

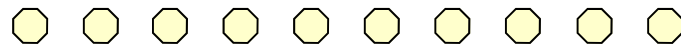


*Municipal Debt Advisory Commission*

2014

# Oregon Municipal Debt Advisory Commission

## *2014 Annual Report*



PUBLISHED APRIL 2015

# Current Members



**Carol Juang McCoog**  
*Chair*

Hawkins, Delafield, & Wood  
Partner  
*Public Member*



**Nancy Brewer**

City of Corvallis  
Finance Director  
*League of Oregon Cities Representative*



**Javier Fernandez**

Bonneville Power Administration  
Manager—Cash & Treasury  
*Public Member*



**Laura Lockwood-McCall**

Office of the State Treasurer  
Debt Management Division Director  
*Treasurer's Designee*



**Paul Matthews**

Tualatin Valley Water District  
Chief Financial Officer  
*Special Districts Representative*



**Doug Middlestetter**

West Linn—Wilsonville School District  
Chief Financial Officer  
*Oregon School Board Association Representative*



**Laurie Steele**

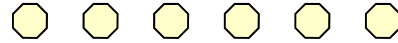
Marion County  
Treasurer  
*Association of Oregon Counties Representative*

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# Introduction



## MUNICIPAL DEBT ADVISORY COMMISSION

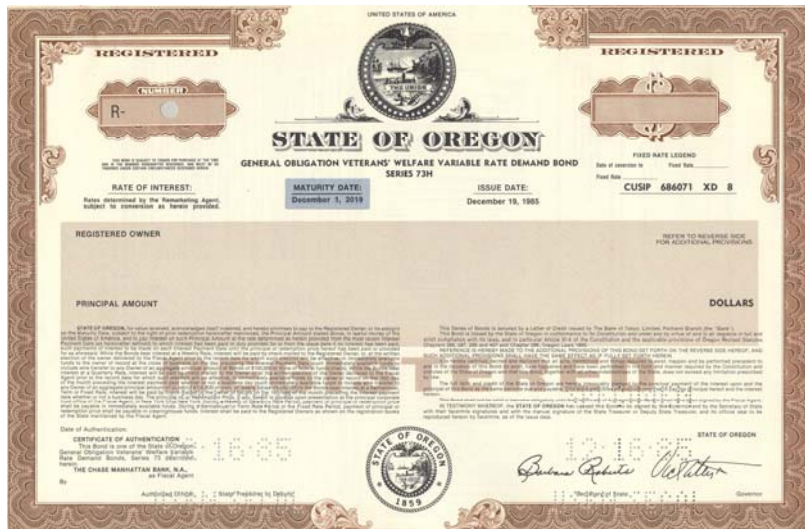
The Oregon Municipal Debt Advisory Commission (MDAC or Commission) was established in 1975 to assist local governments in the cost-effective issuance, sale, and management of their debt. The Commission is composed of seven members, including the State Treasurer (or his designee), three local government finance officers, one representative for the special districts, and two other public members. The Debt Management Division (DMD) of the Oregon State Treasurer's Office (OST) is staff to the Commission. State [ORS 287A.634](#) requires the MDAC to prepare an annual report describing activities of the Commission in the preceding year.

## OREGON ADMINISTRATIVE RULES

To ensure that information contained in the OST/MDAC Bond Tracker System is as accurate as possible, a verification of local government districts and their debt is accomplished by MDAC staff. [ORS 287A.640](#) states that:

*“...a public body shall verify, at the request of the commission, the information maintained by the commission or the State Treasurer on the public body's outstanding bonds.”*

The information in the Bond Tracker System was updated and verified as of 12/31/2013. The next biennial verification will occur in 2016 for data as of 12/31/2015. These district-by-district verifications are performed by close collaboration between DMD staff and local government finance officials. The Department of Revenue also provides annual updates of real market values used in preparing overlapping debt report information. Additional verifications are performed when bonds are called or when special circumstances may require verification of outstanding debt.



# Roles & Responsibilities



State statute [ORS 287A.634\(1\)](#) empowers the Municipal Debt Advisory Commission to carry out the following functions:

- a) Provide assistance and consultation, upon request of the state or a public body, to assist them in the planning, preparation, marketing and sale of new bond issues to reduce the cost of the issuance to the issuer and to assist in protecting the issuer's credit.
- b) Collect, maintain and provide financial, economic and social data on public bodies pertinent to their ability to issue and pay bonds.
- c) Collect, maintain and provide information on bonds sold and/or outstanding and serve as a clearinghouse for all local bond issues.
- d) Maintain contact with municipal bond underwriters, credit rating agencies, investors and others to improve the market for public body bond issues.
- e) Undertake or commission studies on methods to reduce the costs of state and local issues.
- f) Recommend changes in state law and local practices to improve the sale and servicing of local bonds.
- g) Perform any other function required or authorized by law.
- h) Pursuant [ORS Chapter 183](#) adopt rules necessary to carry out its duties.

The MDAC strives to improve existing services and to initiate new programs aimed at lowering borrowing costs and improving debt management practices for local governments, particularly in the area of capital planning and debt administration. Staff publishes a schedule of upcoming and recent municipal bond sales known as the [Oregon Bond Calendar](#).

The Bond Calendar lists state and local sales, enabling state agencies and local municipalities to minimize scheduling conflicts which may impact the marketability of their issues.

Sale Date	Issuer	Sale Type	Bond Type	Series/ Par Amount	Project	Alternative Minimum Tax	Sale Quotient	Priority Taxrate	Maturity/ 1st Opt. Call	Average Bond Life/ Int. Rate	1. Underwriter/Purchaser 2. Bond Counsel 3. Financial Advisor
<b>March 2015</b>											
<b>PROPOSED</b>											
0312	Washington Co SD 1J (Pillbox)	Negotiated	Full Faith & Credit Obligations(N)	2015 \$40,000,000	Lump sum payment to PERS to pay off existing URL						1. Piper Jaffray - Seattle NW Division 2. Hawkins, Delafield & Wood 3. None
0316	Department Of Administrative Services	Negotiated	General Obligation (N) Bonds	2015/GH \$296,460,000	Miscellaneous projects and refunding						1. Citigroup Global Markets 2. Hawkins, Delafield & Wood 3. Western Financial Group
0317	University of Oregon	Negotiated	Revenue Bonds	2015A \$43,400,000	Finance capital projects to University facilities and pay costs of issuance					Fixed	1. Bank of America Merrill Lynch 2. Pacific Law Group 3. Public Financial Management
0325	Polk Co SD 13J (General)	Negotiated	General Obligation (N) Bonds	2015 \$28,000,000	Advanced Refunding of 2007 and 2009 GO Bonds						1. D.A. Davidson & Co 2. Hawkins, Delafield & Wood 3. Piper Jaffray - Seattle NW Division
0331	Umatilla Co SD 6 (Umatilla)	Negotiated	General Obligation (N) Bonds	2015 \$5,218,000	Refunding of District's General Obligation Refunding Bonds, Series 2005						1. Piper Jaffray - Seattle NW Division 2. Hawkins, Delafield & Wood 3. None
<b>SOLD</b>											
0303	Housing & Community Services Department Nurture 247 LLP	Privately Placed	Conduit Revenue Bonds	2015A \$14,335,000	Refinance Department's Housing Development Revenue Bonds, 2009 Series S-1 (Paved Family Housing Project)				02/01/2042	0.00	1. U.S. Bank National Association 2. Oak, Herington & Sundlife 3. Caine Miter & Assoc.
0303	Jackson Co SD 549C (Medford)	Negotiated	General Obligation (N) Bonds	2015 \$138,530,000	General Obligation Refunding Bonds				12/15/2033	11.47 11c 2.881%	1. KeyBank Capital Markets 2. Merenssey & Shannon LLP 3. Lewis Young Robinson & Birmingham

The Bond Calendar is updated on a real time basis and contains links to bond election information and the Oregon Bond Index which charts Oregon municipal bond interest rates.

