

# BOARD OF EXAMINERS MEETING

May 13, 2014

## 1. A. Call to Order and Confirmation of Attendance

Governor Steve Bullock as President of the Board called the meeting to order on May 13, 2014, at 3:00 p.m. in Room 250 of the State Capitol Building, with Attorney General Tim Fox and Secretary of State Linda McCulloch in attendance.

Staff and advisors present were: Sheila Hogan, Mark Bruno, Julie Feldman, Cheryl Grey, and Penny Herbert, Department of Administration; Dan Villa and Ryan Evans, Office of Budget and Program Planning; Eric Stern, Secretary of State's Office; Scott Darkenwald, Attorney General's Office; Cathy Duncan, Legislative Fiscal Division; and Dan Semmens, Dorsey & Whitney LLP. Johnathan Heroux of Piper Jaffray and Aaron Rudio of D.A. Davidson attended via telephone conference call.

## B. Approval of Minutes of Board of Examiners Meeting of April 29, 2014

**Motion and Vote:** Governor Bullock called for a motion to approve the minutes of the Board of Examiners meeting of April 29, 2014. Tim Fox so moved. The motion passed unanimously.

## C. Sheila Hogan, Director, Department of Administration: Overview of Agenda

The action item on today's agenda involves the refunding of older General Obligation Bonds.

## 2. Piper Jaffray & Co. (Jonathan Heroux): Recommendation to the Board regarding refunding of the outstanding maturities of the State's General Obligation Long-Range Building Program Bonds, Series 2005B, General Obligation Long-Range Building Program Bonds, Series 2006A, and General Obligation Long-Range Building Program Bonds, Series 2007D.

The interest rates on these older bonds range from 4% to 5%. With today's lower interest rates, there is potential for significant savings to the State. The Net Present Value Savings is expected to be over \$1,535,000. This represents a 5.16% savings.

## 3. Dorsey & Whitney LLP (Dan Semmens): Resolution Preliminarily Authorizing and Providing for the Issuance and Negotiated Sale of up to \$36,000,000 of State of Montana General Obligation Long-Range Building Program Refunding Bonds, Series 2014 (the "Series 2014 Initial Authorizing Resolution")

This Resolution initially authorizes the negotiated sale of the refunding bonds to D.A. Davidson as the underwriter. Certain parameters must be met, including that the net present value savings will not be less than 3.00% and the net interest cost shall not exceed 3.25%.

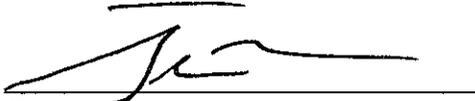
**Motion and Vote:** Governor Bullock called for public comment. Hearing none, he then called for a motion to adopt the resolution. Linda McCulloch so moved. The motion passed unanimously.

**BOARD OF EXAMINERS MEETING**

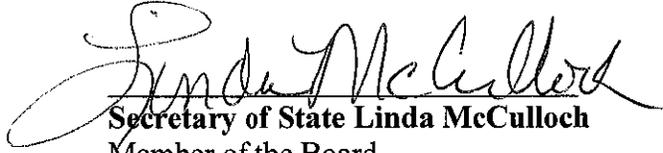
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**4. Other Business:** There was no other business. The meeting adjourned at 3:20 p.m.



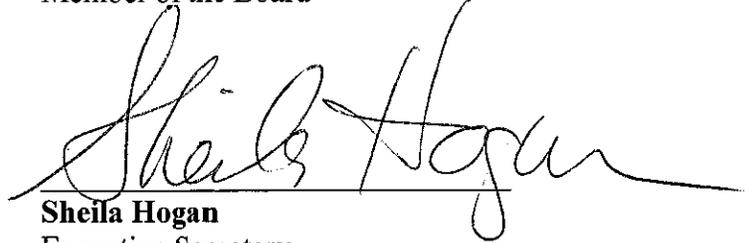
**Governor Steve Bullock**  
President of the Board



**Secretary of State Linda McCulloch**  
Member of the Board



**Attorney General Tim Fox**  
Member of the Board



**Sheila Hogan**  
Executive Secretary