of the Authority with the advice of Bond Counsel and Authority Counsel. The Executive Director is hereby authorized to execute any such preliminary official statement and/or final official statement in the name and on behalf of the Authority, and such execution by the Executive Director of the Authority shall constitute conclusive evidence of the Authority's approval, as limited by the terms thereof, of such documents. The circulation and distribution of copies of any such documents in connection with the offer and sale of the 2014 Bonds is hereby authorized.

8. The Underwriter/Placement Agent shall be and is hereby authorized to purchase the 2014 Bonds, upon the terms and conditions hereof and contained in the Bond Purchase Agreement. Wells Fargo Bank, N.A. shall be and hereby is authorized to act as Trustee under the Indenture in connection with the issuance of the 2014 Bonds. Susquehanna Group Advisors shall be and hereby is authorized to act as Financial Advisor in connection with the issuance of the 2014 Bonds. At the request of the School District, the Office of General Counsel has appointed Dinsmore & Shohl LLP as Bond Counsel for this issue.

9. The appropriate officers of the Authority are hereby authorized to take such further action and to execute and deliver in the name and on behalf of the Authority any and all other documents and certificates, in addition to those specified above, as they shall deem necessary or advisable in connection with the issuance of the 2014 Bonds and the implementation of this Resolution.

10. The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefor pursuant to the Indenture, which by the terms of such Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture.

11. The appropriate officers of the Authority are, and each of them is, hereby authorized to execute and deliver in the name and on behalf of the Authority such other documents and to take such other action as they shall deem necessary in order to effectuate the financing of the Refunding Project, the execution, delivery and receipt of the Indenture, the Loan Agreement, the Bond Purchase Agreement, the distribution of a preliminary official statement and/or final official statement and the issuance and sale of the 2014 Bonds, all in accordance with this Resolution.

12. The appropriate officers of the Authority, including the President, the Vice President and the Executive Director are, and each of them is, hereby authorized to approve, and to execute and deliver any supplement, amendment or agreement (an "Amendment") providing for any amendment or other change to any trust indenture, loan agreement, bond, instrument or other document executed and delivered with respect to the financing of the Refunding Project (collectively, the "Bond Documents") requested by the School District and approved by all other necessary parties, provided that (a) the officer executing the Amendment shall have determined that the Amendment will not adversely affect the Authority, such determination to be conclusively evidenced by such officer's execution of the Amendment and (b) the Authority shall have received an opinion of counsel in form and substance satisfactory to the Authority that (i) the Amendment is permitted under the Act and the Bond Documents, and (ii) the Amendment will not adversely affect the excludability from gross income of interest on the Bonds for purposes of federal income taxation.

13. This Resolution shall take effect immediately upon its adoption, and all prior Resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistencies.

Upon **MOTION** by **Ms. Pike-Nase**, and **SECONDED** by **Secretary Phillips**, and after full discussion, the above Resolution was unanimously approved at the SPSBA Board Meeting of July 17, 2014.

EXHIBIT A

ALBERT GALLATIN AREA SCHOOL DISTRICT

<u>Docket No.</u>	<u>County</u>	<u>Project Description</u>	<u>Maximum Amount To be Financed</u>
2430	Fayette	Financing of: (i) the refunding of the remaining principal balance of the State Public School Building Authority's Variable Rate Demand Revenue Bonds (Albert Gallatin Area School District Project), Series 2007; and (ii) the payment of the costs and expenses of issuing the refunding bonds and refunding the prior bonds.	\$18,500,000

Maximum Term: 10 years.

Interest Rate: Variable.

Rating/Insurance: A rating of "A/Stable" from Standard & Poor's.

Bond Counsel: At the request of the School District, the Office of General Counsel has appointed Dinsmore & Shohl LLP.

Trustee: Wells Fargo Bank, N.A.

Underwriter/Placement Agent: Janney Montgomery Scott LLC.

Financial Advisor: Susquehanna Group Advisors.

Minority, Veteran and/or Female Participation in this Financing: To be determined by the School District in consultation with the Executive Director.

Approved by the SPSBA Board at its meeting of July 17, 2014.

7. OLD BUSINESS.

Chairperson Heuer asked if there was any old business to come before the Board, and hearing none, he moved to new business.

8. NEW BUSINESS.

Chairperson Heuer asked if there was any new business to come before the Board, and hearing none, he asked for a motion to adjourn.