On behalf of the MDAC, the Debt Management Division produces the [Oregon Bond Education Center](#) (formerly the Oregon Bond Manual). The site is a resource for Oregon local governments issuing and managing debt.

In addition, MDAC staff monitors local and national bond markets and economic trends, advises agencies of market developments, and makes municipal bond policy and legislative recommendations to the State Treasurer. The Oregon State Treasurer/MDAC staff maintains the Bond Tracker System which is a database on debt issuance and debt outstanding for all Oregon municipal bond issuers.

# Debt Instruments



The Bond Tracker System maintains the following debt obligations:

An example of an **Appropriation Credit** is a Certificate of Participation. Payments on these type obligations are subject to appropriation. It is not considered a “default” if an appropriation payment is not made. These obligations were more common for capital finance needs before counties obtained the ability to issue "limited tax bonded indebtedness" or Full Faith & Credit Obligations.

**Conduit Revenue Bonds** are "pass through" obligations of private parties that are secured solely by commitments of private entities. Examples: hospital facility authority revenue bonds or a city conduit revenue bonds for nonprofit educational facilities.

**Dedicated Niche Tax Obligations** are obligations that are secured solely by taxes other than property taxes that provide permanent (long term) financing. Examples: Tri-Met's payroll tax revenue bonds, urban renewal agency tax increment bonds and city and county gas tax revenue bonds.

**Full Faith & Credit Obligations-Non-Self Supporting (FF&C(N))** are obligations that: (i) are secured by the issuer's full faith and credit including their general fund; (ii) are not secured by any power to impose additional taxes outside constitutional limits; (iii) are expected to be paid from sources that include permanent rate property taxes and/or state school support payments; (iv) provide permanent (long term) financing; and (v) are legally binding obligations, rather than being "subject to appropriation." Examples: school district full faith and credit obligations.

**Full Faith & Credit Obligations -Self Supporting (FF&C(S))** are obligations that: (i) are secured by the issuer's full faith and credit including their general fund; (ii) are not secured by any power to impose additional taxes outside constitutional limits; (iii) are expected to be 100% paid from sources other than property taxes

and their general fund; (iv) provide permanent (long term) financing; and (v) are legally binding obligations, rather than being "subject to appropriation.". Example: The City of Portland's limited tax revenue bonds that financed PGE park, paid from hotel/motel taxes. This category may include obligations historically referred to as: Limited Tax Revenue or Full Faith and Credit Obligations.

**General Obligation -Non-Self Supporting (GO(N))** is an obligation that: (i) provides permanent (long term) financing; (ii) is secured by the power to levy unlimited, property taxes; and (iii) is expected to be paid from those property tax levies. Example: school district general obligation bonds.

**General Obligation -Self Supporting (GO(S))** is an obligation that: (i) provides permanent (long term) financing; (ii) is secured by the power to levy unlimited, property taxes; but (iii) is expected to be paid 100% from revenues other than property taxes. Example: city general obligation sewer bonds.

**Other** is a financial obligation type that does not fit in any of the other categories currently tracked by the MDAC and is not expected to be used often.

**Revenue** obligations are secured and paid for solely by a stream of identified revenues (other than property tax or specific tax revenues) and provides permanent financing. Examples: sewer and water revenue bonds.

**Short Term Borrowings** normally mature in less than 13 months from date of issue. Examples: TANs, RANs, TRANs and other short term borrowings in anticipation of revenues or long term take-out financing.

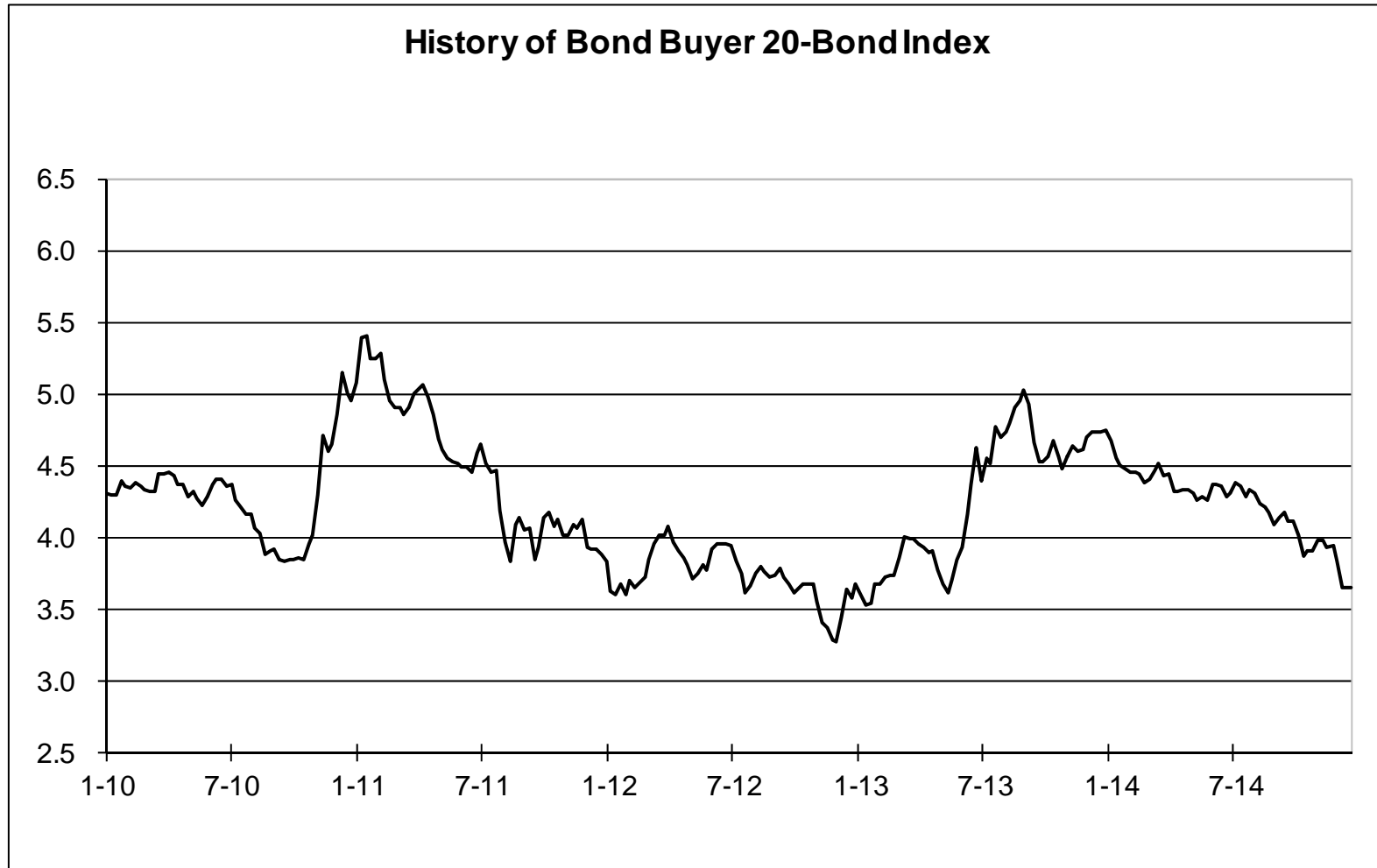
**Bank loans/leases** or similar types of potential debt instruments are not tracked in the System as there is no practical way to do so.

