



Municipal Debt Advisory Commission

2017

Oregon Municipal Debt Advisory Commission

2017 Annual Report



2017 Members



**Nancy Brewer,
Chair**

City of Corvallis
Finance Director
League of Oregon Cities Representative



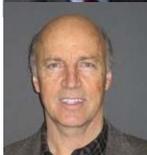
Laura Lockwood-McCall

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



Christine Reynolds

Orrick, Herrington & Sutcliffe LLP
Senior Associate
Public Member



Bryce Stadick

Oregon Health & Science University
Treasury Manager
Public Member



Laurie Steele

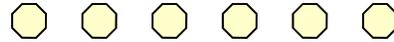
Marion County
Treasurer
Association of Oregon Counties Representative

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Introduction

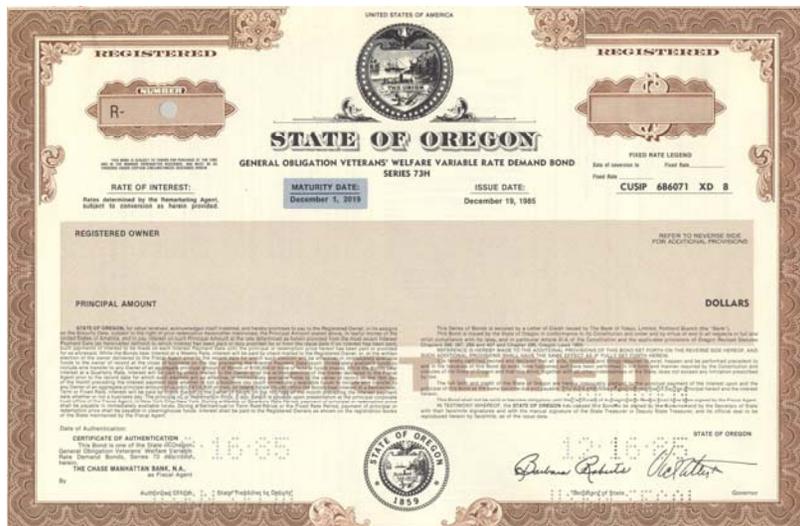


MUNICIPAL DEBT ADVISORY COMMISSION

The Oregon Municipal Debt Advisory Commission (MDAC or Commission) was established in 1975 to assist public bodies 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 public body finance officers, one representative for the special districts, and two public members. State [ORS 287A.001\(14\)](#) defines public body and [ORS 287A.634](#) requires the MDAC to prepare an annual report describing operations of the Commission in the preceding year. The Debt Management Division (DMD) of the Oregon State Treasurer's Office (OST) is staff to the Commission.

The OST/MDAC staff maintains the Bond Tracker System which is a database on debt issuance and debt outstanding for all Oregon municipal bond issuers. To ensure that information contained in the Bond Tracker System is as accurate as possible, a verification of public body 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.”



Public body debt information in the Bond Tracker System was updated and verified as of 06/30/2017. The next biennial verification will occur in 2020 for data as of 06/30/2019. These district-by-district verifications are performed through close collaboration between DMD staff and public body 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 to [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 public bodies, 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 public bodies to minimize scheduling conflicts which may impact the marketability of their issues. The [Oregon 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.

Oregon State Treasury Debt Management Division 350 Winter Street NE, Suite 100 Salem, OR 97301 (503) 378-4930 DMD@gost.state.or.us		Oregon Bond Calendar For Sale Dates from 4/1/2018 to 8/31/2018							
Sale Date	Issuer	Sale Type	Bond Type	Series/ Par Amount	Project	Alternative Minimum Tax Bank Qualified Federally Taxable Zero Coupon	Maturity/ 1st Opt. Call	Average Bond Life/ Int. Rate	1. Underwriter/Purchaser 2. Bond Counsel 3. Financial Advisor
April 2018									
SOLD									
04/19	Oregon Housing & Community Services Department Fisterra Gardens Townhomes Limited Partnership	Privately Placed	Conduit Revenue Bonds	2018B-2 \$2,175,000	Fisterra Gardens Townhomes (Yachats)		11/30/2020	0.00 Fixed 3.87%	1. Washington Federal 2. Orrick, Herrington & Sutcliffe 3. Caine Mitter & Assoc.
04/23	Douglas ESD	Privately Placed	Full Faith & Credit Obligations(N)	2018 \$1,700,000	Full Faith and Credit Financing Agreement and Note	<input checked="" type="checkbox"/>	04/23/2033	8.30 Fixed 4%	1. Umpqua Bank 2. Mersereau & Shannon LLP 3. None
04/24	City Of Portland	Competitive	Revenue Bonds	2018A \$191,930,000	Sewer system capital improvements		05/01/2038	12.01 TIC 3.4287%	1. JP Morgan Securities 2. Hawkins, Delafield & Wood 3. Public Financial Management
May 2018									
PROPOSED									
05/07	Oregon Housing & Community Services Department	Negotiated	Revenue Bonds	2018AB \$77,000,000	New Money				1. Bank of America Merrill Lynch 2. Hawkins, Delafield & Wood 3. Caine Mitter & Assoc.
05/08	City Of Oregon City	Negotiated	Full Faith & Credit Obligations(N)	2018 \$16,000,000	new police and municipal court facility				1. Piper Jaffray - Seattle NW Division 2. Hawkins, Delafield & Wood 3. None
05/09	Oregon Department Of Administrative Services	Negotiated	General Obligation (N) Bonds	2018ABCD \$179,000,000	State Real Property - Article XI-Q and Seismic Rehabilitation - Articles XI-MN				1. Morgan Stanley 2. Hawkins, Delafield & Wood 3. Public Financial Management

On behalf of the MDAC, the Debt Management Division maintains the [Oregon Bond Education Center](#). The site is a resource for Oregon public bodies issuing and managing debt.

In addition, MDAC staff monitors local and national bond markets and economic trends, advises public bodies of market developments, and makes municipal bond policy and legislative recommendations to the State Treasurer.

Debt Instruments



The Bond Tracker System maintains the following debt obligations:

An **Appropriation Credit** is a financial obligation where an individual buys a share of the lease revenues of a publicly offered agreement (e.g., Certificate of Participation). Payments on these 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 municipalities obtained the ability to issue "limited-tax bonded indebtedness" or Full Faith and Credit Obligations.

***Bank Loans/Lines of Credit** are Full Faith and Credit (N)⁺ or (S) agreements or loans by a financial institution to extend credit and are repaid with interest on or before a fixed date.

***Capital Leases, Lease/Purchase/Installment Agreements** are Full Faith and Credit (N)⁺ or (S) debt documents granting possession and use of equipment or property for a given period with ownership conferred at the end of the term.

Conduit Revenue Bonds are "pass through" obligations of private parties that are secured solely by commitments of private entities. The municipality has no obligation to repay these bonds, hence the term “pass through”.

