



A CALLED MEETING  
of the  
GEORGIA HIGHER EDUCATION FACILITIES AUTHORITY

July 30, 2010

The Georgia Higher Education Facilities Authority (the “Authority”) held a called board meeting on July 30, 2010 at 1:30 PM in the offices of the Georgia State Financing and Investment Commission, 270 Washington Street, Suite 2141, Atlanta, Georgia. Members Dick Anderson and Kevin Clark were present in person and member Ben Tarbutton (Chair of the Authority) participated in the meeting via conference call. The Authority’s Secretary and Treasurer, Diana Pope and Tommy Hills with the Office of the Governor; also participated via conference call. Others in attendance were as follows: Susan Ridley, Lee McElhannon and Kelly Zurbrugg with the Georgia State Financing and Investment Commission (“GSFIC”); Marty Nance, Regina Travis, and Cynthia Alexander with the Board of Regents (“BOR”); Lisa Javorka with the Georgia Department of Law; Fallany Stover with Alston & Bird LLP.

**Call to Order and Election of Officers for FY2011**

The meeting was called to order at approximately 1:30 PM by Chair Ben Tarbutton. The first item on the agenda was to elect officers for FY 2011. The Bylaws of the Authority state that no member shall hold the same office for more than two

consecutive years. Ben Tarbutton has served as Chair of the Authority for two consecutive years and was commended by the members for his service. Nominations were made as follows: Dick Anderson to serve as Chair, Kevin Clark to serve as Vice-Chair, and Diana Pope to continue serving as Secretary and Treasurer for FY 2011. Ben Tarbutton seconded the nominations; a vote was taken and the motion to approve the elected officers passed unanimously.

**Adoption of the Minutes from the January 13, 2010 Meeting**

There was no discussion on the minutes as presented. Dick Anderson made a motion to approve the minutes of the January 13, 2010 meeting as submitted; Kevin Clark seconded the motion. A vote was taken and the motion passed unanimously.

**Adoption of Supplemental Resolution seeking approval of the pricing for the  
2010 Series A GHEFA Bonds**

Susan Ridley discussed the summary provided to all of the board members highlighting the pricing of the bonds. Before getting into the details of the pricing Ms. Ridley extended thanks to the entire team working on the 2010 transaction, acknowledging that although there were “hiccups” along the way, they will successfully conclude today. The bonds were sold with the following details: par amount of \$94,210,000; all-in-TIC of 4.763%; maximum annual debt service of \$5,976,238; average life of 19.6 years; cost of issuance of \$727,663; and a maximum coupon rate of

5.00%. These Bonds will provide funding for six projects on five campuses: Bookstore at the University of West Georgia; Housing at East Georgia College; Student Center and Housing at College of Coastal Georgia; Student Center and Stadium at Savannah State University; and Student Wellness Center at Georgia College and State University. There was a brief discussion noting that although there was a delay in the pricing on this issue, the campuses were very pleased with the financial benefit of the favorable rates. The members congratulated the team. Ms. Ridley requested that the Board approve the Supplemental Resolution and the Bond Purchase Agreement. Ben Tarbutton made a motion to approve the Supplemental Resolution; Dick Anderson seconded the motion, a vote was taken and the motion to approve the Supplemental Resolution and the Bond Purchase Agreement passed unanimously.

#### **Approval of the GHEFA FY 2011 Budget**

Susan Ridley presented the FY 2011 proposed budget to the board members. The presentation outlined the total revenue and annual expenses of the Authority. Ms. Ridley also discussed the bond issuance costs associated with the 2010A bond issue which includes all of the fees of the financing team, printing fees, etc. Ms. Ridley noted that the GHEFA audit of the financial statements for FY2010 is currently being conducted and that an audit report prepared by Mauldin & Jenkins Certified Public Accountants, LLC. will be presented at the next board meeting. There was no discussion by the board members on the budget. Ben Tarbutton made a motion to approve the FY 2011 budget and Kevin Clark seconded the motion, a vote was taken and the motion to approve the FY 2011 budget passed unanimously.

### **Update on GHEFA Series 2008 Student Fee Collections**

Ms. Ridley reminded the members that one of the statutory requirements is that projects funded by GHEFA bonds be self-liquidating. To ensure compliance, GSFIC and BOR monitor the fees collected by the different campuses. Marty Nance discussed the results of the GHEFA Series 2008 collections, comparing FY 2009 actual collections to originally projected amounts. Mr. Nance highlighted that the first rental payment on the projects is due on December 1, 2010. Dalton and Southern Polytechnic both exceeded the initial projects, whereas the other campuses had fewer collections than as originally projected. Mr. Nance explained that BOR is not concerned because they are aware that there are sufficient funds at those campuses and that part of the reason for the lower amounts are how the summer students are calculated. There was brief discussion on whether BOR is concerned with future enrollment numbers. Mr. Nance responded that all projections indicate that enrollment is solid. Ms. Ridley commented the team took a very conservative approach in the enrollment and growth projections due to uncertainties with tuition costs and economy. BOR will make an updated presentation at the next meeting, showing FY2010 actual student fee collections. In addition, at the next meeting, BOR will make a presentation updating the members on the status of the various construction projects. All of the GHEFA I projects are completed, the GHEFA II housing project is completed, and the other GHEFA II projects are almost complete.

### Adjournment

Mr. Tarbutton asked if any Authority member had any other business to discuss. The members did not have any additional business to discuss and the meeting was adjourned at approximately 1:53 PM.

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Richard A. Anderson  
Chair

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Diana Pope  
Secretary and Treasurer