



AGENDA
PUBLIC FINANCE AUTHORITY
REGULAR MEETING
WEDNESDAY, JANUARY 24, 2018, 5:00 P.M.
CITY HALL COUNCIL CHAMBERS
601 CARMEN DRIVE, CAMARILLO, CALIFORNIA

AGENDA REPORTS AND OTHER DISCLOSABLE PUBLIC RECORDS RELATED TO OPEN SESSION AGENDA ITEMS ARE AVAILABLE ON THE CITY'S WEBSITE UNDER AGENDAS AT WWW.CITYOFCAMARILLO.ORG AND AT CITY HALL LOCATED AT 601 CARMEN DRIVE, CAMARILLO, IN THE OFFICE OF THE CITY CLERK DURING REGULAR BUSINESS HOURS, MONDAY THROUGH FRIDAY, 8:00 A.M. TO 5:00 P.M. MEETINGS ARE BROADCAST ON THE LOCAL GOVERNMENT CHANNELS – SPECTRUM CHANNEL 10 AND FRONTIER CHANNEL 29.

FOR YOUR INFORMATION – The PFA Board will hear from the public on any item on the agenda or an item of interest that is not on the agenda. The Board cannot take action on any item that is not on the agenda. These items may be referred to staff or scheduled on a future agenda. Comments are to be limited to three minutes for each speaker, unless extended by the Board, and each speaker may only speak once on each item. You have the opportunity to address the Board at the following times:

- A. AGENDA ITEM - at the time the Board considers the agenda item, and
- B. NON-AGENDA ITEMS - during Public Comments.

Please keep your comments brief and complete a speaker card for the City Clerk.

CALL TO ORDER

ROLL CALL

- I. AMENDMENTS TO THE AGENDA - this is the time and place to change the order of the agenda, delete or add any agenda item(s).
- II. PUBLIC COMMENTS
- III. CONSENT CALENDAR
 - A. Minutes
Approval receives and files minutes of the meeting of the Camarillo Public Finance Authority held January 25, 2017.
 - B. Presentation of the Annual Report
Approval receives and file the annual report.

CONSENT CALENDAR ACTION:

A MOTION TO APPROVE THE RECOMMENDATION FOR CONSENT ITEMS A AND B.

- IV. DEPARTMENTAL – NO ITEMS
- V. ADJOURN

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE CITY CLERK AT (805) 388-5353. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

MINUTES
CAMARILLO PUBLIC FINANCE AUTHORITY
REGULAR MEETING
WEDNESDAY, JANUARY 25, 2017

CALL TO ORDER/ROLL CALL

Chair McDonald called the meeting to order at 5:09 p.m.

Directors Present: Jeanette McDonald, Chair
 Kevin Kildee, Director
 Mike Morgan, Director
 Tony Trembley, Director

Directors Absent: Charlotte Craven, Vice Chair

Staff Present: Dave Norman, Executive Director
 Tom Fox, Assistant City Manager
 Dave Klotzle, Public Works Director
 Jeffrie Madland, Secretary
 Dave Murray, Police Department Commander
 Richard Petropulos, Administrative Services Director
 Brian Pierik, City Attorney
 Joe Vacca, Community Development Director
 Genie Wilson, Treasurer

I. AMENDMENTS TO THE AGENDA – NONE

II. PUBLIC COMMENTS – NONE

III. CONSENT CALENDAR

Director Kildee moved, seconded by Director Morgan, to approve Consent Calendar Items A and B.

A. Minutes

Approved the minutes of the Camarillo Public Finance Authority meeting held January 27, 2016, as presented. (Director Trembley abstained from approval of the minutes.)

B. Presentation of Annual Report

Received and filed the report.

Motion carried 4-0-1 (Craven absent).

IV. DEPARTMENTAL – NONE

V. ADJOURNMENT

The meeting adjourned at 5:10 p.m.

Secretary

ATTEST:

Chair




Public Finance Authority

AGENDA REPORT

Date: January 24, 2018

To: Honorable Chairman and Board of Directors

From: Dave Norman, Executive Director 

Submitted by: Genie Rocha, Treasurer

Subject: **Presentation of the 2017 Annual Report**

SUMMARY

This represents the annual report for the Camarillo Public Finance Authority (PFA) for calendar year 2017.

