

**MINUTES OF THE
MUNICIPAL PROPERTY CORPORATION ANNUAL MEETING
CONFERENCE ROOM 3-A
November 10, 2014
9:00 a.m.**

Item 1 – Call to Order

At 9:00 a.m. the Municipal Property Corporation (MPC) board of director's meeting was called to order by Leland Peterson, President of the MPC. There was a quorum with the following additional board members present: Dr. Art Dobbelaere, Roger Schwierjohn, and Donald Knafels. One member was absent: Ron Cantrell.

Also present were Bill DeHaan, Bond Counsel, Greenberg Traurig, LLP; Kurt Freund, Managing Director, RBC Capital Markets; Nicholas Dodd, Director, RBC Capital Markets; Tom Duensing, Director of Finance and Technology; Vicki Rios, Assistant Finance Director; Kristen Krey, Grants Administrator; Mary Willmon, Office Support Supervisor; and members of the public.

Item 2 – Administer Oath of Office

Oath of Office was administered.

Item 3 – Approval of Minutes of December 6, 2013

It was moved by Mr. Knafels and seconded by Mr. Schwierjohn to approve the minutes of December 6, 2013. Motion carried unanimously.

Item 4 – MPC Board Appointment Process and Role of the Board

Mr. Duensing reviewed the MPC board appointment and roles contained in the Articles of Incorporation & Bylaws. MPC was formed in 1982. The MPC Board of Directors consists of five at-large members, is approved by the Government Services Committee, and is voted upon by the Glendale City Council. Staff and the Board may make recommendations for the appointment of board members to the Government Services Committee.

The primary purpose of the MPC is to issue and sell bonds to finance the acquisition and construction of public capital facilities for the City of Glendale. Although the MPC is a legally separate corporation, financial activities of the MPC are included in the City's audited financial statements.

Board appointment is a Council item of special interest. Staff will review the history and structure of the MPC at the December 2, 2014, workshop.

Item 5 – Election of Officers

Mr. Peterson was elected as the Chair and sworn in, along with Mr Schwierjohn, at the October 28, 2014, meeting. He expressed his appreciation to the members and requested a motion of election of officers as listed on the agenda:

- Vice President: Dr. Art Dobbelaere
- Secretary: Dr. Art Dobbelaere
- Treasurer: Roger Schwierjohn

It was moved by Mr. Schwierjohn and seconded by Mr. Knafels to approve the election of officers as listed. Motion carried unanimously.

Item 6 – Financial Status of City

Notable events during the FY14-15 budget process:

- Utilized Forecast to develop the budget
- Adopted a zero-based budget approach
- Eliminated sales tax sunset provision and sales tax rate evaluation must be done each year
- Cut budget requests by \$12.5 million
- Increased revenue by \$3.0 million

FY13-14 year-end results – General Fund:

- June 14, 2013 – Budgeted to spend down fund balance (savings) by \$11.4 million
- December 17, 2013 – Forecast indicated spending down fund balance by \$2.1 million
- June 30, 2014 Actual Results – Increased fund balance by \$7.8 million

The city's financial outlook has been upgraded from negative to stable by Moody's Investor Service.

Item 7 – MPC Excise Tax Revenue Bond Summary and Refunding

The MPC Excise Tax Bond Summary and Refunding Memorandum was provided to the Board.

Council approved the contract with RBC Capital Markets (RBC) on October 14, 2014. Staff is going to Council on November 24 with plans to refinance four different types of bonds; MPC being one of them.

The purpose and history of the MPC, along with the importance of knowing what the city is asking them to do were explained to the Board. The information provided in Refinancing of Existing Excise Tax Revenue Bonds was discussed.

As part of their ongoing engagement with the City, RBC performs ongoing monitoring of the market and prior bond issues to assess other refinancing opportunities.

Item 8 – Resolution for MPC Excise Tax Revenue Bond Refunding

Due to the bond market and structure of various MPC debt issuances, RBC has determined refinancing opportunities exist. As the City funds MPC debt service payments from the City of Glendale General Fund, any realized debt service savings directly benefits this fund. In order to maximize the savings, RBC recommends the MPC Excise Tax Revenue Bonds be refunded and City of Glendale Excise Tax Revenue Obligations be issued.

At this point, the following MPC Excise Tax Revenue Bonds have been identified for possible refunding.

- Series 2002B
- Taxable Series 2003B
- Series 2006A
- Series 2008A

Staff from RBC Capital Market will be present to review the refunding.

Mr. Duensing requested an approval of a resolution of the Glendale Municipal Property Corporation consenting to the refund and redemption of a portion of its Excise Tax Revenue Bonds and authorizing the execution of the Depository Trust Agreement and related documents.

Before taking action, the board reviewed the resolution at Mr. Peterson's recommendation. Mr. Peterson then requested a motion to approve this resolution. It was moved by Mr. Knafels and seconded by Mr. Schwierjohn. Motion carried unanimously.

Item 9 – New Business/Future Plans

Future plans are to retain the services of RBC Capital Markets and to respond to any items the Board would like to see.

When refinancing is considered, Mr. Freund will provide a summary of savings, rates, and terms of the offering to the Board.

Item 10 - Adjournment

It was moved by Dr. Dobbelaere and seconded by Mr. Knafels to adjourn the meeting. Motion carried unanimously. There being no further business, the meeting was adjourned at 9:55 a.m.

Mary Willmon