



**SUMMARIZED MINUTES OF THE
PUBLIC FINANCING ADVISORY COMMITTEE
Thursday, June 12, 2014 at 1:30 P.M.
Hall of Administration
Planning Commission Room**

Committee Members: Chair, Lisa Hughes; Vice-Chair Carl Groner; Committee Member Thomas Hammond; Committee Member, John J. Moohr; Jan Grimes, Auditor-Controller; Frank Kim, Chief Financial Officer

County Representatives Present: Angie Daftary, County Counsel; CEO/Public Finance: Suzanne Luster, Public Finance Manager; Louis McClure, Richard Mendoza

- 1. Call to Order:** The meeting was called to order at 1:30 P.M by PFAC Chair Lisa Hughes.
- 2. Approval of the Minutes of May 8, 2014 Meeting:** PFAC Chair Lisa Hughes asked for a motion to approve the minutes of the May 8, 2014 PFAC meeting. Committee Member Hammond moved to approve, Committee Member Moohr seconded. The minutes were approved unanimously. Chair Lisa Hughes asked that the minutes reflect her appreciation to County staff for the thoroughness and timeliness of all PFAC materials.
- 3. Approval of Successor Agency to the Orange County Development Agency (Neighborhood Development and Preservation Project) Tax Allocation Refunding Bonds, Issue of 2014:** Chair Hughes asked for a staff summary of the action item. Ms. Luster, Public Finance Manager, provided a background overview of the recommended issuance of the Neighborhood Development and Preservation Project Tax Allocation Refunding Bonds, Issue of 2014. Ms. Luster stated that on January 9, 2014 and February 4, 2014, the PFAC and the Board, respectively, approved in concept the issuance of the refunding bonds. The Successor Agency will refund the current outstanding portion of the 2001 bonds. The 2014 refunding bonds will be issued in an amount not to exceed \$16 million and will have a final maturity date of September 1, 2022 (the same maturity as the original bonds).

Member Moohr asked a question regarding the number of banks that did not provide a bid. Ms. Holly Vocal of Stifel, Nicolaus and Company (Placement Agent for the transaction) informed the Committee that the main reasons provided by the banks were that they were not approving redevelopment type credit, and the size of the proposed issuance was relatively small for their investment portfolio.

Member Moohr asked a question regarding the continuing disclosure filing violations described in the Bond Purchase Contract. Member Kim explained that an internal review of the County's past disclosure activities uncovered the violations and that they had all been corrected and that the violations have been properly disclosed moving forward. In addition, an outside consultant has been retained to develop policies and procedures for continuing disclosure to ensure future violations do not

occur. Ms. Daftary mentioned that the U.S. Securities and Exchange Commission has implemented the Municipalities Continuing Disclosure Cooperation Initiative (MCDC) which allows municipalities and underwriters to self report disclosure violations. The County is currently evaluating its participation in the MCDC.

Chair Hughes asked for a motion to approve issuance of the Neighborhood Development and Preservation Project Tax Allocation Refunding Bonds, Issue of 2014. Committee Member Hammond moved the motion, Committee Member Grimes seconded, the motion was approved unanimously.

4. Adjournment: The meeting was adjourned at 2:20 p.m.