Dedicated Niche Tax Obligations are obligations secured solely by specific, identified 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) are not 100% paid by a enterprise revenue source; and (v) are legally binding obligations. Examples: school district full faith and credit obligations.

Full Faith & Credit Obligations -Self Supporting (FF&C(S)) are obligations that, while secured by the issuer's full faith and credit including their general fund: (i) are not secured by any power to impose additional taxes outside constitutional limits; (ii) are expected to be 100% paid from sources other than property taxes and their general fund; (iii) provide permanent (long term) financing; and (iv) are legally binding obligations. 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 a bonded obligation, approved by voters, that: (i) provides permanent (long term) financing; (ii) is secured by the taxing and borrowing power of the issuing municipality; and (iii) is expected to be paid from property tax levies. Example: school district general obligation bonds.

⁺Non-self-supporting debt is repaid by property tax, other tax, or the general fund. If these sources pay any portion of a debt obligation, the obligation is included in Net and Gross debt calculations of the overlapping debt report. If the debt constructs a revenue-generating enterprise or facility that generates 100% of the repayment revenue, the debt is included in the Gross Debt calculation, but not the Net calculation.

Debt Instruments, continued



General Obligation -Self Supporting (GO(S)) is a bonded obligation, approved by voters, that: (i) is secured by the taxing and borrowing power of the issuing municipality, but (ii) is expected to be paid 100% from revenues other than property taxes, and (iii) provides permanent (long term) financing. Example: city general obligation sewer bonds.

Operating Lease Agreement is an agreement granting possession and use of equipment or property for a given period without conferring ownership. The MDAC does not track this obligation.

Oregon School Board Association (OSBA), Special District Association of Oregon (SDAO) and Oregon Education District (OED) are Full Faith and Credit (N)⁺ or (S) pooled debt obligation programs, without specific voter approval, that help school districts finance various purchases and projects.

Other is a financial obligation type that does not fit in any of the other categories currently tracked by the MDAC and is rarely used.

Private Activity Bond is a government-issued debt instrument issued for the direct benefit of private business.

Revenue bonds are obligations that are secured and repaid solely from revenue generated by the project and provides permanent financing. Examples: sewer and water revenue bonds.

Short Term Borrowings often mature in less than 13 months from date of issue. MDAC requires reporting if the borrowing is for more than 13 months. Examples: TANs, BANs, RANs, TRANs and other short term borrowings in anticipation of revenues or long term take-out financing.

***State Loans** are Full Faith and Credit (N)⁺ or (S) loans to municipalities by state agencies (typically Oregon Business Development Department, Oregon Department of Energy, Department of Environmental Quality and Oregon Department of Transportation).

***United States Department of Agriculture (USDA) loans** are financial obligations issued under the Rural Development or Rural Utilities program. These obligations are most often categorized as Full Faith and Credit (S) in the Bond Tracker System.

*MDAC supports Government Finance Officers Association (GFOA), the Governmental Accounting Standards Board (GASB), and the Municipal Securities Rulemaking Board (MSRB) recommendations to report these debt categories. The MDAC implemented four new categories of debt tracking during the 6/30/2015 local debt verification process.

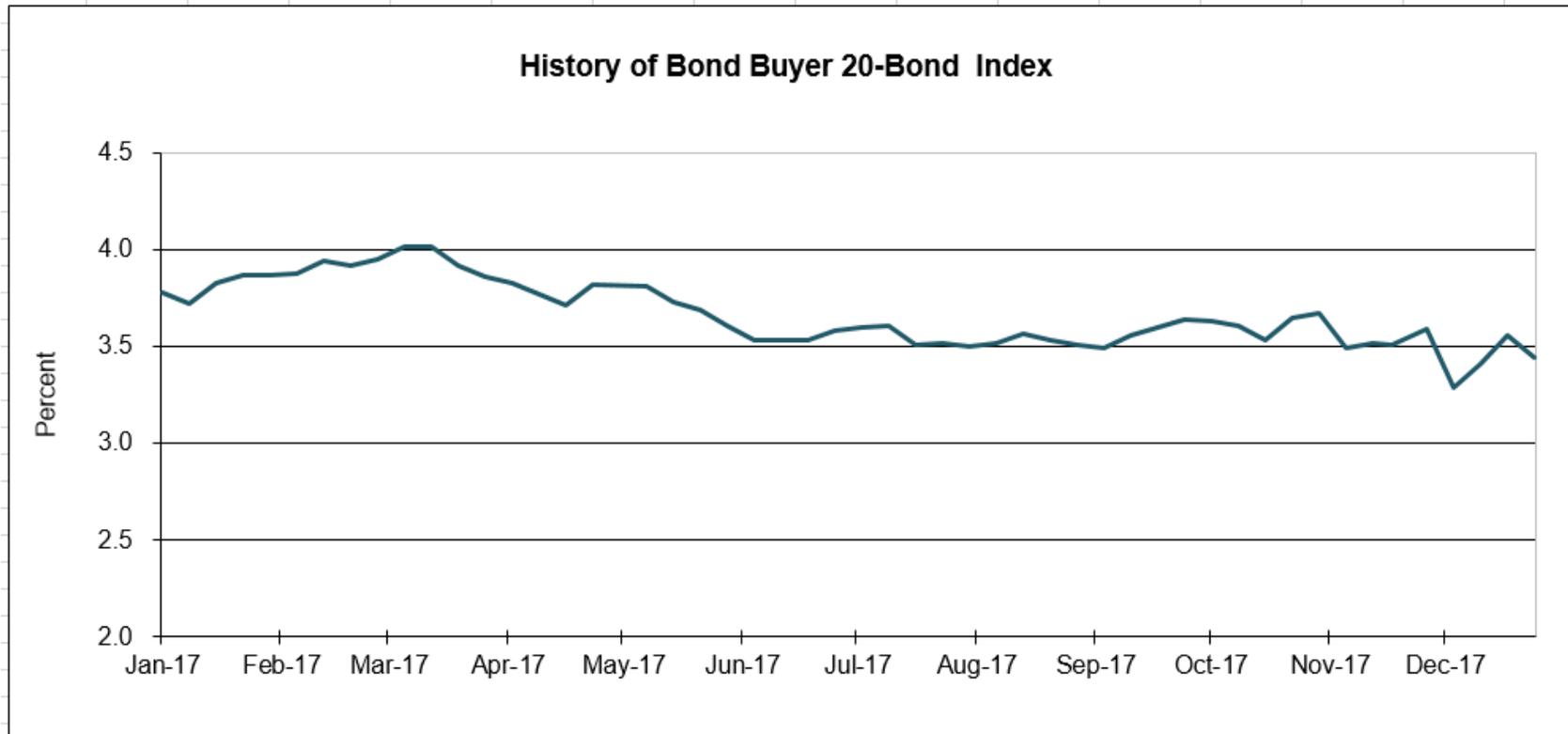
Refer to Oregon Bond Education Center—[Types of Debt Instruments](#) and [MDAC Debt Categories, Reporting and Fee Matrix](#) for more information.