# Interest Rates



The 2014 average of 4.24% only varied slightly compared with 2013's average of 4.26%. The table shows 2014 beginning with a high of 4.75% and declining 110 basis points to end at a low of 3.65%.

2014	Start	End	High	Low	Avg
Bond Buyer 20-Bond Index <sup>1</sup>	4.75%	3.65%	4.75%	3.65%	4.24%
Oregon Bond Index A-rated 20 <sup>2</sup>	4.50%	3.12%	4.50%	3.09%	3.71%

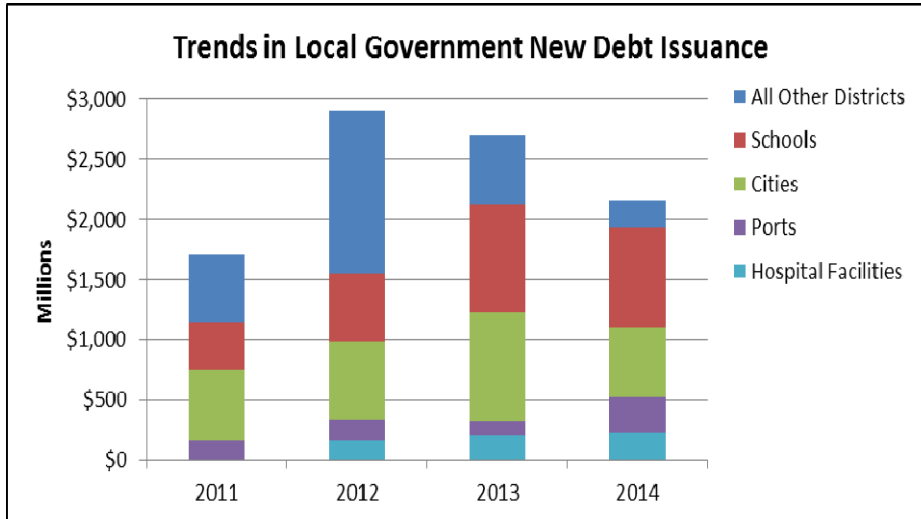
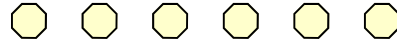


<sup>1</sup>The *Bond Buyer 20-Bond Index* represents an average interest rate on 20-year maturities of General Obligation bonds of 20 state and municipal issuers with ratings ranging from "Aaa" to "Baa" (average rating is approximately single "A").

<sup>2</sup>The *Oregon Bond Index A-rated 20* represents an average rate on 20-year maturities of Oregon municipal general obligation bonds rated "A," as reported to the Debt Management Division of the Office of the State Treasurer by regional/northwest traders of Oregon bonds.

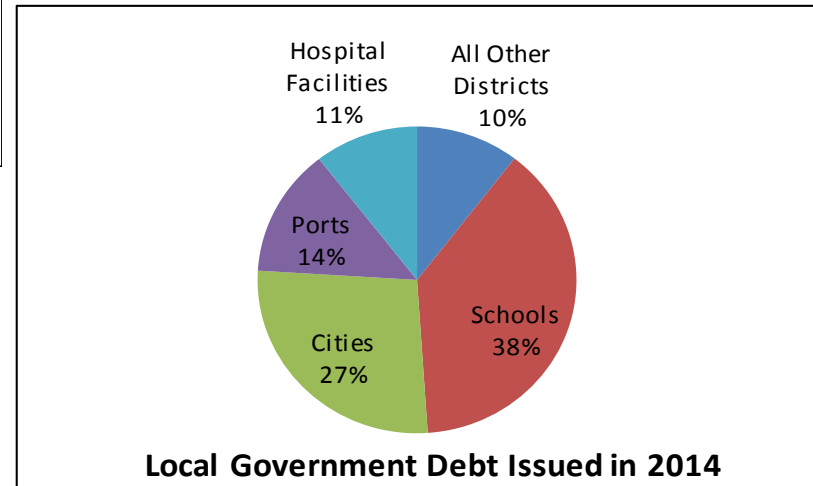


# Debt Issued



In 2014 elections, 46 local bond issues were presented to the voters, totaling over \$1.5 billion in proposed new issuance. Twenty-eight bond election measures passed, totaling over \$572.6 million. Although not all 2014 approved bond measures are sold within the current year, school districts were the leading issuer of new obligations in 2014, with nearly \$829 million in bonds sold. Cities were second with almost \$583 million in new issuance, and third was port districts with \$291 million issued.

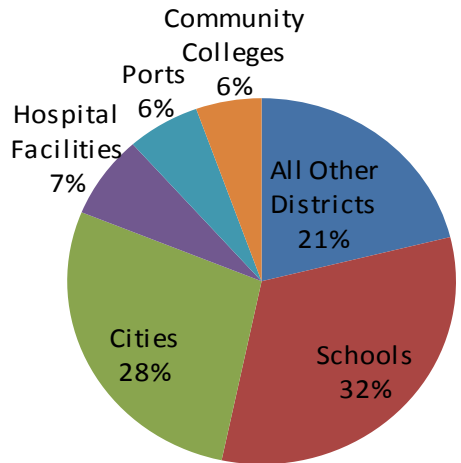
The largest category of Oregon local government debt issued in 2014 was General Obligation (Non-Self Supporting) bonds with just under \$1 billion issued; Revenue Bonds were next, at over \$568 million issued. (See page 3 for a description of the bond types).



Local governments in four Oregon counties accounted for nearly 75% of all local debt issued in 2014. Among these counties, local issuers in Multnomah County led with \$728 million. Issuers in Washington, Clackamas, and Morrow Counties sold the second, third, and fourth largest debt by par amount at \$450 million, \$236 million and \$201 million respectively.