DISCUSSION

The Authority was established pursuant to a Joint Exercise of Powers Agreement dated November 4, 1998, by and between the City and the Camarillo Sanitary District (the "District") in accordance with the provisions of the Joint Exercise of Powers Act, consisting of Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code (the "Joint Powers Act"). The members of the City Council of the City comprise the Authority's Board of Directors. The Authority has no independent staff and consequently is dependent upon the City's officers and employees to administer the day-to-day activities of the Authority on its behalf. The PFA was established for the original purpose of issuing lease revenue bonds to combine and refund three existing bonds to take advantage of favorable interest rates. The PFA has subsequently been used as a bond issuer in other bond issues, most recently in 2012, for the refunding of the Series 2003 A Library Bonds.

In 2003, the PFA issued \$8,930,000 in Lease Revenue Bonds to pay the matching costs of a new library. The City received a grant of \$15.6 million from the State of California which required a certain match. The library opened on March 31, 2007. The City leased the City Hall property to the PFA to facilitate the lease transaction and the repayment of the bonds. The 2003 Bonds have been refunded and defeased with the funds from the issuance of the 2012 Lease Revenue Bonds described below.

On April 26, 2012, the PFA issued \$7,630,000 in Lease Revenue Bonds to provide the funds to refund and repay the 2003 Lease Revenue Bonds and realize a net present value

savings of approximately \$876,000, with annual debt service savings ranging from \$49,000 - \$55,000 per year. The 2003 Bonds were repaid on May 2, 2012. The lease for the 2012 Bonds is on the City Hall property, with the ability to transfer the lease to another property in the future. Payment of principal and interest on the 2012 Bonds is made with the revenues generated by the lease, with the debt service for the bonds appropriated each year by the City of Camarillo based on the debt service schedule. These bonds were rated "AA+" by Standard and Poor's (S & P) when the bonds were issued, with an underlying rating of "AA+" as well. To date, the ratings remain the same.

In November 2005, the PFA issued \$23,000,000 in Wastewater Revenue Bonds to finance improvements to the Camarillo Sanitary District's wastewater treatment system. The debt service for the bonds is appropriated each year by the Camarillo Sanitary District Board of Directors based on the debt service schedule contained in the installment sales agreement.

Payment of principal and interest on the 2005 bond is insured by AMBAC Assurance Corporation ("AMBAC"). A surety was used in lieu of a reserve fund. While rated Aaa/AAA at time of issuance, both Moody's Investors Service (as of April 7, 2011) and Standard & Poor's (as of November 30, 2010) have withdrawn their ratings on AMBAC. The Bonds however maintain an underlying bond rating of "AA+". If the Debt Service Reserve Fund Surety Bond is cancelled due to AMBAC bankruptcy or otherwise, the Trustee for the Bonds may require the PFA to replace and fund a bond reserve fund equal to one year's debt service payment. Such a reserve fund deposit would ultimately be applied to the last year's bond payment.

The day-to-day administration for all of the PFA bonds is accomplished through a trustee and City staff. U.S. Bank serves as Trustee for all of the PFA issues. Special District Financing and Administration (SDFA) prepares the annual bond disclosure reports for all the PFA bond issues. The annual bond disclosure reports are required to be filed by February 1 of each year with Electronic Municipal Market Access ("EMMA"), making the information available to the investment community. Although the annual disclosure reports are required to be filed with "EMMA", as an additional disclosure option, the City contracts with Digital Assurance Corporation (DAC), who also places the annual disclosure reports on the DAC website at dacbond.com. This option makes the disclosure information more accessible to the investment community. It also allows the City to place its Comprehensive Annual Financial Report (CAFR) on the DAC site for investors to review.

Debt service payments for all issues have been made on schedule to date and no issues of note are being reported for the calendar year ended December 31, 2017. As of December 31, 2017, there was a total of \$5,900,000 principal outstanding on the 2012 Lease Revenue (Library) Bonds and \$17,565,000 principal outstanding for the 2015 Wastewater Refunding Bonds. The 2012 Lease Revenue (Library) Bonds are scheduled to be paid in full in December 2033. The Wastewater Refunding Bonds are scheduled to be paid in full in June 2036.

BUDGET IMPACT

None. This item does not require an expenditure of funds.

SUGGESTED ACTION

Approval receives and files the annual report.

ATTACHMENTS

None.

Finance Review: GR