Interest Rates



The Bond Buyer 20-Bond Index 2017 average of 3.66% was a slight increase compared with 2016's average of 3.27%. The year began with rates trending upward; beginning March, however, it trended down slightly from 4.02%, finishing the year at 3.44%.

2017	Start	End	High	Low	Avg
Bond Buyer 20-Bond Index ¹	3.78%	3.44%	4.02%	3.29%	3.66%
Oregon Bond Index A-rated 20 ²	3.30%	2.97%	3.71%	2.86%	3.21%



¹The *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").

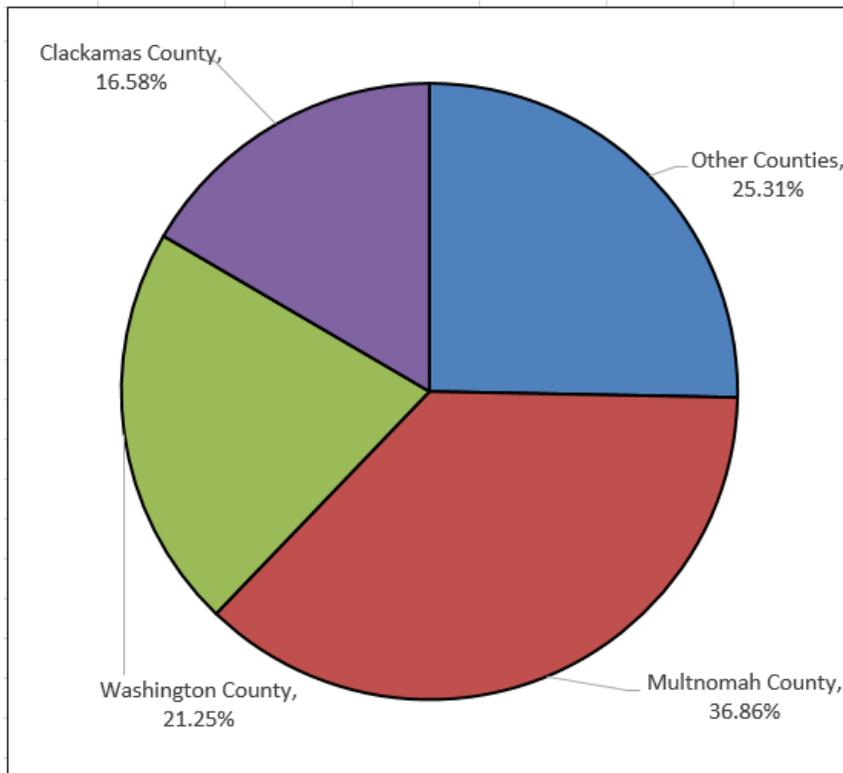
²The *Oregon Bond Index A-rated 20* represents an average rate on 20-year maturities of Oregon municipal general obligation bonds rated "A," as reported to the Debt Management Division of the Office of the State Treasurer by regional/northwest traders of Oregon bonds.

Debt Issued



Public bodies in three Oregon counties accounted for almost 75% of all local debt issued in 2017. Among these counties, local issuers in Multnomah County led with \$1.72 billion. Issuers in Washington and Clackamas counties sold the second and third largest debt by par amount at \$991.5 million and \$773.7 million respectively.

The largest category of Oregon public body debt issued in 2017 was General Obligation Bonds with nearly \$3 billion issued; Revenue Bonds were next at slightly less than \$1 billion issued. (See pages 3 and 4 for a description of bond types.)



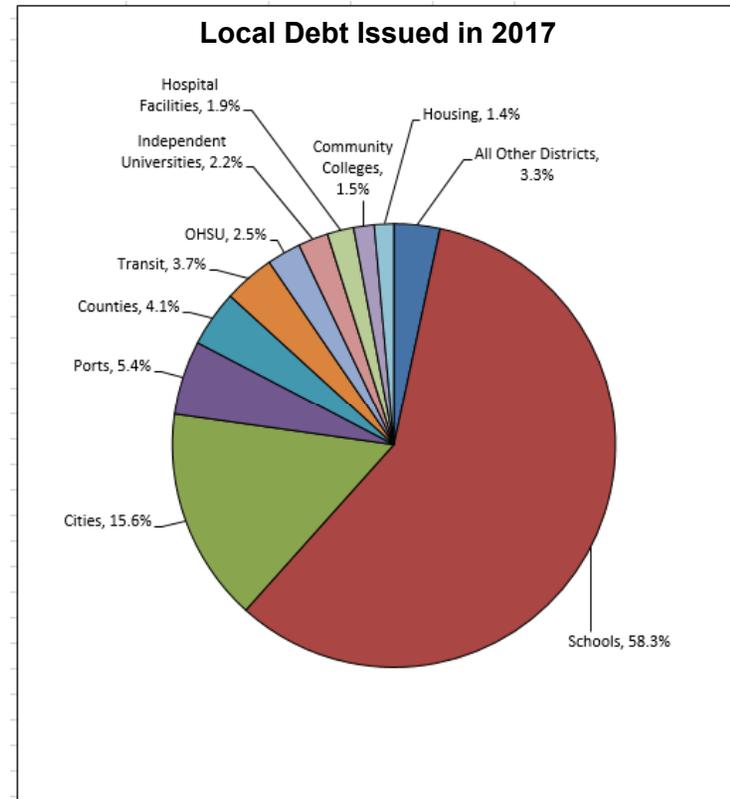
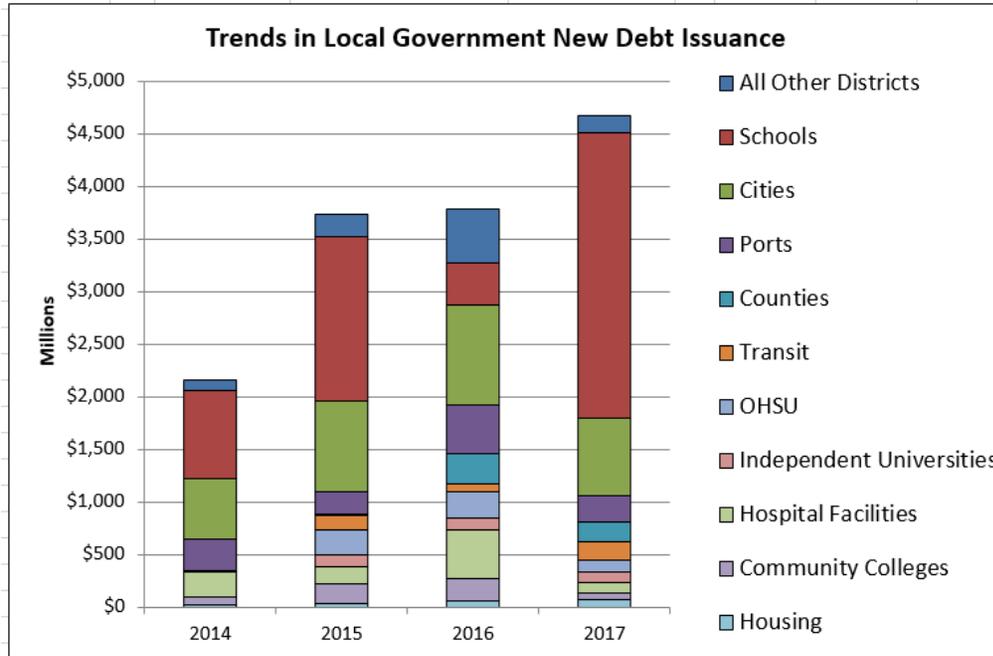
General Obligation (N) Bonds	\$ 2,965,477,242
Revenue Bonds	\$ 920,400,577
Full Faith & Credit Obligations (N)	\$ 500,344,730
Full Faith & Credit Obligations (S)	\$ 171,000,856
Conduit Revenue Bonds	\$ 84,855,000
General Obligation (S) Bonds	\$ 13,885,000
Dedicated Niche Tax Obligations	\$ 10,713,723
TOTAL	\$ 4,666,677,128