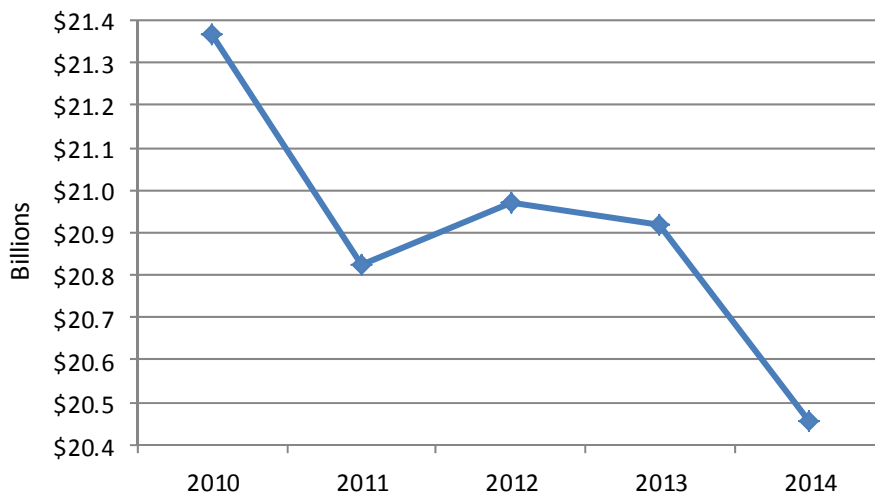
<b>Local Debt Issued in 2014</b>	
General Obligation (N) Bonds	\$946,195,042
Revenue Bonds	568,166,284
Conduit Revenue Bonds	420,027,000
Full Faith & Credit Obligations(N)	120,950,514
Full Faith & Credit Obligations (S)	83,693,286
Other	8,110,374
General Obligation (S) Bonds	3,700,000
Appropriation Credits	2,980,000
Dedicated Niche Tax Obligations	1,900,000
<b>TOTAL</b>	<b>\$2,155,722,500</b>

# Debt Outstanding



**Total Outstanding Principal as of 12-31-14**

**Outstanding Principal by Calendar Year**



As of December 31, 2014, school districts and cities are responsible for nearly \$12.3 billion of the \$20.4 billion in outstanding local government debt in Oregon.

The largest category of outstanding debt as of December 31, 2014 was Revenue Bonds with over \$6 billion outstanding, followed by General Obligation (Non-Self Supporting) Bonds with over \$5.5 billion outstanding.

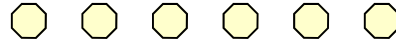
## Outstanding Local Debt

(as of 12/31/14)

Revenue Bonds	\$6,105,904,440
General Obligation (N) Bonds	5,547,177,051
Full Faith & Credit Obligations (N)	3,408,631,366
Full Faith & Credit Obligations (S)	2,381,779,676
Conduit Revenue Bonds	2,125,080,414
Dedicated Niche Tax Obligations	554,448,313
General Obligation (S) Bonds	299,973,748
Appropriation Credits	22,306,330
Other	12,367,937
<b>TOTAL</b>	<b>\$20,457,669,275</b>

Local outstanding debt has remained relatively flat over the past five years. Although there has been a slight decline in outstanding principal debt from 2012 through 2014, it is anticipated that as economic conditions improve around the State, local governments will increase issuance to accommodate needed investments in infrastructure and facilities.

# Refundings

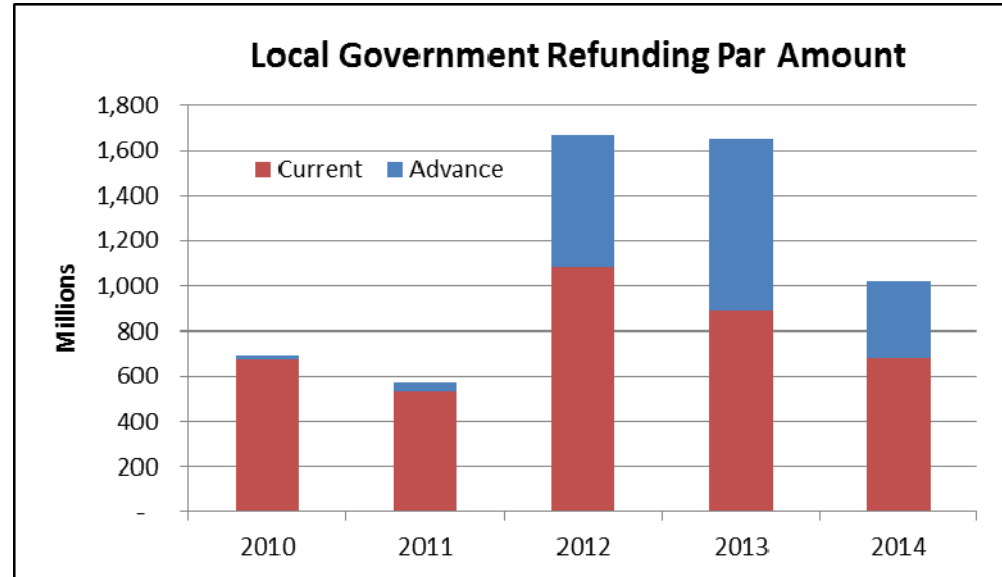


Generally, refundings are executed to realize debt service savings when new bonds are sold at interest rates significantly below those of the original issue. A refunding may also be undertaken to effect a permanent reorganization of debt by removing restrictive covenants or structures.

The Office of the State Treasurer is responsible for assessing the merits of proposed advance refunding issues and authorizing those having a significant beneficial impact. Advance refundings that result in clear public benefit and meet the requirements of [OAR 170-062-0000](#) receive approval.

In 2014, the number of advance and current refundings decreased significantly from the previous year. Local governments total volume of advance and current issuance also decreased while present value savings realized a significant overall increase of \$119 million.

Bonds are limited to a single advance refunding by federal law. There are no federal limits on the number of times an issue may be current refunded and current refundings do not require OST approval.



## Recent Local Government Refundings

Year	Current Refunding			Advance Refunding		
	Quantity	Issued (\$M)	Net PV Interest Savings (\$M) <sup>1</sup>	Quantity	Issued (\$M)	Net PV Interest Savings (\$M) <sup>1</sup>
2009	30	\$769	\$10.6	3	\$43	\$2.1
2010	47	678	23.6	3	17	0.8
2011	57	529	35.7	2	45	3.2
2012	66	1,086	68.9	20	583	37.3
2013	52	891	27.7	23	760	40.7
2014	20	682	80.8	9	338	38.2
<b>Total</b>	<b>272</b>	<b>\$4,635</b>	<b>\$247.3</b>	<b>60</b>	<b>\$1,786</b>	<b>\$122.3</b>

<sup>1</sup>Current Refunding Present Value Savings data may be incomplete, as this information has been provided on a voluntary basis

