



MINUTES OF THE REGULAR MEETING OF THE FINANCING CORPORATION

November 15, 2011



OPEN SESSION / CALL TO ORDER

President McKean called the meeting of the Financing Corporation to order at 4:00 pm.

Financing Corporation
Board of Directors present:
Mark McKean, President
Bill Henry, Vice President
Nina Oxborrow, Clerk
Jeff Levinson
Edna Ivans
Jack Minnite
Steve Cantu

Introduction of Guests

There were no guests introduced at this time.

Public Comments

There were no public comments were made at this time.

FINANCING CORPORATION REPORTS AND ACTION

FC-13 Minutes – The minutes of the October 25, 2011 meeting of the Financing Corporation were approved on a motion by Trustee Minnite, seconded by Trustee Levinson, and carried unanimously.

FC-14 Quarterly Report – Mr. Mike Urner of Wells Fargo and Mr. Dave Ivarie of Morgan Stanley Smith Barney, provided a quarterly report on the Certificates of Participation (COP) investments.

Mr. Urner explained that the district is in full compliance with state and related policies. Trustee Levinson questioned when the rates are expected to increase and Mr. Urner responded that the rates will not be going up anytime soon.

Mr. Urner explained that ownership of municipal bonds have changed. The municipal bond market is very strong at this time.

Trustee Cantu arrived at 4:21 pm.

Dr. Gornick questioned how the housing market has affected with the district is doing. Mr. Urner stated there is not necessarily a direct impact as the district does not invest in these areas, but it does affect the economy and will probably go longer than expected.

Mr. Urner reported that the Canadian banks are in outstanding shape and are very sought after. Trustee Henry asked how the banks in England were doing. Mr. Urner explained they have double the problems the United States has in terms of the housing market.

Mr. Stoppenbrink asked for clarification on the Bank of America deal. Mr. Ivarie explained the paper was selling at \$.81 per dollar with 5.2% total return. The district passed as it did not meet AA requirement. Trustee Henry asked if they wanted to include A ratings. Trustee Levinson asked what might happen if he Board gave them the discretion based on their expertise. Trustee Ivans stated she did not think the Board wanted to be involved in deciding in what to invest. Dr. Gornick explained that the current process is working well and he appreciates when he and Mr. Stoppenbrink are contacted regarding potential investments.

ADJOURNMENT

There being no further business before the Financing Corporation Board, the meeting was adjourned at 4:40 pm.

Nina Oxborrow
Secretary of the Financing Corporation

/bc