Debt Issued continued on next page

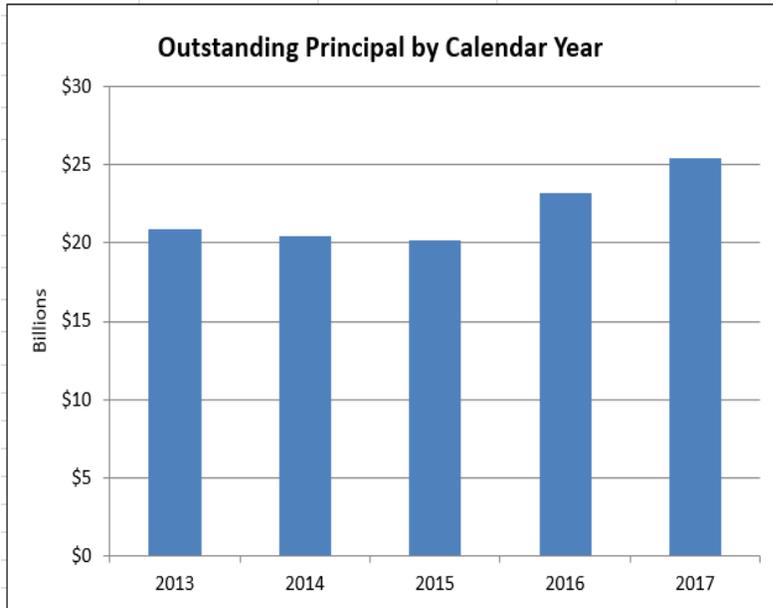
Debt Issued, continued



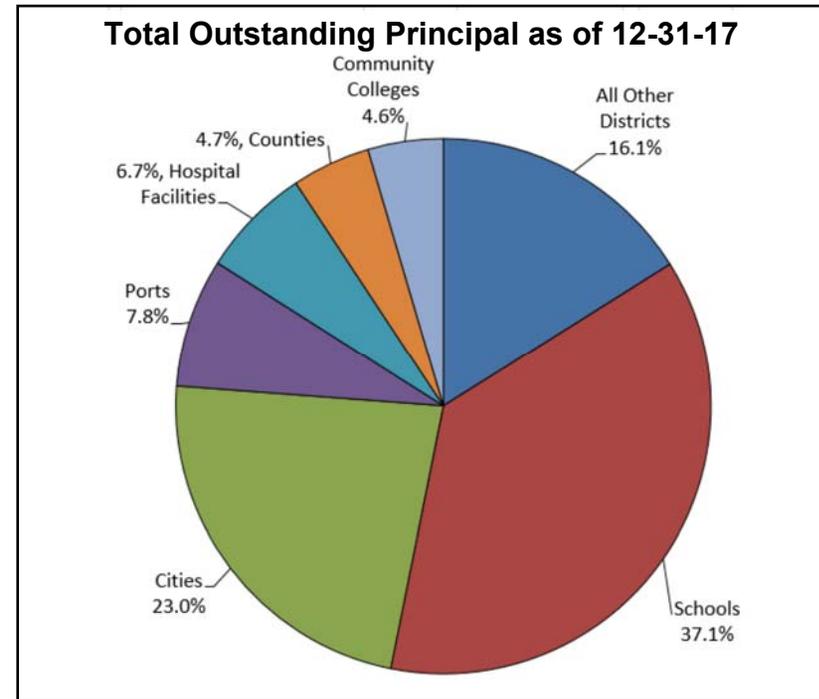
In 2017 elections, 42 local Oregon bond issues were presented to the voters, totaling over \$4.3 billion in proposed new issuance. Thirty-two bond election measures passed, totaling just under \$4 billion in 2017; however not all approved bond measures were sold during 2017. The tables below reflect annual new debt issuance in 2017; school districts are the leading issuer of new obligations in 2017 with \$2.7 billion in bonds sold. Cities were second with \$726.2 million in new issuance, and third was ports with \$254.3 million issued.



Debt Outstanding



Although outstanding public body debt slightly declined from 2013 through 2015, the anticipated improved economic conditions around the State reflect public bodies increased issuance to accommodate increased investments in infrastructure and facilities in 2016 and 2017.



Outstanding Local Debt
as of 12/31/17

General Obligation (N) Bonds	\$8,937,961,946
Revenue Bonds	6,686,974,183
Full Faith & Credit Obligations (N)	4,436,781,487
Conduit Revenue Bonds	2,652,914,531
Full Faith & Credit Obligations (S)	2,077,167,281
Dedicated Niche Tax Obligations	493,543,576
General Obligation (S) Bonds	115,094,189
Appropriation Credits	14,732,198
Other	12,006,437
	\$25,427,175,827

As of December 31, 2017, school districts and cities are responsible for over \$15.3 billion of the \$25.4 billion in outstanding public body debt in Oregon. The largest category of outstanding debt as of December 31, 2017 was General Obligation (Non-Self Supporting) Bonds with over \$8.94 billion, followed by Revenue Bonds with over \$6.69 billion outstanding.