# Issue Purpose



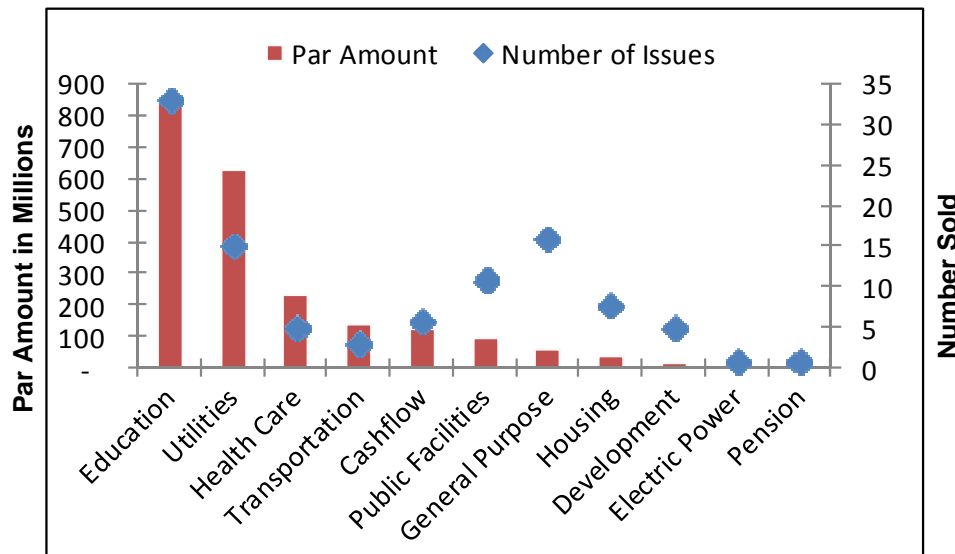
## Top Issuers By Purpose in 2014

Purpose	Issuer	Issued
Education	Washington Cty SD 48J (Beaverton)	\$ 382,148,784
Utilities	City Of Portland	375,360,000
Utilities	Port of Morrow	193,075,000
Education	Clackamas Cty SD 12 (N. Clackamas)	170,380,000
Health Care	HFA Multnomah County	93,380,000
Transportation	Port of Portland	90,050,000
Education	Lane Cty SD 4J (Eugene)	80,000,000
Health Care	HFA Deschutes County	75,000,000

In 2014, education-related facilities was the largest purpose of new local debt, with over \$843 million issued in 33 series. Beaverton School District 48J in Washington County led education issuance with bonds totaling over \$382 million. The next largest issuance category was utilities at more than \$621 million sold in 15 series of bonds.

In 2014, capital construction for education facilities continued to be in the top position for outstanding debt followed by utilities bond sales. Pension Obligation bonds (POBs), sold in the early-to-mid 2000's to help fund Public Employee Retirement System (PERS) liabilities dropped from second to third largest category of outstanding local bonded debt.

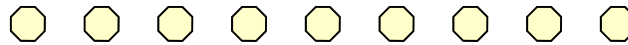
## Par Amount & Number of Issues Sold in 2014



## Outstanding Total by Purpose (as of 12/31/14)

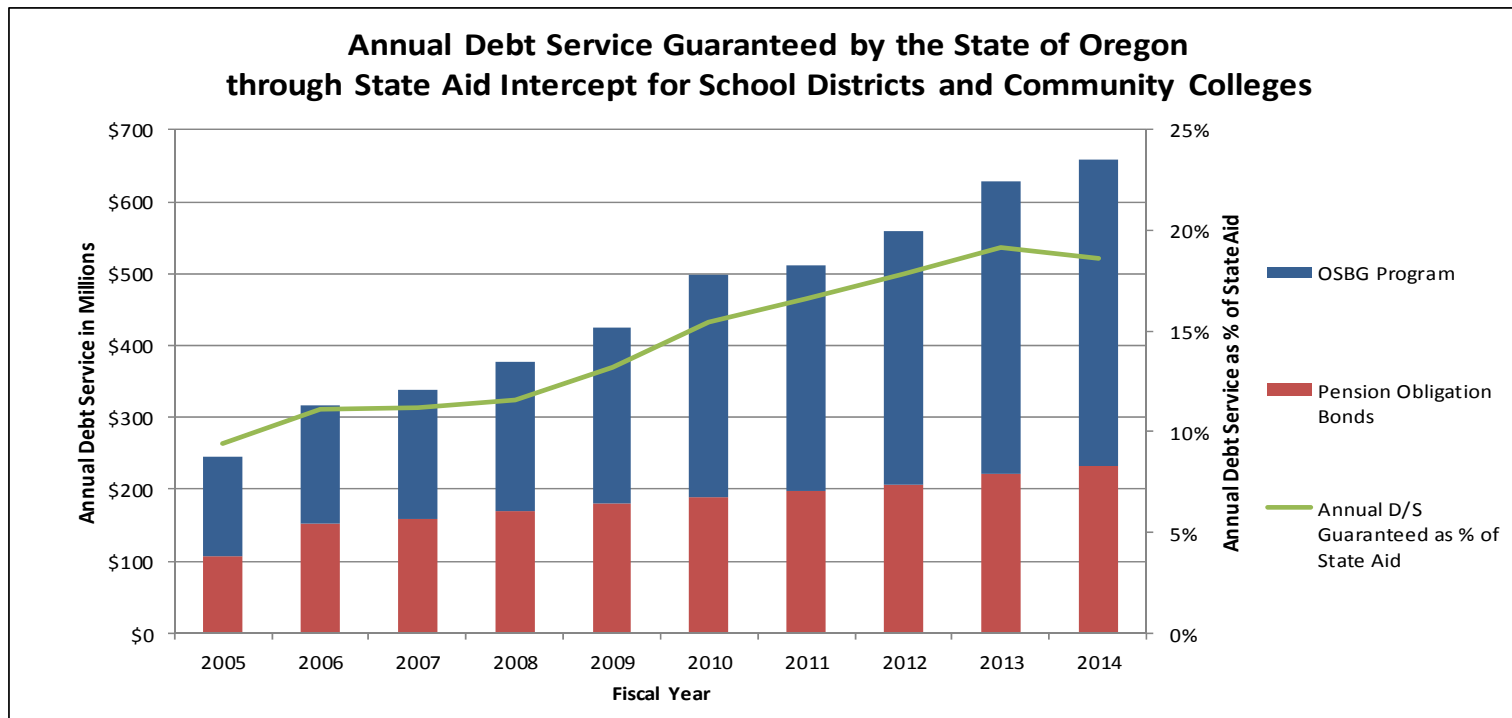
Education	\$5,080,364,528
Utilities	3,909,980,745
Pension	3,625,368,389
Health Care	2,155,722,862
Public Facilities	1,361,454,856
Transportation	1,293,176,212
Development	753,802,910
General Purpose	517,764,404
Electric Power	509,412,110
Environmental	484,399,678
Cashflow	456,596,960
Housing	276,168,993
Unknown	33,456,627
<b>TOTAL</b>	<b>\$20,457,669,275</b>

