A CALLED MEETING

GEORGIA STATE FINANCING AND INVESTMENT COMMISSION

June 21, 2011

The Georgia State Financing and Investment Commission held its Called Meeting in the Office of the Governor, Room Number 203 of the State Capitol, Atlanta, Georgia. The following persons were present: Governor Nathan Deal, Chairman and Chief Executive Officer, presiding; Lt. Governor Casey Cagle, Vice Chairman; State Auditor Russell W. Hinton, Secretary and Treasurer; Speaker of the House David Ralston; Attorney General Samuel S. Olens; Commissioner of Agriculture Gary W. Black; and State Treasurer Tommy Hills, Members; Chief of Staff Chris Riley and Executive Assistant to the Governor Carrie Ashbee for the Office of the Governor; Debbie Dlugolenski, Chief Financial Officer for the Office of the Governor and Director of the Office of Planning and Budget; Lorette Sibilly of the Office of Planning and Budget; Denise Whiting-Pack, Wright Banks, Lisa Javorka, Nancy Gallagher and six interns for the Attorney General's Office; Controller Thomas D. Cox of Herty Advanced Materials Development Center; Executive Director Frank Poe of the Georgia World Congress Center; Executive Director David Skinner of the Georgia Development Authority; Attorney and former State Representative Henrietta Turnquest; Woody Vaughan and Earline Crooke of King & Spalding LLP, Bond Counsel; Dave Amsden and Andrew Eagan of Kutak Rock, LLP, Disclosure Counsel; Director Susan Hart Ridley and Lee McElhannon of the Financing and Investment Division of the Commission; Deputy State Properties Officer and Director of the Construction Marvin Woodward, Angela Gunter, April King, Katy Pando, Laura Leigh Barrett, Nathan Jones and Steven Nawrocki of the Construction Division of the Commission; Steven L. Stancil, Construction Division Director and Executive Secretary of the Commission; and others.

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CALL TO ORDER AND MINUTES OF PREVIOUS MEETING

2. Chairman and Chief Executive Officer Governor Nathan Deal called the meeting to order at approximately 1:20 P.M. Attorney General Samuel S. Olens attended the meeting by conference call. Speaker of the House David Ralston joined the meeting after the vote to approve the meeting minutes of the previous meeting. State Treasurer Tommy Hills joined the meeting after the vote to approve the Herty Foundation's request. It was noted that a quorum was present. Each member present was provided with a Briefing Book. The minutes of the previous Commission meeting held on March 10, 2011 were approved without reading pursuant to an announcement that distribution of the minutes were provided to all members of the Commission prior to the current meeting.

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REQUEST OF THE FINANCING AND INVESTMENT DIVISION OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION SEEKING APPROVAL BY RESOLUTION TO APPROVE FINAL PRICING OF THE GENERAL OBLIGATION BONDS AND TO AUTHORIZE THE BOND PURCHASE AGREEMENT FOR THE SERIES 2011A, SERIES 2011B, SERIES 2011C AND SERIES 2011D

3. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Financing and Investment Division of the Georgia State Financing and Investment Commission.

4. Ms. Ridley referred to Tab "D" of the Briefing Book which provides a summary of the sale of the Series 2011A State of Georgia General Obligation Bonds, the Series 2011B State of Georgia General Obligation Bonds, the Series 2011C State of Georgia General Obligation Bonds, and the Series 2011D State of Georgia General Obligation Bonds.

5. Ms. Ridley informed the Commission that Georgia's triple A rating was confirmed by all three rating agencies. Copies of the rating reports provided by Fitch Ratings, Moody's Investors Service and Standard & Poor's can be found under Tab "C".

6. Competitive bids were taken for both new money bonds and the refunding bonds Series 2011E-1, 2011E-2 and 2011F. The results of the sale for new money bonds are being presented to the Commission today for approval. The results of the sale of the refunding bonds will be presented to the

Commission on Wednesday, June 22, 2011 for approval.

7. Bids were taken for the State of Georgia 5 Year General Obligation Bonds Series 2011A in the amount of $39,105,000, for the State of Georgia 10 Year General Obligation Bonds Series 2011B in the amount of $28,000,000, for the State of Georgia 20 Year General Obligation Bonds Series 2011C in the amount of $412,510,000, and for the State of Georgia 16 Year General Obligation Bonds (Federally Taxable Qualified School Construction Bonds – Direct Pay) Series 2011D in the amount of $77,000,000.

8. Ms. Ridley informed the Commission that the General Assembly appropriated enough debt service to allow the sale of the Qualified School Construction Bonds (Series 2011D) as taxable bonds and thus State of Georgia will receive a 100% subsidy of the interest from the federal government. The Qualified School Construction Bonds program was created in the American Recovery and Reinvestment Act.