Refundings

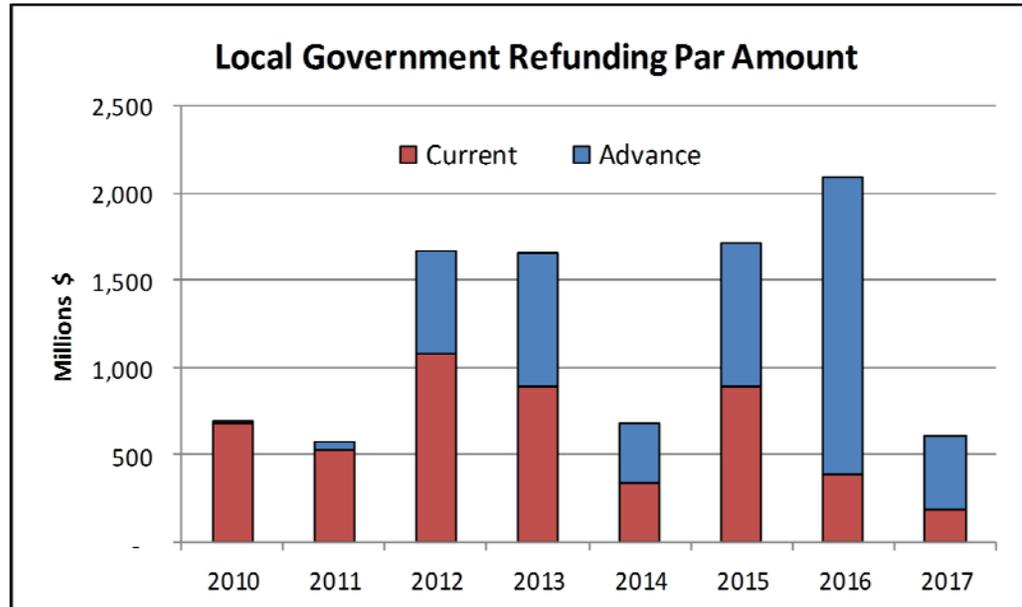


The federal H.R. 1, Tax Cuts and Jobs Act (TCJA) eliminated tax-exempt advance refunding for municipal bonds issued after the end of 2017 by making interest on advance refunding bonds taxable. Interest on current refunding bonds remain eligible for tax exemption.

Prior to enactment of TCJA, advance refundings were executed to realize debt service savings when new bonds were sold at interest rates significantly below those of the original issue. Advance refundings were also undertaken to effect permanent reorganization of debt by removing restrictive covenants or changing the underlying repayment structure.

The State Treasurer's Office (OST) responsibility for assessing compliance of proposed tax-exempt advance refunding issues per Oregon Administrative Rule [OAR 170-062-0000](#) and authorizing those that met that Rule is in the process of being revised to reflect this change in Federal tax law. The tracking of taxable advance refunding is expected to continue. There are no limits on the number of current refundings and current refundings do not require OST approval.

In 2017, the number of advance and current refunding issues decreased compared to 2016, with relative decrease in debt service savings—\$77.5 million in 2017 compared with \$455.1 million in 2016.



Year	Current Refunding			Advance Refunding		
	Quantity	Issued (\$M)	Net PV Interest Savings (\$M) ¹	Quantity	Issued (\$M)	Net PV Interest Savings (\$M) 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	345	42.6	9	338	38.2
2015	44	898	112.4	21	813	53.1
2016	49	390	190.4	29	1,705	264.7
2017	33	193	36.3	20	416	41.2
Total	368	\$5,010	\$537.6	127	\$4,677	\$479.2

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

Issue Purpose

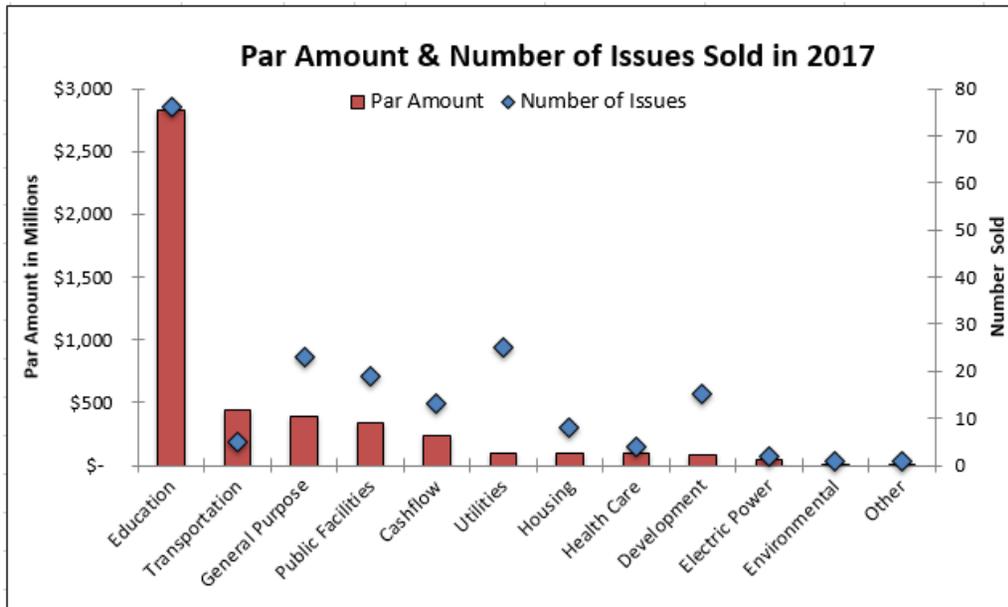


Top Issuers By Purpose in 2017

<u>Purpose</u>	<u>Issuer</u>	<u>Issued</u>
Education	Multnomah Cty SD 1J (Portland)	\$410,840,000
Education	Clackamas Cty SD 12 (No. Clackamas)	325,037,275
Education	Washington Cty SD 48J (Beaverton)	297,850,265
Education	Washington Cty SD 1J (Hillsboro)	268,395,000
General Purpose	City of Portland	190,000,000
Education	Multnomah Cty SD 10J (Gresham-Barlow)	241,165,714
Transportation	Port of Portland	233,240,000
Education	Washington Cty SD 23J (Tigard-Tualatin)	200,955,000

In 2017, the financing of education-related facilities was the largest purpose for new local debt, with \$2.8 billion issued in 76 series. Portland School District 1J in Multnomah County led education issuance with bonds totaling \$410.8 million. The next largest issuance category was transportation at more than \$442.5 million sold in 5 series of bonds in 2017.

Outstanding debt related to education facilities continued to be in the top position followed by utilities and pension obligation bonds (POB) respectively. POBs were sold in the early-to-mid 2000's to help fund Public Employee Retirement System (PERS) liabilities.



