



Public Financing Advisory Committee

Special Meeting

Thursday, July 9, 2020, 2:00 p.m.

Hall of Administration, Planning Commission Room

MEETING MINUTES

- I. Call to Order/Instructions/Opening Remarks:** Meeting called to order by Chair Moohr at 2:05 p.m.

Attendees: John J. Moohr (Chair) via telephone, Min Chai (Vice Chair) via telephone, Tom Hammond (Committee Member), Carlos Carney (Committee Member), Wallace B. Rodecker (Committee Member) via telephone, Shari Freidenrich (Treasurer-Tax Collector), Frank Davies (Auditor-Controller) via telephone, Michelle Aguirre (Chief Financial Officer) via telephone, Suzanne Luster (Public Finance Director) and Nikhil Daftary (County Counsel).

Absent: None.

- II. Approval of Minutes of December 12, 2019 Minutes:** Vice Chair Chai made a Motion to approve the meeting minutes. Member Carney seconded. Member Hammond and Chair Moohr commented on the brevity of the minutes specifically for the discussion for Item V, which excluded a detailed discussion of the Committee Members. Member Hammond stated this issue has been brought up in prior PFAC meetings. Suzanne Luster, Public Finance Director, and Nikhil Daftary, County Counsel reiterated the standardization of minutes established by the Board of Supervisors which is the protocol to be followed by all County Committees. She suggested that a link to the recorded audio of the PFAC meeting could be added to the minutes for this meeting. Member Rodecker abstained from voting, Member Hammond voted no and Chair Moohr, Vice Chair Chai and Member Carney voted yes. The Motion passed with a majority vote.

- III. Approve recommending to the Board of Supervisors the issuance of Community Facilities District No. 2017-1 (Improvement Area No. 2) Series A of 2020 Bonds in an amount not to exceed \$25 million:** Suzanne Luster, Public Finance Director, presented the item. The developer and the financing team called into the meeting and were available to answer the Committee's questions.

Member Hammond had questions about the projects that will be funded with the bond proceeds. Cynthia Tessin, Rancho Mission Viejo's Senior Vice President, Finance and Accounting stated that all the projects were already complete, and the bond proceeds would be used to reimburse the costs. Ms. Luster informed the Committee of the approval process for reimbursing the developer with project funds utilizing the County's District Engineer and OC Public Works to review before disbursements are made.

Sara Brown, Underwriter with Stifel answered Member Hammond's questions regarding guarantees to bond holders and the CFD's continuing disclosure requirements.

Member Carney inquired for the reason for the addendum to the Appraisal Report. Kevin Ziegenmeyer with Integra Realty Resources informed the Committee that the addendum was due to the anticipated property transfer of the multi-family component of IA 2 and the addendum was included in the event the transfer occurs prior to the bond closing. Mr. Ziegenmeyer provided other clarifying comments to the Committee.

Treasurer-Tax Collector Freidenrich had questions about bond premium and bond cost estimate disclosures included in the Board staff report. Ms. Brown and Bob Whalen, Bond/Disclosure Counsel with Stradling Yocca Carlson & Rauth answered Treasurer-Tax Collector Freidenrich's question about bond premium and bond funds. Anna Sarabian, Municipal Advisor with Fieldman Rolapp and Associates informed the Committee that the Board staff report did include all the disclosure requirements of Senate Bill 450.

Vice Chair Chai inquired about the Market Absorption Report and Covid-19. Dr. Joe Janczyk with Empire Economics provided clarification on the report.

Auditor-Controller Davies had a question about timing for the backup special tax. Andrea Roess with David Taussig & Associates explained how back-up taxes work. The tax calculations will be provided to the Auditor-Controller by August 20.

Member Rodecker made a motion to approve the item, Vice Chair Chai seconded the motion. Member Hammond recused himself from voting due to personal relationships with the developer. Chair Moohr, Vice Chair Chai, Member Carney and Member Rodecker voted to approve the item. The Motion passed.

IV. Election of Public Financing Advisory Committee 2020 Chair and Vice Chair: Member Moohr made a recommendation to elect Min Chai as Chair and Tom Hammond as Vice Chair for 2020. Member Chai and Member Hammond both stated they were willing to take on these roles.

Member Rodecker made a motion to elect Min Chai as Chair for 2020, Member Moohr seconded. The Motion passed unanimously.

Member Chai made a motion to elect Tom Hammond as Vice Chair for 2020, Member Carney seconded. The Motion passed unanimously.

V. Public Finance Status Report: Suzanne Luster, Public Finance Director, presented a status report and noted the 2019 Pension Obligations Bonds were paid off in April 2020.

VI. Public Comments: None.

VII. Committee Comments: Chair Moohr reported out to the Committee about the Airport Refunding Bonds amid the Covid-19 pandemic. Chair Moohr stated that he spoke with Deputy Airport Director Mariane Teschner whom mentioned that the Airport received a governmental grant of \$45M. Treasurer-Tax Collector Freidenrich provided an update about the County's property tax collections for Fiscal Year 2019-2020.

VIII. Adjournment: Chair Moohr adjourned the meeting at 3:49 p.m.

Please follow the link to listen to the audio recording of the meeting.
<https://www.ocgov.com/gov/ceo/deputy/finance/public/pfac/2020>