9. The Commission took competitive bids on the morning of June 21, 2011 for the following series:

2011A (5 year tax exempt bonds)	$39,105,000
All-in-TIC	0.93%
2011B (10 year tax exempt bonds)	$28,000,000
All-in-TIC	1.97%
2011C (20 year tax exempt bonds)	$412,510,000
All-in-TIC	3.44%
6 Bids, Winning Bidder for 2011A, 2011B & 2011C	Citigroup
All-in Blended TIC for 2011A, 2011B & 2011C	3.31%
2011D (16 year Qualified School Construction Bonds)	$77,000,000
9 bids, Winning Bidder	Citigroup
All-in-TIC (gross, before subsidy)	3.96%
All-in-TIC (net, reflecting 100% subsidy)	0.00%

10. The State of Georgia will receive $36.25 million in interest rate subsidies from the US Treasury over the 16 year life of the Qualified School Construction Bonds.

11. A list of projects funded with these bonds and the bid summaries for each series can be found behind the summary sheet and comparison charts under Tab "D".

12. The first chart behind the summary page under Tab "D" reflects the State of Georgia's Comparison of Yields for the last four sales 2009 through 2011 Sales. The blue line is the Commission's last traditional tax-exempt sale with a TIC of 3.8054%. The green line is today's sale (June 21, 2011) with a TIC of 3.4348%. This comparison shows the effects of the subsidies of interest by the federal government for the Build America Bonds and the Recovery Zone Bonds sold in November 2009 and October 2010.

13. The second chart reflects the State of Georgia's 5 year bond sales over the last 20 years with the present sale reaching an all-time low interest rate of 0.9254%.

14. The third chart reflects the State of Georgia's 20 year bond sales over the last 20 years with the same type of trend as the 5 year bond chart. The present sale reached an all-time low interest rate of 3.43% except for the two subsidy sales in 2009 and 2010.

15. These rates reflect All-in-True Interest Costs and the Commission utilized premium received on the tax-exempt bonds to current refund bonds maturing in August 2011. As reflected in the bid sheets, most of the coupons are 4% and 5% coupons. The Commission will retire $55 million of bonds maturing on August 1, 2011 saving an equal amount of debt service for Fiscal Year 2012 having a positive effect on the State of Georgia's Fiscal Year 2012 budget. After this sale, the State of Georgia will have $783 million in authorized unissued bonds.

16. Ms. Ridley provided the Commission with a preview of the board meeting scheduled for tomorrow, Wednesday June 22, 2011. The Financing and Investment Division of the Georgia State Financing and Investment Commission priced the Series 2011E State of Georgia General Obligation Refunding Bonds and the Series 2011F State of Georgia General Obligation Refunding Bonds at 11:00 A.M. this morning.

17. The Series 2011E State of Georgia General Obligation Refunding Bonds are a series of traditional refunding bonds; there will be approximately $18 million in savings associated with the refunding over the life of the bonds.

18. The Series 2011F State of Georgia General Obligation Refunding Bonds is a conversion of a portion of outstanding variable rate bonds and this series fixes the interest rates on the first ten years of those

outstanding maturities. Those numbers will be confirmed and brought before the Commission in tomorrow's board meeting.

19. Upon conclusion of the presentation of the summaries, Ms. Ridley presented the Commission with the proposed resolution authorizing the issuance and award to the low bidder for the Series 2011A Bonds in aggregate principal amount of $39,105,000; the proposed resolution authorizing the issuance and award to the low bidder for the Series 2011B Bonds in aggregate principal amount of $28,000,000; the proposed resolution authorizing the issuance and award to the low bidder for the Series 2011C Bonds in aggregate principal amount of $412,510,000; and the proposed resolution authorizing the issuance and award to the low bidder for the Series 2011D Bonds in aggregate principal amount of $77,000,000.

20. The 2011A Bond Proceeds are to be distributed as follows:

Amount To Be Funded	***Purpose***
$1,750,000	To finance projects and facilities for the Georgia Department of Public Safety Training Center
$250,000	To finance projects and facilities for the Department of Defense
$7,000,000	To finance projects and facilities for county and independent school systems and state schools through the State Board of Education (Department of Education)
$3,200,000	To finance projects and facilities for the State Forestry Commission
$3,000,000	To finance projects and facilities for the Technical College System of Georgia
$1,390,000	To finance projects and facilities for the Department of Natural Resources
$5,000,000	To finance projects and facilities for the Department of Public Safety
$2,065,000	To finance projects and facilities for the Georgia Bureau of Investigation
$8,200,000	To finance projects and facilities for the Board of Regents of the University System of Georgia
$6,750,000	To finance projects and facilities for the Department of Revenue
$500,000	To finance projects and facilities for the Department of Veterans Service
$39,105,000	Total State of Georgia General Obligation Bonds – 2011A

