

BOARD OF EXAMINERS MEETING

May 27, 2015

1. A. Call to Order and Confirmation of Attendance

Governor Steve Bullock as President of the Board called the meeting to order on May 27, 2015, at 3:30 p.m. in the Room 250 of the State Capitol with Attorney General Tim Fox and Secretary of State Linda McCulloch in attendance.

Staff and advisors present were: Sheila Hogan, Mark Bruno, Cheryl Grey, Emily Kittelson, and Penny Herbert, Department of Administration; Anna Miller, John Tubbs, and Mark Bostrom, Department of Natural Resources and Conservation; Dan Villa and Ryan Evans, Office of Budget and Program Planning; Eric Stern, Secretary of State's Office; Dan Semmens of Dorsey & Whitney LLP; Jonathan Heroux of Piper Jaffray; and Aaron Rudio of D.A. Davidson.

B. Approval of Minutes of Board of Examiners Meeting of May 27, 2015

Motion and Vote: Governor Bullock called for a motion to approve the minutes of the Board of Examiners meeting of April 7, 2015. Linda McCulloch so moved. The motion passed.

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

Today the Board is being asked to review and approve the pricing and Bond Purchase Agreement for the issuance of Bond Series 2015C. The Board is also being asked to adopt Series 2015C Bond Resolution. In addition, the Board is being asked to Adopt CST Series A Note Supplemental Resolution and CST Series B Bond Supplemental Resolution.

2. Department of Natural Resources and Conservation (Anna Miller) and Piper Jaffray & Co. (Jonathan Heroux); Water Pollution Control State Revolving Fund Program General Obligation Bonds: Discussion of market conditions, ratings, and pricing results in connection with the issuance of \$24,365,000 in State of Montana General Obligation Bonds (Water Pollution Control State Revolving Fund Program), Series 2015C

Anna Miller: This bond is for waste water projects throughout the state of Montana, including Havre, Great Falls, Joliet, Three Forks, and Whitefish. These bonds will help provide the funding for construction projects throughout Montana.

Jonathan Heroux: The market condition today was favorable, interest rates were calm today. The state borrowed a little under \$25,000,000.00 at an average interest rate of 3.73%.

Motion and Vote: Governor Bullock called for public comment. Hearing none, he then called for a motion to approve the pricing and Bond Purchase Agreement. Tim Fox so moved. The motion passed unanimously.

3. Dorsey & Whitney LLP (Dan Semmens): Resolution of the Board of Examiners of the State of Montana Relating to the State's Water Pollution Control State Revolving Fund Program; Authorizing the Issuance up to \$25,000,000 State of Montana General Obligation Bonds (Water Pollution Control State Revolving Fund Program), Series 2015C; Approving the Twenty-Sixth Supplemental Indenture

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of Trust Authorizing the Issuance of Bonds; and Approving the Form of and Authorizing Execution of Documents (the "Series 2015C Bond Resolution").

This is the resolution that would authorize the issuance of \$24,365,000 State of Montana General Obligation Bonds. Almost all of the proceeds will pay for the projects except some of the proceeds will pay for the cost of issuance.

Motion and Vote: Governor Bullock called for public comment. Hearing none, he then called for a motion to adopt Series 2015C Bond Resolution. Linda McCulloch so moved. The motion passed unanimously.

4. Department of Natural Resources and Conservation (Anna Miller): Coal Severance Tax Revenue Bond Anticipation Note: Coal Severance Tax Program; Request for issuance of up to \$3,100,000 2015 Series A Taxable Coal Severance Tax Bond Anticipation Note to the Board of Investments through the INTERCAP Program.

This \$3,100,000 will be used to complete various water and sewer projects around the state of Montana.

5. Dorsey & Whitney LLP (Dan Semmens): 2015 Series A Taxable Supplemental Resolution relating to State of Montana Coal Severance Tax Bond Anticipation Note, Department of Natural Resources and Conservation, Renewable Resource Program, 2015 Series A Taxable in the maximum principal amount of \$3,100,000 (the "CST Series A Note Supplemental Resolution").

This note will be sold to the Board of Investments with a current interest rate of 1.25% varying annually. This is the only authorization that will be needed by the Board of Examiners, because it was sold directly to Board of Investments.

Motion and Vote: Governor Bullock called for public comment. Hearing none, he then called for a motion to adopt CST Series A Note Supplemental Resolution. Tim Fox so moved. The motion passed unanimously.

6. Department of Natural Resources and Conservation (Anna Miller): Coal Severance Tax Revenue Bond: Coal Severance Tax Program; Request for issuance of up to \$1,500,000 2015 Series B Taxable Coal Severance Tax Bond to the Board of Investments.

The proceeds from this bond will be used to do rehabilitation projects in Deadmans Basin and Cottonwood Flume.

7. Dorsey & Whitney LLP (Dan Semmens): 2015 Series B Taxable Supplemental Resolution relating to State of Montana Coal Severance Tax Bond, Department of Natural Resources and Conservation, Renewable Resource Program, 2015 Series B Taxable in the original aggregate principal amount of up to \$1,500,000 (the "CST Series B Bond Supplemental Resolution").

This is the resolution that would authorize the issuance of up to \$1,500,000 to the Board of Investments.

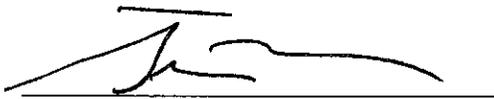
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Motion and Vote: Governor Bullock called for public comment. Hearing none, he then called for a motion to adopt CST Series B Bond Supplemental Resolution. Linda McCulloch so moved. The motion passed unanimously.

8. Other Business

There was no other business. The meeting adjourned at 4:10 p.m.



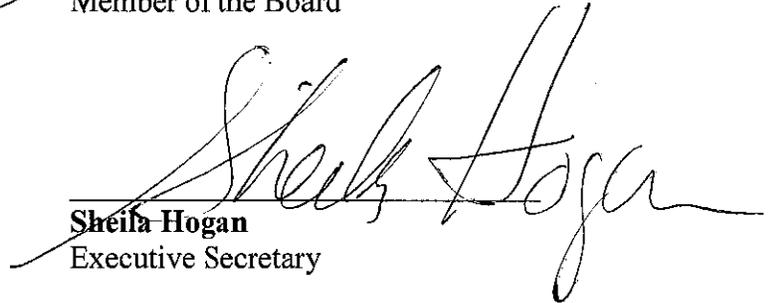
Governor Steve Bullock
President of the Board



Secretary of State Linda McCulloch
Member of the Board



Attorney General Tim Fox
Member of the Board



Sheila Hogan
Executive Secretary