

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC FINANCE MANAGEMENT BOARD**

**MEETING OF BOARD MEMBERS**

**December 11, 2008**

**A meeting of the members of the Public Finance Management Board (“PFMB”) was held on Thursday, December 11, 2008 at 9:00 a.m. in Room 135, State House, Providence, Rhode Island pursuant to duly posted public notice of the meeting and notice duly given to all members.**

**Membership Roll Call: Frank T. Caprio, General Treasurer and Chair**

**Mr. Emanuel Barrows, Public Member**

**Ms. Rosemary Booth Gallogly, R.I. State Budget Officer – arrived at 9:10 a.m.**

**Mr. William Fazioli, Public Member**

**Mr. Robert A. Mancini, Public Member – not present**

**The Honorable A. Ralph Mollis, Secretary of State - not present**

**Mr. Lincoln Mossop, Public Member**

**The following Staff members were present: Mr. Mark Dingley, Legal Counsel/Chief of Staff, Mr. Michael Solomon, Executive Director for Operations, Eugene Bernardo, Esq., Legal Counsel from Partridge**

**Snow & Hahn LLP and other members of the Treasurer's Staff. Also present were: Mr. Richard Hartley, Treasurer of RIHMFC, Mr. Thomas F. Hogg, Deputy Director – Finance of RIHMFC, Charles Kelly, Executive Director of RI Student Loan Authority, and Mr. Noel F. Simpson, Chief Financial Officer of RI Student Loan Authority.**

**There being a quorum present, the Treasurer called the meeting to order at 9:00 a.m.**

**Public Finance Management Board Minutes. Mr. Barrows moved, Mr. Fazioli seconded and the following motion was passed. The following members voted in favor: Mr. Barrows, Mr. Fazioli, Mr. Mossop, and Treasurer Caprio.**

**VOTED: To approve the Minutes of the June 19, 2008 Regular Meeting**

**Ratification of the Contract with Partridge Snow & Hahn LLP. Mr. Barrows moved, Mr. Fazioli seconded and the following motion was passed. The following members voted in favor: Mr. Barrows, Mr. Fazioli, Mr. Mossop, and Treasurer Caprio.**

**VOTED: To ratify the contract with Partridge Snow & Hahn LLP for legal representation for the PFMB through August 11, 2009.**

**The Treasurer moved on to the next agenda item; approval from the**

**PFMB for new requests for volume cap.**

**Rhode Island Student Loan Authority (“RISLA”) is requesting an allocation of a portion of residual volume cap in the amount of \$25,000,000. Mr. Mossop moved, Mr. Barrows seconded and the following motion was passed. The following members voted in favor: Mr. Barrows, Mr. Fazioli, Mr. Mossop, and Treasurer Caprio.**

**VOTED: To approve an allocation of volume cap in the amount of \$25,000,000 to RISLA; and to allow that allocation to be carried forward and that the Board’s Legal Counsel be directed to file the necessary tax forms with the Internal Revenue Service in connection therewith.**

**Rhode Island Housing and Mortgage Finance Corporation (“RIHMFC”) is requesting an allocation of a portion of residual volume cap in the amount of \$94,095,000. Mr. Fazioli moved, Mr. Barrows seconded and the following motion was passed. The following members voted in favor: Mr. Barrows, Mr. Fazioli, Mr. Mossop, and Treasurer Caprio.**

**VOTED: To approve an allocation of volume cap in the amount of \$94,095,000 to RIHMFC; and to allow that allocation to be carried forward and that the Board’s Legal Counsel be directed to file the**

necessary tax forms with the Internal Revenue Service in connection therewith.

Mr. Hogg from RIHMFC thanked the Treasurer and stated that RIHMFC has the ability to carry the volume cap forward for three years.

Rhode Island Housing and Mortgage Finance Corporation (“RIHMFC”) is requesting an allocation of the 2008 Housing Act Volume Cap in the amount of \$96,550,479.

Mr. Solomon distributed material to the Board Members regarding additional private activity volume cap allocation associated with the Housing Assistance Tax Act. Mr. Bernardo, Legal Counsel to the Board, went on to explain that in July of 2008 the Housing Assistance Tax Act was enacted. This provided a temporary \$11 billion increase in annual private activity volume cap for certain qualified housing issues under Section 146 of the Code. The material also includes a subsequent IRS Notice and Guidelines. Mr. Bernardo explained that he sent an email to Mr. Hogg and Mr. Hartley of RIHMFC to convey the various restrictions and limitations on the use of the Housing Act Volume Cap. Mr. Hogg and Mr. Hartley confirmed to Mr. Solomon and Mr. Bernardo that RIHMFC does qualify for the additional cap according to IRS Notice and Guidelines.

Mr. Hogg expressed his gratitude for the additional \$96,550,479

**provided through the Housing Act. He stated it must be used by the end of the calendar year 2010, and RIHMFC will monitor the allocation to be sure the funds are depleted by the scheduled date. RIHMFC has formally confirmed the request for funds.**

**The Treasurer entertained a motion to approve an allocation of the 2008 Housing Act Volume Cap in the amount of \$96,550,479. Mr. Mossop moved, Mr. Barrows seconded and the following motion was passed. The following members voted in favor: Mr. Barrows, Mr. Fazioli, Ms. Gallogly, Mr. Mossop, and Treasurer Caprio.**

**VOTED: To approve an allocation of volume cap from the 2008 Housing Act in the amount of \$96,550,479 to RIHMFC; and to allow that allocation to be carried forward and that the Board's Legal Counsel be directed to file the necessary tax forms with the Internal Revenue Service in connection therewith.**

**Mr. Barrows moved, Mr. Fazioli seconded and the following motion was passed. The following members voted in favor: Mr. Barrows, Mr. Fazioli, Ms. Gallogly, Mr. Mossop, and Treasurer Caprio.**

**VOTED: To adjourn the meeting.**

**There being no further business, the meeting adjourned at 9:15 a.m.**

**Respectfully submitted,**

**Frank T. Caprio**

**General Treasurer**