21. The 2011B Bond Proceeds are to be distributed as follows:

Amount To Be Funded	***Purpose***
$25,000,000	To finance projects and facilities for the Georgia Department of Education
$2,000,000	To finance projects and facilities for the Department of Administrative Services
$1,000,000	To finance projects and facilities for the Technical College System of Georgia
$28,000,000	Total State of Georgia General Obligation Bonds – 2011B

22. The 2011C Bond Proceeds are to be distributed as follows:

Amount To Be Funded	***Purpose***
$3,580,000	To finance projects and facilities for the Department of Defense
$500,000	To finance projects and facilities for the Georgia Department of Public Safety Training Center
$108,600,000	To finance projects and facilities for county and independent school systems and state schools through the State Board of Education (Department of Education)
$42,130,000	To finance projects and facilities for the Technical College System of Georgia
$500,000	To finance projects and facilities for the State Forestry Commission
$2,000,000	To finance projects and facilities for the Department of Juvenile Justice
$1,750,000	To finance projects and facilities for the Department of Natural Resources
$8,000,000	To finance projects and facilities for the Department of Corrections
$127,700,000	To finance projects and facilities for the Board of Regents of the University System of Georgia
$1,150,000	To provide funding to the public library facilities through the Board of Regents of the University System of Georgia to the governing Board of the Twiggs County Library
$5,000,000	To finance projects and facilities for the Soil and Water Conservation Commission
$110,500,000	To finance projects and facilities for the Department of Transportation

Amount To Be Funded	***Purpose***
$1,100,000	To finance projects and facilities for the Department of Agriculture
$412,510,000	Total State of Georgia General Obligation Bonds – 2011C

23. The 2011D Bond Proceeds are to be distributed as follows:

Amount To Be Funded	***Purpose***
$77,000,000	To finance projects and facilities for county and independent school systems and state schools through the State Board of Education (Department of Education)
$77,000,000	Total State of Georgia General Obligation Bonds – 2011D

24. A motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the State of Georgia's 5 Year General Obligation Bonds Series 2011A:

NOTE: *The resolution prepared by Counsel and Bond Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-1/11.*

25. A motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the State of Georgia's 10 Year General Obligation Bonds Series 2011B:

NOTE: *The resolution prepared by Counsel and Bond Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-2/11.*

26. A motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the State of Georgia's 20 Year General Obligation Bonds Series 2011C:

NOTE: *The resolution prepared by Counsel and Bond Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-3/11.*

27. A motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the State of Georgia's 16 Year General Obligation Bonds (Federally Taxable Qualified School Construction Bonds – Direct Pay) Series 2011D:

NOTE: *The resolution prepared by Counsel and Bond Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-4/11.*

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REQUEST OF THE HERTY FOUNDATION SEEKING APPROVAL BY RESOLUTION TO RENEW A LINE OF CREDIT NOT TO EXCEED $500,000 AND TO SECURE SERVICES FROM AN ALTERNATIVE FINANCIAL INSTITUTION

28. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Herty Foundation.

29. Ms. Ridley informed the Commission that the Herty Foundation is requesting to renew a line of credit for one year not to exceed $500,000 and to secure services from an alternative financial institution.

30. Herty Foundation received quotes from three financial institutions and has elected to transfer the line of credit from SunTrust Bank to Wells Fargo Bank. Ms. Ridley stated that Controller Thomas D. Cox of Herty Advanced Materials Development Center is present if the Commission has any questions.

31. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of Herty Foundation:

NOTE: *The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-5/11.*

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REQUEST OF THE GEORGIA DEVELOPMENT AUTHORITY SEEKING APPROVAL BY RESOLUTION TO EXTEND A LINE OF CREDIT WITH BANK OF AMERICA FOR FOUR MONTHS AND TO ISSUE A REQUEST FOR PROPOSALS FOR LONG-TERM FINANCING

32. Chairman and Chief Executive Officer Governor Nathan Deal called on Commissioner of Agriculture Gary W. Black, member, to present the request on behalf of the Georgia Development Authority.

33. Commissioner Black informed the Commission that Georgia Development Authority has been in business since 1954 for purposes of making loans and selling them to local banks so that the Authority can continue to provide loans to farmers. Lt. Governor Casey Cagle, Vice Chairman, inquired as to whether the State of Georgia provides a guarantee on the loans sold to the local banks. Executive Director David Skinner informed the Commission that the Authority guarantees these loans to the local banks.