Outstanding Total by Purpose as of 12/31/17

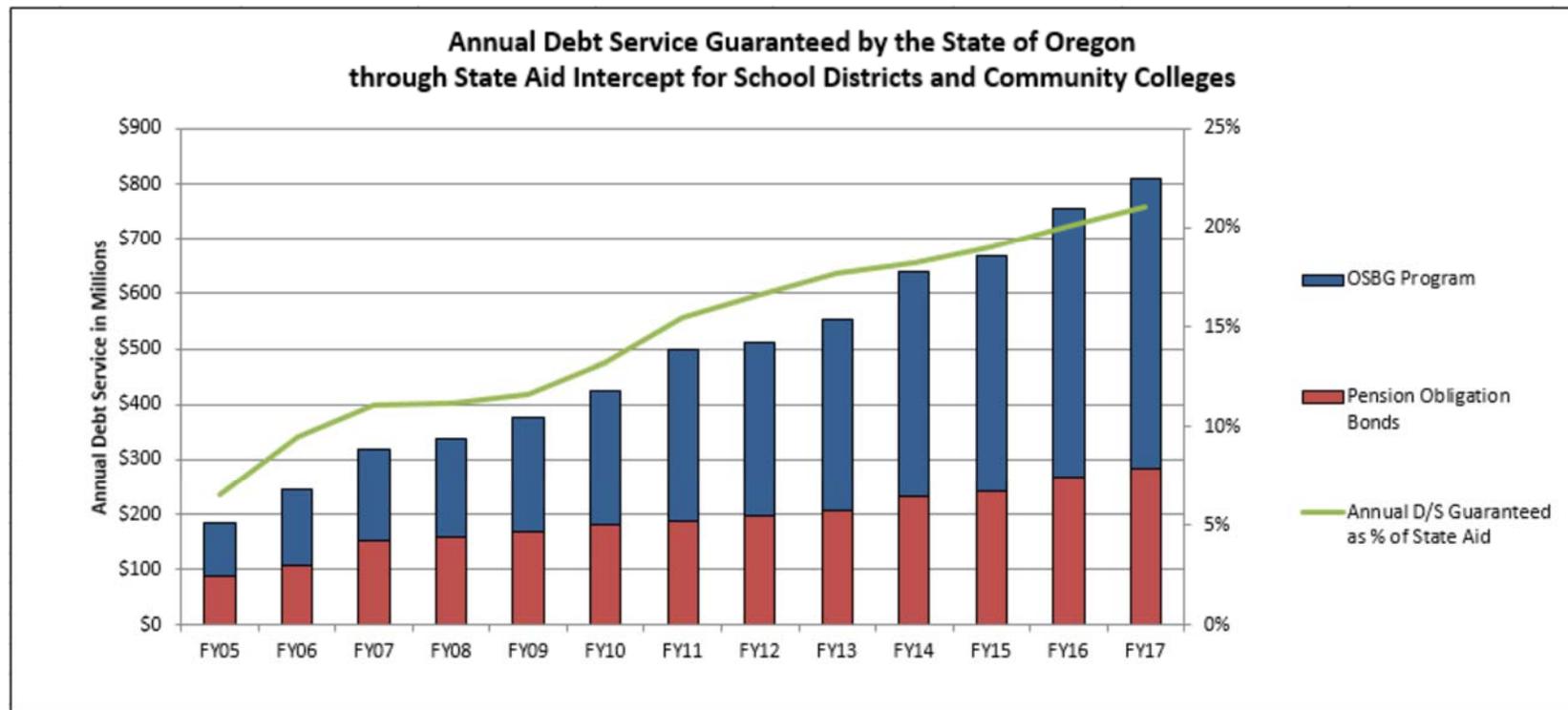
Education	\$ 7,905,653,679
Utilities	\$ 3,881,562,643
Pension	\$ 3,387,869,023
Health Care	\$ 2,538,952,409
Transportation	\$ 1,666,575,482
Public Facilities	\$ 1,512,238,084
Cashflow	\$ 1,099,580,836
Development	\$ 1,042,306,904
General Purpose	\$ 897,023,300
Environmental	\$ 724,188,549
Electric Power	\$ 390,531,330
Housing	\$ 340,634,519
Other	\$ 40,059,069
Grand Total	\$ 25,427,175,827

State Aid Intercept



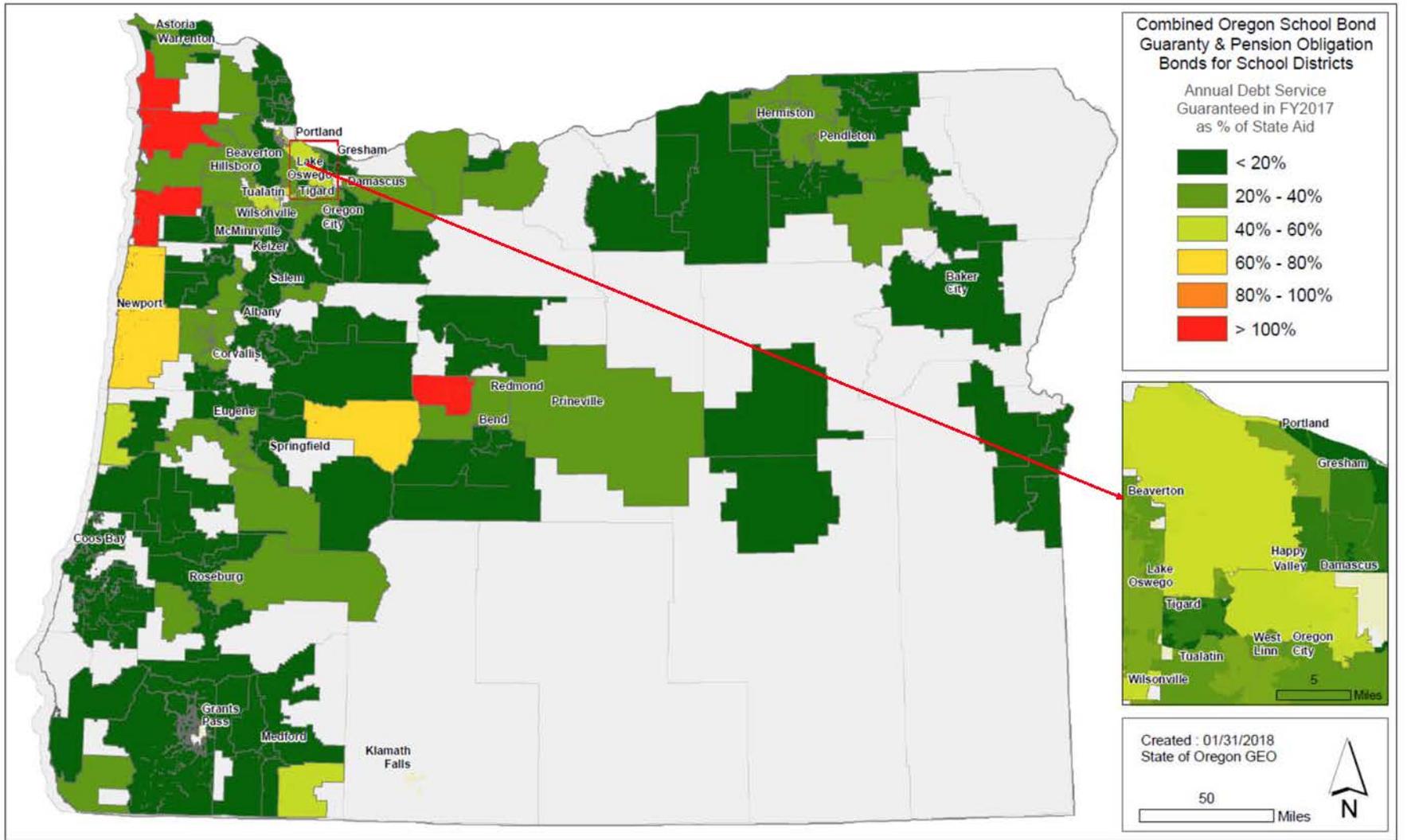
Since its inception in 1999, the Oregon School Bond Guaranty (OSBG) program has grown significantly in size. As of June 30, 2017, the program has guarantees on nearly \$4.6 billion in outstanding GO bonds (over \$6.6 billion¹ in guaranteed debt service) issued by Oregon school districts and community 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 \$11.0 million per year, or \$219.2 million over a 20-year period.