9. ADJOURNMENT.

There being no further business to come before the Board at this time, upon **MOTION** by **Ms. Langan**, and **SECONDED** by **Secretary Phillips**, the SPSBA Board Meeting was adjourned at 10:40 a.m.

SUNSHINE ACT MEETING NOTICES

Thursday, July 3, 2014

If you need an accommodation due to a disability,

please contact the ADA contact name listed below.

SPECIAL: State Board of Denistry Public Committee Meeting: July 10, 2014,

1:00 PM. 2601 N. Third St., HBG.

Contact Name: Nicole Thurstin 787-6604

PA Council On The Arts Meeting: July 16, 2014,

9:00AM. Crowne Plaza Harrisburg, 23 S. 2nd St., HBG.

Contact Name: Tina Mozingo 787-1524

CANCELLED: Water Resources Advisory Committee Meeting: July 16, 2014,

9:30AM. Rm. 105, RCSOB, HBG.

SPECIAL State Public School Building Authority and PA Higher Educational

Facilities Authority Meetings: July 17, 2014, 10:30AM. Rm.

515, North Office Bldg., HBG.

Contact Name: Bev Nawa 975-2204

Amusement Ride Safety Advisory Board Meeting: July 22, 2014, 10:00

AM. Dept. of Agriculture, Rm. 309, 2301 N. Cameron St., HBG.

Purpose: To act on the proposed

agenda. Contact Name: Walt Remmert

787-9089

RESCHEDULED DEP Sewage Advisory Committee Meeting

(SAC): September 10, 2014, 10:30 AM. RCSOB, Room 105,

HBG.

Contact Name: John Diehl 783-2941]]>

Appeared in: **Patriot-News** on Thursday, 07/03/2014

STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNSYLVANIA HIGHER EDUCATIONAL FACILITIES AUTHORITY
Notice of the Meeting of the Board to be Held
July 17, 2014

Notice was in letterform, as follows:

This letter advises that a meeting of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority Boards will be held on **Thursday, July 17, 2014**, at **10:30 a.m.**, in **Room 515 North Office Building, Harrisburg**, Pennsylvania, for the purpose of: (a) approving certain projects for financing; and, (b) consideration of such other matters as may properly come before the Board.

Enclosed herewith is a copy of the notice that has been posted on the bulletin board in the Authority office, in accordance with Act No. 213, 1957.

I would appreciate it if you would make the appropriate notation on the attached slip, indicating whether or not you plan to be present at the meetings and return same to us.

Sincerely,

/s/ Robert Baccon

Robert Baccon
Executive Director

Enclosures

* * * * *

Appendix A

Harrisburg, PA

I CERTIFY that the notice on the previous page for the July 17, 2014, meetings was dispatched to the following on June 26, 2014, at the addresses indicated, constituting all of the members of the Board of the State Public School Building Authority and the Pennsylvania Higher Educational Facilities Authority.

Thomas W. Corbett, Governor of Pennsylvania
225 Main Capitol Building, Harrisburg, PA
Steven S. Heuer, Proxy for Governor Corbett
333 Market Street – 18th Floor, Harrisburg, PA
Michael J. Folmer, Designated by the President Pro Tempore of the Senate
170 Main Capitol Building, Harrisburg, PA
Andrew E. Dinniman, Designated by the Minority Leader of the Senate
183 Main Capitol Building, Harrisburg, PA
Warren E. Kampf, Designated by the Speaker of the House of Representatives
422 Irvis Office Building, Harrisburg, PA
Anthony M. DeLuca, Designated by the Minority Leader of the House of Representatives
115 Irvis Office Building, Harrisburg, PA
Robert M. McCord, State Treasurer
129 Finance Building, Harrisburg, PA
Eugene A. DePasquale, Auditor General
229 Finance Building, Harrisburg, PA
Sheri L. Phillips, Secretary of General Services
515 North Office Building, Harrisburg, PA
Carolyn C. Dumaresq, Acting Secretary of Education
333 Market Street - 10th Floor, Harrisburg, PA

GIVEN under my hand and seal this 26th day of June 2014.

/s/ Robert Baccon

Robert Baccon, Executive Director
State Public School Building Authority
Pennsylvania Higher Educational Facilities Authority

Appendix A