# State Aid Intercept



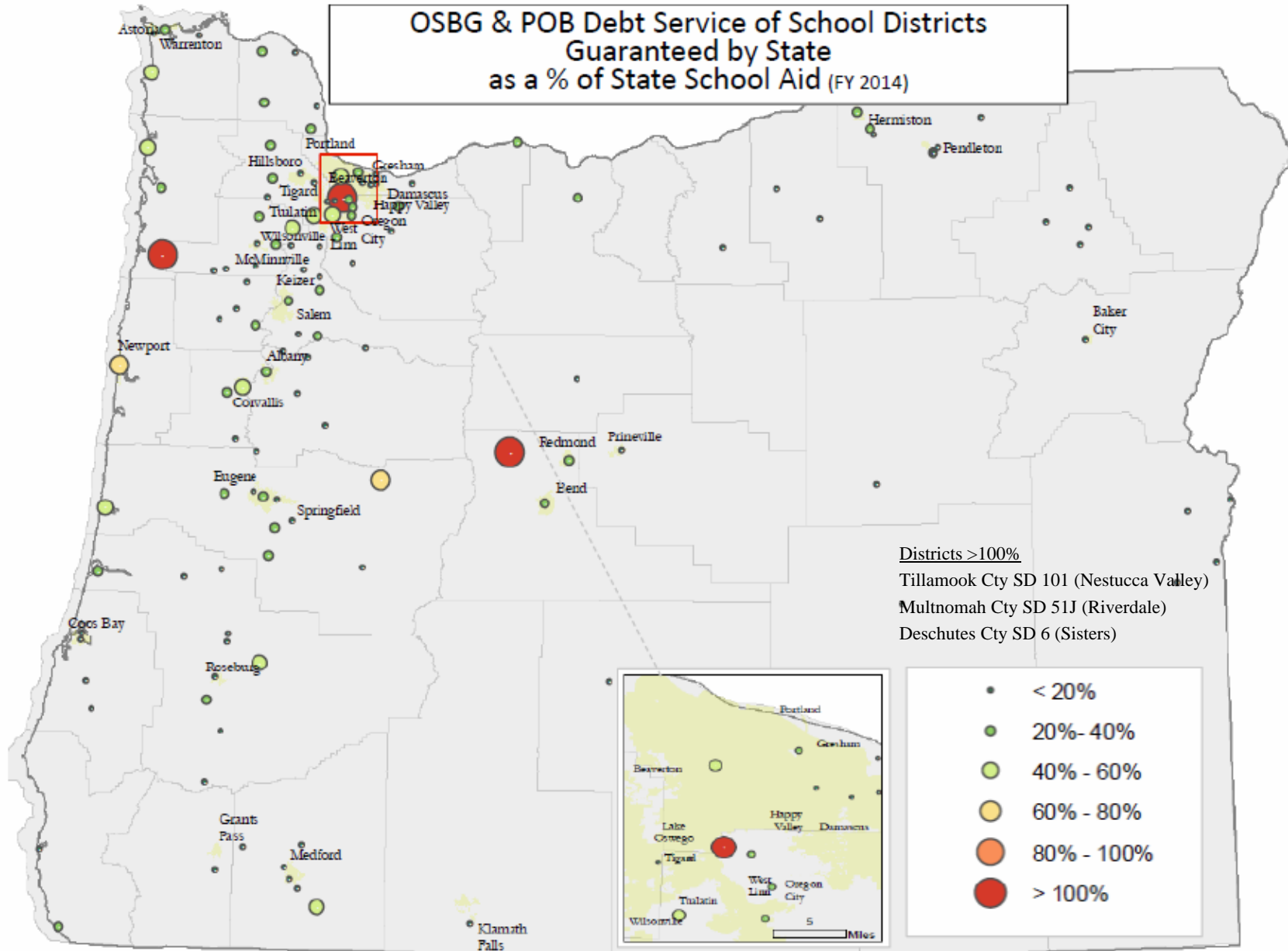
Since its inception in 1999, the Oregon School Bond Guaranty (OSBG) program has grown significantly in size and scope. As of June 30, 2014, the program has guarantees on \$3.7 billion in outstanding GO bonds (or \$5.0 billion overall<sup>1</sup> in guaranteed debt service) issued by Oregon school districts and community colleges. While it is impossible to know precisely how much the State guaranty has saved Oregon taxpayers in interest costs on school bonds, a conservative estimate of an average reduction of .25% (25 basis points) in borrowing costs suggests debt service savings of roughly \$8 million per year, or \$165 million over a 20-year period.

Of all school bonds issued, 84.8% (based on outstanding principal)<sup>1</sup> are subject to funds intercept per [ORS Chapter 328.346](#), either as general obligation bonds under the OSBG program or as Pension Obligation Bonds (POBs). These two programs combined total \$8.1 billion<sup>1</sup>. As the table below demonstrates, the two state aid intercept bonding programs, OSBG and POBs, have relied on an increasing percentage of state aid to schools, although this amount stabilized in 2014. For FY 2014, annual school/community college debt service guaranteed by the State was 18.6% of overall state aid for these jurisdictions. The following two pages illustrate OSBG and POB annual debt service guaranteed as a percent of annual state school aid for specific school districts and community colleges around the state in 2014.



<sup>1</sup> Total debt service is not included, as interest is only calculated in the Bond Tracker System for OSBG and POB bond issues containing an intercept mechanism. 9