Of all school district and community college bonds issued, 64% (based on outstanding principal)¹ 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). Combined, these two programs total \$15.2 billion¹ in outstanding debt. 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 as their backstop. For FY 2017, annual school/community college debt service guaranteed by the State was 21.0% 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 FY 2017.

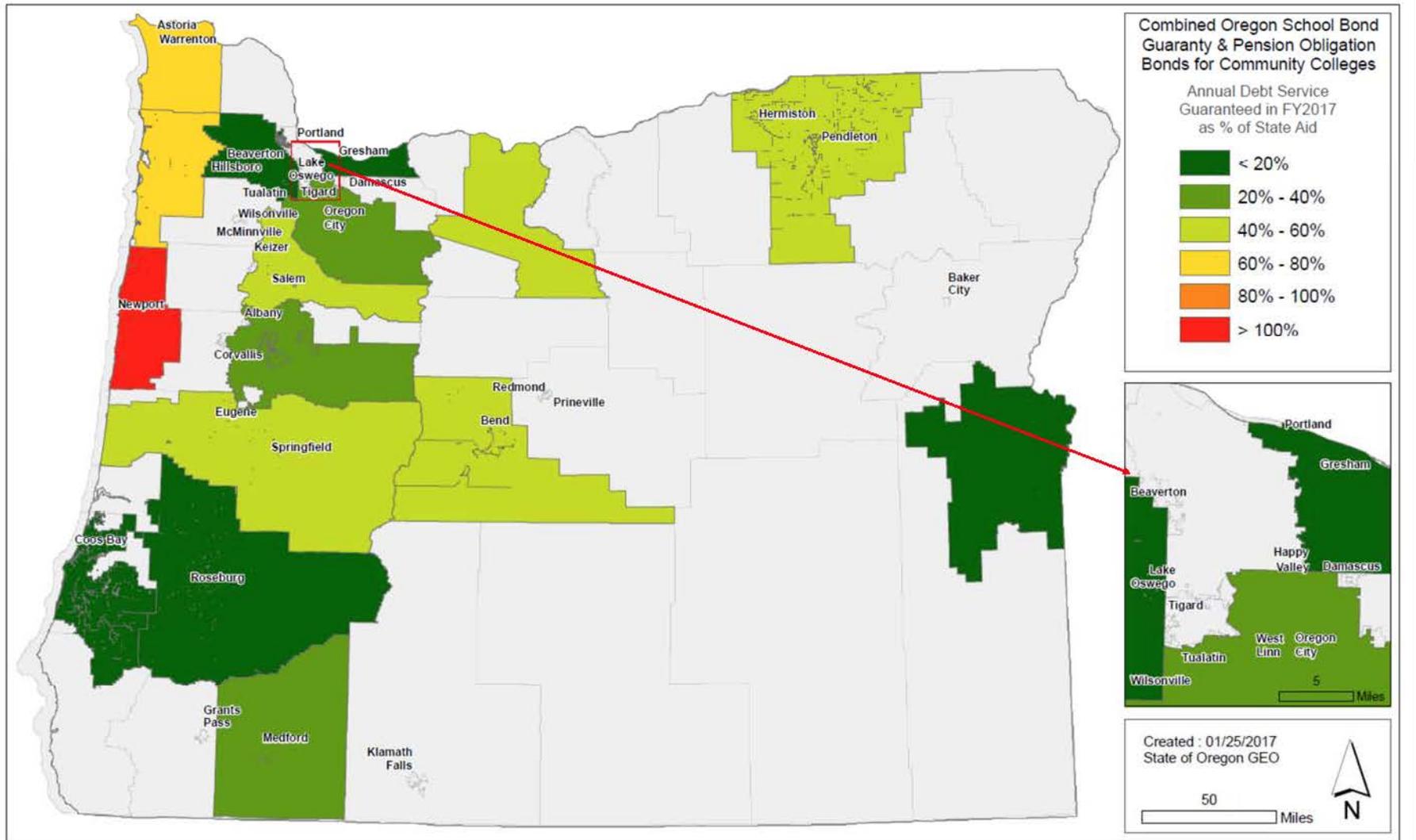


¹ Total debt service is not included; interest is only calculated in the Bond Tracker System for OSBG and POB bond issues containing an intercept mechanism.

State Aid Intercept — K-12 Schools



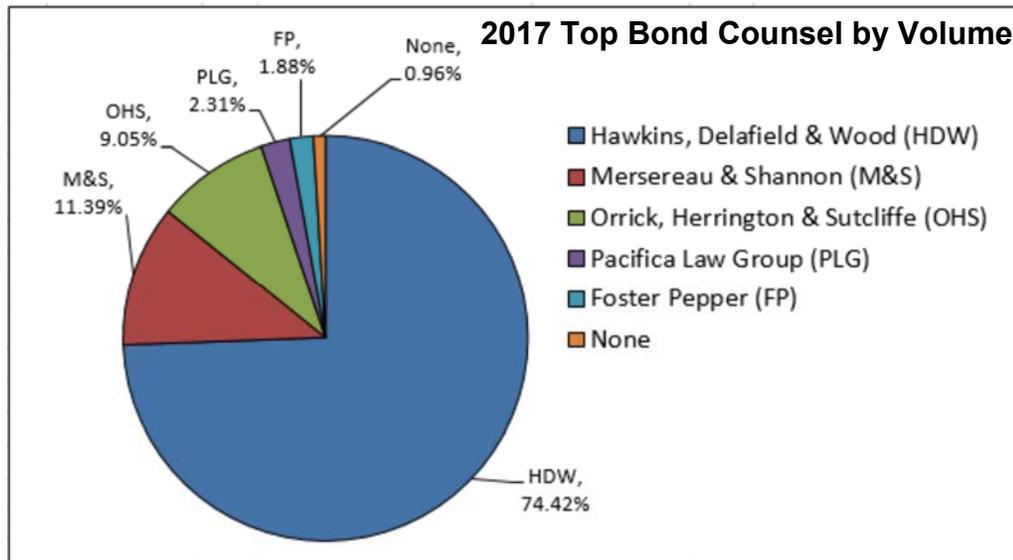
State Aid Intercept – Community Colleges



Bond Counsel



Public bodies hire bond counsel firms to advise them regarding the legal and tax aspects of a bond sale. Bond Counsel provides the legal opinion for the bond issue that describes its federal and state tax consequences and opines that the bonds were legally authorized and issued. The bottom table summarizes Oregon public bodies' long-term financial obligation sales by volume for various bond counsel firms during the past 2 years. A recent trend toward Private Placement issuance results in higher occurrence of bond sales without engaging Bond Counsel.



