

**VIRGINIA RESOURCES AUTHORITY**  
**MCDC INITIATIVE COMMITTEE**  
**MINUTES OF THE REGULAR MEETING**

The MCDC Initiative Committee of the Virginia Resources Authority met on November 6, 2014, at the Office of McGuireWoods, 2<sup>nd</sup> Floor, One James Center, 901 E. Cary Street, Richmond, Virginia.

**COMMITTEE MEMBERS PRESENT**

John H. Rust, Jr., Chair  
William G. O'Brien  
Dena Frith Moore

**STAFF**

Stephanie L. Hamlett, Executive Director, Secretary to the Board  
Jean Bass, Director of Policy & Intergovernmental Relations  
Peter D'Alema, Director of Program Management

**OTHERS**

Arthur Anderson, McGuireWoods LLP, Bond Counsel  
T.W. Bruno, McGuireWoods LLP, Bond Counsel

Mr. John H. Rust, Jr., Chair, called the meeting to order at 9:06 a.m.

**Call to Order**

There were no additions, deletions or corrections to the agenda.

**Approval of the Agenda**

Ms. Moore moved, and Mr. O'Brien seconded, approval of the agenda.

The motion was approved unanimously.

Mr. Peter D'Alema, Director of Program Management, explained the current status of the MCDC (Municipal Continuing Disclosure Cooperation) Initiative and reviewed the findings of the DAC Bond audit of EMMA filings. Mr. D'Alema explained that VRA had late filings in 2009 and 2010 as well as one late filing in 2011. He further stated that VRA did not view any of the late filings as material.

**Initiative Current Status**

Mr. D'Alema discussed the timeline for reporting and noted that VRA underwriters had to file with the Securities and Exchange Commission ("SEC") on or before September 10, 2010.

**Issues for Consideration**

Mr. Rust asked whether VRA was aware of the position of our underwriters in filing with the SEC and whether a filing in and of itself

was acknowledgement that the late filings were material omissions. Ms. Moore asked if VRA staff felt the late filings were material.

Mr. D’Alema explained that the underwriters that worked with VRA on negotiated deals were aware of the late filings but did not believe them to be material. However, some of the underwriters that participated in competitive deals did plan to report late filings. VRA also indicated to the underwriters that, subject to Board approval, it was expected that VRA would file with the SEC even though VRA did not believe the late filings were not material omissions. Ultimately, all of the underwriters that worked with VRA decided to note the late filings. Mr. Bruno, bond counsel, noted that SEC enforcement staff does not foresee that all filers will go through the entire MCDC process.

Mr. D’Alema outlined the staff recommendations that 1) VRA staff work with bond counsel to submit information to the SEC on or before December 1, 2014 outlining VRA’s late filings and 2) VRA staff develop a continuing disclosure policy for the Board to consider at the March 2015 meeting.

**Staff Recommendation**

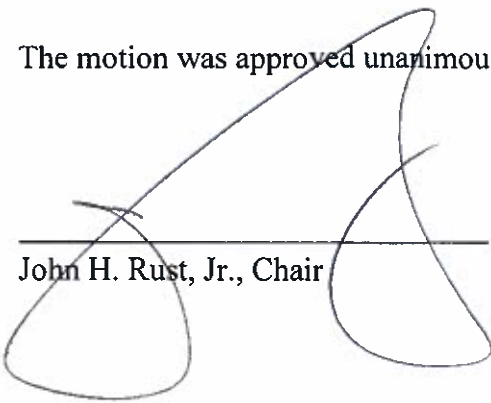
Ms. Moore moved, and Mr. O’Brien seconded a motion to authorize VRA staff to file with the SEC and to develop a continuing disclosure policy for Board consideration.

The motion was approved unanimously.

Mr. O’ Brien moved and Ms. Moore seconded a motion to adjourn.

**Adjournment**

The motion was approved unanimously.

  
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John H. Rust, Jr., Chair

  
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Stephanie Hamlett, Executive Director  
Secretary to the Board