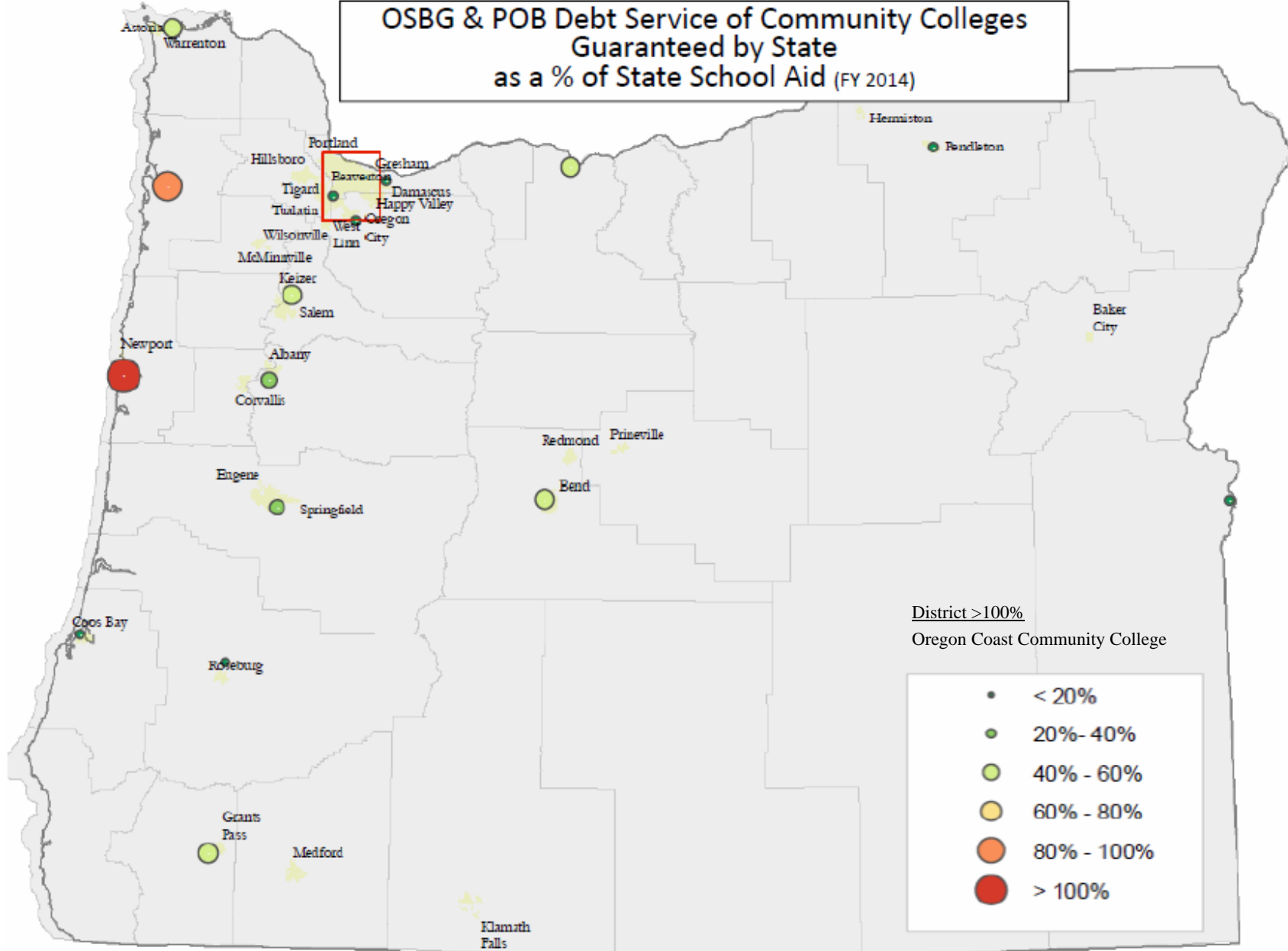
# State Aid Intercept



# State Aid Intercept



OSBG & POB Debt Service of Community Colleges  
Guaranteed by State  
as a % of State School Aid (FY 2014)







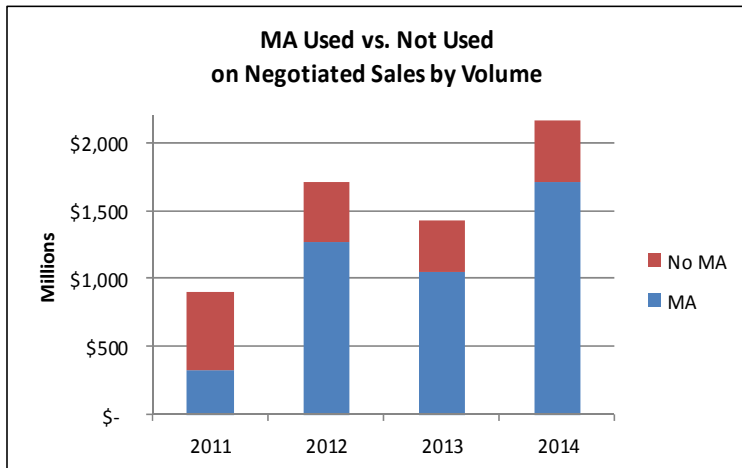
# Municipal Advisors



The Municipal Advisor (MA) is a consultant who advises an issuer on matters pertinent to the security, structure, timing, marketing, fairness of pricing, terms, and ratings on a bond issue. MAs often serve as an agent for the issuer during the pricing of negotiated bonds. Issuers interested in historical fees charged by Municipal Advisors may contact the State Treasurer's Office.

## Local Government Issues by Sale Type

2014 Issuer Category	Competitive		Negotiated		Privately Placed		Total
	MA Used	No MA	MA Used	No MA	MA Used	No MA	
Schools	1	0	7	14	2	9	33
Cities	8	0	3	5	10	6	32
Fire Districts	0	0	0	7	0	0	7
Housing	0	0	0	2	0	5	7
Hospital Facilities	0	0	0	1	1	3	5
Community Colleges	1	0	1	3	0	0	5
Ports	0	0	2	1	0	0	3
Urban Renewal	0	0	0	0	1	1	2
Parks	0	0	0	2	0	0	2
Water Supply	0	0	2	0	0	0	2
Public Utility	0	0	1	1	0	0	2
County	1	0	0	0	1	0	2
Service	1	0	0	0	0	0	1
Health	0	0	0	1	0	0	1
<b>TOTAL</b>	<b>12</b>	<b>0</b>	<b>16</b>	<b>37</b>	<b>15</b>	<b>24</b>	<b>104</b>



Municipal Advisors for Local Governments by Volume							
2012		Volume	No.	2013		Volume	No.
Seattle NW Securities	\$	708,896,097	25	Western Financial Group	\$	659,203,391	11
None		560,207,839	87	None		576,800,095	83
Melio & Company LLC		465,120,000	7	Public Financial Mgmt		564,600,000	3
Western Financial Group		451,500,000	12	Piper Jaffray		553,996,054	17
Public Financial Mgmt		284,885,000	6	Charles Carter Company		326,470,000	14
Charles Carter Company		225,880,000	13	Wedbush Morgan Securities		93,845,166	6
Delta Utility Associates		71,230,000	1	Cain Brothers & Company		64,138,000	2
Cain Brothers & Co.		45,200,000	1	Economic & Financial Analysis		24,066,000	3
D.A. Davidson & Co.		8,500,000	1	GEL Oregon, Inc.		10,495,000	1
McLiney and Company		2,000,000	1	A. Dashen & Associates		9,185,000	1
				Russell Caldwell Company		7,280,000	2
				DBS Financial Services		5,255,000	1
				D.A. Davidson & Co.		3,590,000	1
				Montague DeRose & Assoc		1,825,000	1
<b>Total</b>		<b>\$ 2,823,418,936</b>	<b>154</b>	<b>Total</b>		<b>\$ 2,900,748,706</b>	<b>146</b>
				<b>Total</b>		<b>\$ 2,155,722,500</b>	<b>104</b>

<sup>1</sup>Under the Securities and Exchange Commission rule amendments governing Municipal Advisor regulations, it is projected the number of bond issues with no Municipal Advisor will decrease.

# Lead Underwriters



The Lead Underwriter's role is to manage security purchases from the issuer for resale to investors. Recent trends emphasize the benefit of successful collaboration between Municipal Advisors and Lead Underwriters for issuers.

The tables below summarize Oregon municipal long-term financial obligation for 2014 sales by Sale Type and Lead Underwriter. For historical Lead Underwriter fee information, Issuers may contact our office.

