

**Virginia Resources Authority
Board of Directors
October 27, 2016**

Newly appointed members of the Board of Directors of the Virginia Resources Authority (VRA) met on October 27, 2016 for an introductory and orientation session in the Boardroom of the Virginia Resources Authority, Bank of American Building, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

Members Present

Mary Bunting
Reginald "Reggie" Gordon
Cecil "Rhu" Harris

Members Absent

William O'Brien, Chairman
Thomas Hasty, Vice Chairman
Barbara M. Donnellan
David Branscome
Manju Ganeriwala
Randall Burdette
Valerie Thomson for David Paylor
Andrew Hammond for Marissa Levine

Staff Present

Stephanie L. Hamlett, Executive Director
Jean Bass, Deputy Executive Director
Peter D'Alema, Director of Program Management
Joseph Bergeron, Financial Service Manager
Stephanie O'Neill, Receptionist

Others Present

Ty Wellford, Financial Advisor, Davenport & Company, LLC
Authur Anderson, Bond Counsel, McGuireWoods, LLP
Curtis Doughtie, Director of Finance and Administration (new hire effective 11-14-16)

Call to Order

The meeting was called to order by Stephanie Hamlett, Executive Director, at 10:06. A quorum was not present and no action was taken. The purpose of the meeting was solely to provide orientation materials to three new Board members.

Introduction of Directors, Consultants and Staff

Ms. Hamlett welcomed new Board members Ms. Bunting, Mr. Gordon and Mr. Harris to VRA. She also introduced the staff and guests present which included Ty Wellford of Davenport &

Company, Arthur Anderson of McGuireWoods, and Curtis Doughtie, newly appointed as VRA's Director of Administration and Finance. Ms. Hamlett then asked the new board members to briefly introduce themselves.

Board member Mary Bunting, City Manager of the City of Hampton, expressed her honor in being appointed to the Board and said that VRA and the City of Hampton have in common a number of employees including Brian DeProfio, Sheryl Bailey, and Diana Hughes.

Board member Reginald Gordon, Director of the City of Richmond's Office of Community Wealth Building, expressed his pleasure in being appointed to the Board. Prior to assuming the position with the city, Mr. Gordon served as Chief Executive Officer for the Red Cross Eastern Virginia Region.

Board member Cecil "Rhu" Harris, Hanover County Administrator, noted his pleasure, too, in being appointed to the VRA Board of Directors. He said that he and his county were very familiar with VRA having utilized its services.

Overview of the Virginia Resources Authority

Following introductions, VRA's Director of Program Management, Peter D'Alema, began the overview of the Virginia Resources Authority by asking each new board member what their perception was of the Authority. Reggie Gordon stated that he did not have preconceived perception and that he was a sponge ready to absorb information on VRA. Mary Bunting stated that she felt that VRA was a very professionally run organization and that early on in her career she thought of VRA as more a resource for small localities and now later realizes that VRA is for all communities. She believes, she said, that there is a gap of understanding in Virginia localities of how VRA can help them. Rhu Harris echoed Ms. Bunting and stated that he has used VRA funding in the past for such things as an airport hangar and the courthouse. He said the Authority is flexible with a creative staff able to fill a wide range of needs.

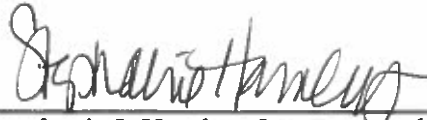
Mr. D'Alema provided an overview of VRA sharing historical background and information on existing financing programs and state partnerships. He explained that VRA staff completes the loan underwriting for all programs and that the security for each loan is tailored to each project and locality. Mr. D'Alema stated that VRA is the vehicle by which many local governments are able to access the market for financings to meet their infrastructure needs.

Mr. D'Alema shared general information about the Authority's reserves and also noted that loans made through VRA's signature Virginia Pooled Financing Program are backed by the Moral Obligation of the Commonwealth. Among VRA's most critical assets in the view of the rating agencies, Ms. Hamlett said, is the State Aid Intercept provision of the VRA Act. She also said that the VRA Board had approved underwriting guidelines that are strictly adhered to by the staff.

Mr. D'Alema gave an overview of each of the funding programs available through VRA. He provided charts showing the growth of loans and grants over time and by region in the Commonwealth. He noted that the Virginia Pooled Financing Program currently has 145 local government borrowers and the local loan portfolio currently exceeds \$2.3 billion. He noted that each loan is monitored carefully and that borrowers demonstrating evidence of some challenges are closely watched.

VRA's Deputy Executive Director, Jean Bass, concluded the meeting with information about VRA's biennial Governor's Infrastructure Financing Conference, to be held in Williamsburg, December 14-16, 2016.

The meeting adjourned at 12:48.

A handwritten signature in black ink, appearing to read "Stephanie L. Hamlett". The signature is written in a cursive style with a horizontal line underneath it.

Stephanie L Hamlett, Secretary to the Board