34. The Commission provided authorization to the Authority to engage in a line of credit with Bank of America on May 26, 2010 in the amount of $8,000,000 for a one year term; referred to as the 2010 Line of Credit ending on June 30, 2011. The Authority is presently seeking approval to extend the line of credit in the amount of up to $8,000,000 with Bank of America for four months ending November 28, 2011.

35. Additionally, the Authority is seeking approval to issue a Request for Proposals seeking terms for new financing in the amount of up to $20,000,000 not to exceed fifteen years in order to provide the Authority with adequate liquidity for capital and other needs. The Authority desires to work with the Commission and its financial advisor to issue the Request for Proposals. Based on the responses to the Request for Proposals, the recommendation will be determined and the financing institution selected will be submitted to the Commission for approval.

36. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of Georgia Development Authority:

NOTE: *The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-6/11.*

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REQUEST OF THE GEORGIA WORLD CONGRESS CENTER AUTHORITY SEEKING APPROVAL BY RESOLUTION TO ISSUE A REQUEST FOR PROPOSALS FOR UNDERWRITING SERVICES

37. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Georgia World Congress Center Authority.

38. Ms. Ridley informed the Commission that the Georgia World Congress Center Authority is seeking approval to issue a Request for Proposals seeking senior managing underwriters for future potential issues of hotel/motel tax revenue bonds. She also stated that Executive Director Frank Poe for the Georgia World Congress Center Authority was present and available for questions.

39. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the request of Georgia World Congress Center Authority:

NOTE: *The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-7/11.*

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REQUEST OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION SEEKING APPROVAL BY RESOLUTION TO APPROVE THE COMMISSION'S FISCAL YEAR 2012 ANNUAL OPERATING BUDGET

40. Chairman and Chief Executive Officer Governor Nathan Deal called on Steve Stancil to present the request on behalf of the Georgia State Financing and Investment Commission.

41. Mr. Stancil informed the Commission the Georgia State Financing and Investment Commission is presently seeking approval of the proposed Fiscal Year 2012 Annual Operating Budget.

42. The Fiscal Year 2011 budget was $16,931,525 which was reduced by 5%, approximately $500,000, for the Fiscal Year 2012. However, with the 5% reduction, the contributions to the State Health Benefit Plan and the increase of contributions to the Retirement Plan consisting of 6.4% were added back into the budget. Therefore, the Fiscal Year 2012 annual operating budget is approximately $33,000 higher than the Fiscal Year 2011 budget. Actual expenditures for Fiscal Year 2011 were lower than the budget total; it is believed that the same will occur in the Fiscal Year 2012.

43. With no further discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the Commission's Fiscal Year 2012 Annual Operating Budget:

NOTE: *The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-8/11.*

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REQUEST OF THE GEORGIA STATE FINANCING AND INVESTMENT COMMISSION SEEKING APPROVAL BY RESOLUTION TO APPROVE THE REVISION TO THE COMMISSION'S "REQUESTS FOR REIMBURSEMENT POLICY", CO-01-01-003

44. Chairman and Chief Executive Officer Governor Nathan Deal called on Susan Ridley to present the request on behalf of the Georgia State Financing and Investment Commission.

45. Ms. Ridley informed the Commission that a copy of the proposed revision of the Request for Reimbursement Policy, CO-01-01-003 can be found under Tab "M" in the briefing book. One of the purposes for the revision is to establish a time frame for agencies to submit invoices. There have been incidences where some agencies have submitted invoices for payment that are 12 months old and sometimes older. To comply with federal arbitrage regulations, we need to set a deadline of 120 days. The policy will strengthen the asset tracking of expended bond funds by requiring the asset tracking sheet to be complete before payments can be made. Payment of requests for reimbursement will be paid by the Construction Division of the Georgia State Financing and Investment Commission using an electronic payment method via ACH or wire payment whenever possible.

46. After a brief discussion, a motion was made, seconded and passed unanimously by all members present; the Commission adopted the following resolution in regards to the Commission's Revision of the Reimbursement Policy, CO-01-01-003:

NOTE: *The resolution prepared by Counsel is incorporated herein by reference and made a part hereof. A copy of the resolution and a copy of the documents referred to in the resolution under the date of June 21, 2011, for the purpose of identification and have been filed in the Official Documents Register under File No. ODR 6X21-9/11.*

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NEW BUSINESS

47. Chairman and Chief Executive Officer, Governor Nathan Deal asked if there was any new business for discussion. No one responded in the affirmative to his question.

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ADJOURNMENT

48. With no further business and upon a motion made, seconded, and unanimously adopted, the Chairman and Chief Executive Officer declared the meeting adjourned at approximately 1:38 P.M.

STEVEN L. STANCIL, EXECUTIVE SECRETARY

GOVERNOR