Top 5 Underwriters by Volume in 2014			Local Government Underwriters by Sale Type in 2014																																																											
			<table border="1"> <thead> <tr> <th>Rank by Volume</th> <th>Competitive</th> <th>Negotiated</th> <th>Privately Placed</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Piper Jaffray</td> <td>0</td> <td>27</td> <td>0</td> <td>27</td> </tr> <tr> <td>Robert W. Baird</td> <td>1</td> <td>12</td> <td>0</td> <td>13</td> </tr> <tr> <td>D.A. Davidson &amp; Co.</td> <td>1</td> <td>6</td> <td>0</td> <td>7</td> </tr> <tr> <td>Wedbush Morgan Securities</td> <td>0</td> <td>4</td> <td>0</td> <td>4</td> </tr> <tr> <td>Bank of America Merrill Lynch</td> <td>1</td> <td>1</td> <td>0</td> <td>2</td> </tr> <tr> <td>Morgan Stanley</td> <td>2</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td>JP Morgan</td> <td>1</td> <td>1</td> <td>0</td> <td>2</td> </tr> <tr> <td>None</td> <td>0</td> <td>0</td> <td>2</td> <td>2</td> </tr> <tr> <td>Other</td> <td>6</td> <td>2</td> <td>0</td> <td>8</td> </tr> <tr> <td><b>TOTALS</b></td> <td><b>12</b></td> <td><b>53</b></td> <td><b>2</b></td> <td><b>67</b></td> </tr> </tbody> </table>					Rank by Volume	Competitive	Negotiated	Privately Placed	Total	Piper Jaffray	0	27	0	27	Robert W. Baird	1	12	0	13	D.A. Davidson & Co.	1	6	0	7	Wedbush Morgan Securities	0	4	0	4	Bank of America Merrill Lynch	1	1	0	2	Morgan Stanley	2	0	0	2	JP Morgan	1	1	0	2	None	0	0	2	2	Other	6	2	0	8	<b>TOTALS</b>	<b>12</b>	<b>53</b>	<b>2</b>	<b>67</b>
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Lead Underwriters for Local Government by Volume																																																														
2012			2013			2014																																																								
	Volume	No.		Volume	No.		Volume	No.																																																						
Seattle Northwest Securities Corp.	\$ 595,398,063	45	Piper Jaffray	\$ 638,041,166	29	Piper Jaffray	\$ 878,345,042	27																																																						
JP Morgan Securities	354,120,000	4	Morgan Stanley	400,290,000	2	JP Morgan	358,050,000	3																																																						
Morgan Stanley	287,345,000	4	Citigroup Global Markets	358,800,000	4	Bank of America Merrill Lynch	294,270,000	2																																																						
Bank of America Merrill Lynch	264,915,000	7	Bank of America ML	340,945,000	3	Cain Brothers & Co.	93,380,000	1																																																						
Wells Fargo Bank	159,655,000	3	Wells Fargo	177,495,000	1	Morgan Stanley	87,750,000	2																																																						
U.S. Bank National Association	157,520,000	4	Janney Montgomery Scott	88,950,000	2	TD Securities (USA)	86,165,000	1																																																						
Citigroup Global Markets	140,480,000	5	Robert W. Baird	77,050,000	28	Goldman Sachs & Company	44,215,000	1																																																						
JP Morgan Chase	140,000,000	1	Wedbush Morgan Securities	73,045,000	10	D.A. Davidson	34,080,000	7																																																						
Bank of America, N.A.	120,721,000	3	D.A. Davidson & Co.	70,025,000	12	Robert W. Baird	25,095,000	13																																																						
Other	603,264,873	78	Other	266,476,054	12	Wells Fargo Bank	22,530,000	1																																																						
						Wedbush Morgan Securities	15,915,000	4																																																						
						Other	24,139,800	5																																																						
<b>Total</b>	<b>\$ 2,823,418,936</b>	<b>154</b>	<b>Total</b>	<b>\$ 2,491,117,220</b>	<b>103</b>	<b>Total</b>	<b>\$ 1,963,934,842</b>	<b>67</b>																																																						

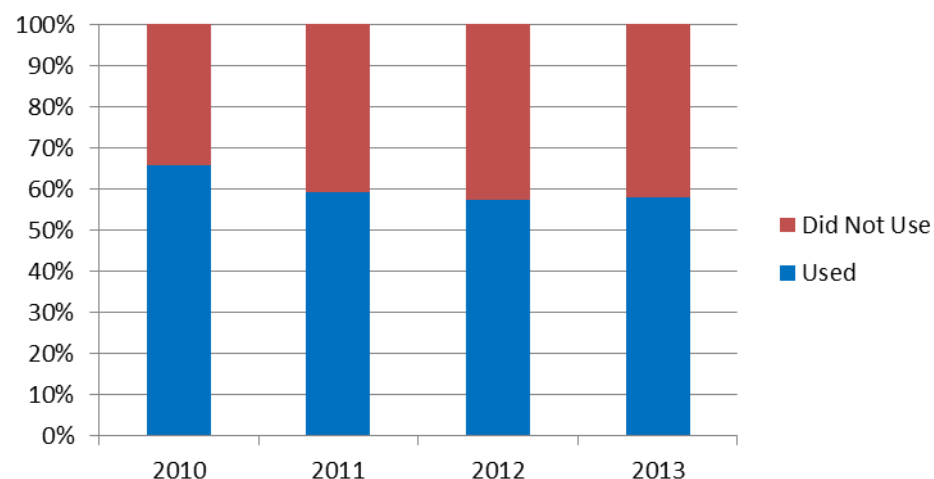
# Underwriter's Counsel



An underwriter's counsel is an attorney or firm who is selected by, and represents, underwriters in a publically offered negotiated bond sale. Their primary role is to assure adequate disclosure to investors and to assist in the underwriter's due diligence process.

Oregon's Local Government 2014 engagement of an underwriter's counsel remained steady compared to 2013 in spite of a reduction in the overall number of issues (respectively, 75 and 117). By par amount, in 2013, 58.1% of issuers used a separate underwriter's counsel compared to 57.9% in 2014.

**Underwriter's Counsel Usage in Public Offerings<sup>1</sup>**



**Use of Underwriter's Counsel for Public Offerings in 2014<sup>1</sup> Oregon (State & Local)**

Underwriters Counsel Equal to Each Manager (Proportionate)	Par Amount (US\$ mil)	Market Share (%)	Number of Issues
Orrick Herrington & Sutcliffe LLP	725.7	26.6	10
Hawkins Delafield & Wood LLP	263.0	9.6	3
Kutak Rock LLP	208.6	7.7	4
Norton Rose Fulbright	193.1	7.1	1
Pacifica Law Group LLP	93.4	3.4	1
Chapman and Cutler LLP	66.1	2.4	1
Quarles & Brady LLP	20.3	.7	7
K&L Gates LLP	9.3	.3	1
<b>Subtotal with Underwriters Counsel</b>	<b>1,579.4</b>	<b>57.9</b>	<b>28</b>
<b>Subtotal without Underwriters Counsel</b>	<b>1,147.7</b>	<b>42.1</b>	<b>47</b>
<b>Industry Total</b>	<b>2,727.1</b>	<b>100.0</b>	<b>75</b>

<sup>1</sup> Source: Thomson Reuters, 2014

# Oregon Treasury—Debt Management Division



**The Debt Management Division (DMD)** of the Oregon State Treasurer's Office serves as staff to the Municipal Debt Advisory Commission. The DMD implements policies and administrative rules promulgated by the Commission. The DMD staff consists of:

<b>Laura Lockwood-McCall</b>	Director
<b>Larry Groth</b>	Deputy Director
<b>Alice Bibler</b>	Debt Manager
<b>Lee Anaya</b>	Debt Program Senior Analyst
<b>Martha Kellams</b>	Debt Program Analyst
<b>Jennifer Harding</b>	Debt Program Coordinator
<b>Jennifer Thatcher</b>	Debt Management Assistant

In accordance with the  
Americans with Disabilities Act,  
this material is available in  
alternate format and media upon request.

For more information:  
Phone: (503) 378-4930

or write:  
Oregon Office of the State Treasurer  
Debt Management Division  
350 Winter Street NE, Suite 100  
Salem, OR 97301-3896

*The Office of the State Treasurer (OST) makes all efforts to ensure the accuracy of the data, but it has not been audited and should be read with caution. OST assumes no liability for any inaccuracies. We cannot guarantee full compliance with reporting requirements, so debt issue listings may not be exhaustive.*