Number of New Issues by the Top 3 Bond Counsels by Volume in 2017

Issuer Category	HDW	M&S	OHS
Cities	27	10	4
Community Colleges	3	0	0
Counties	4	0	0
Fire Districts	5	4	0
Health	1	0	0
Hospital Facilities Authority	1	0	0
Housing	0	0	3
Independent Universities	0	0	0
Libraries	0	1	0
OHSU	0	0	2
Other	0	0	0
Parks	0	2	0
Ports	0	3	2
Public Utilities	1	0	0
Schools	35	14	0
Services	1	0	0
Transit	2	0	0
Urban Renewals	1	1	0
Water Control	1	0	0
Water Supply	4	0	0
TOTAL	86	35	11

Bond Counsel by Volume

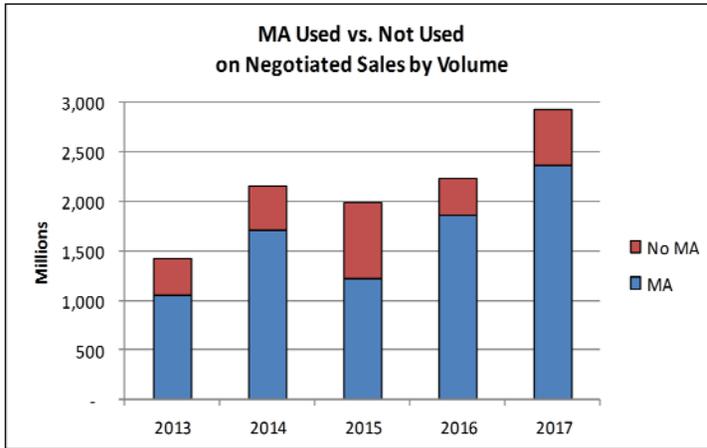
2016			2017		
	Volume	No.		Volume	No.
Hawkins, Delafield & Wood	\$ 1,690,044,135	86	Hawkins, Delafield & Wood	\$ 3,294,380,680	86
Orrick, Herrington & Sutcliffe	1,233,351,000	23	Mersereau & Shannon LLP	504,031,577	35
Mersereau & Shannon LLP	227,768,841	36	Orrick, Herrington & Sutcliffe	400,532,000	11
Pacifica Law Group	107,260,000	3	Pacifica Law Group	102,305,000	2
Foster Pepper, PLLC	47,690,000	4	Foster Pepper, PLLC	83,095,000	4
None	146,382	2	None	42,413,785	41
Total	\$ 3,306,260,358	154	Total	\$ 4,426,758,042	179

¹ Not all information was available for recent addition of privately placed loan data reporting.

Municipal Advisors



The Municipal Advisor (MA) is a consultant who represents and 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.

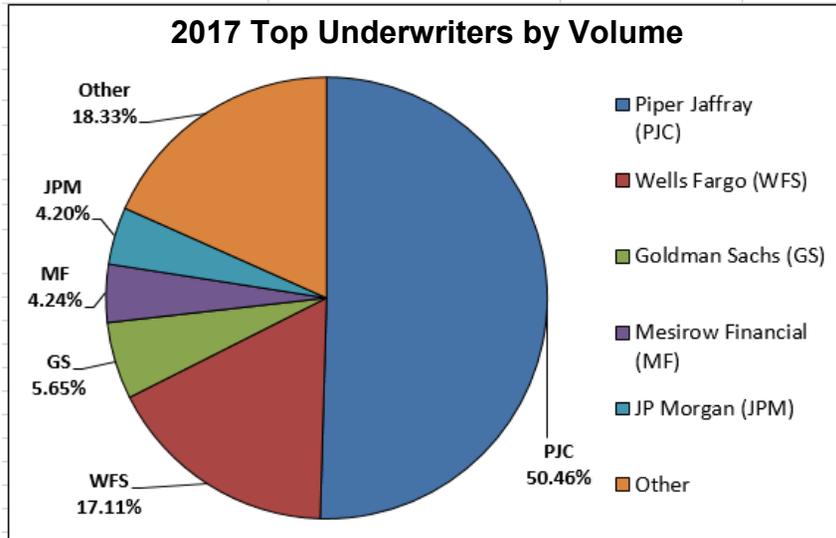


Municipal Advisors by Volume		
	Volume	No.
2017		
Piper Jaffray, Inc.	\$ 1,044,160,000	22
Public Financial Management		19
SDAO Advisory Services LLC	1,040,257,000	27
None	1,015,926,987	114
D.A. Davidson & Co.	985,818,645	5
Ross Financial	336,526,432	2
Melio & Company LLC	173,445,000	1
Wedbush Securities	50,000,000	1
Northwest Municipal Advisors	11,220,000	1
Total	\$ 4,666,677,128	192
	\$ 9,323,064	

Public Body Issues by Sale Type

2017 Issuer Category	Competitive		Negotiated		Privately Placed		Total
	MA Used	No MA	MA Used	No MA	MA Used	No MA	
Schools	4	0	13	18	1	32	68
Cities	6	2	11	9	10	20	58
Housing	0	0	0	0	0	10	10
Fire Districts	2	0	2	0	5	0	9
Community Colleges	0	0	0	3	1	5	9
Ports	0	0	5	0	0	1	6
Counties	2	0	0	2	1	1	6
Water Supply	0	0	0	0	2	2	4
Health	0	0	0	0	1	3	4
Urban Renewal	0	0	0	0	0	3	3
Parks	1	0	0	0	1	1	3
Transit	0	0	2	0	0	0	2
Independent Univ.	1	0	0	0	1	0	2
OHSU	0	0	1	0	1	0	2
Hospital Facilities	0	0	0	1	0	0	1
Public Utilities	0	0	0	0	1	0	1
Water Control	0	0	0	0	1	0	1
Service Districts	0	0	1	0	0	0	1
Other	0	0	0	0	0	1	1
Libraries	0	0	0	0	1	0	1
TOTAL	16	2	35	33	27	79	192

Lead Underwriters



The Lead Underwriter's role is to manage security purchases from the issuer for resale to investors. Successful collaboration between Municipal Advisors and Lead Underwriters often provides the best bond structure and lowest cost of capital for issuers.

These tables summarize Oregon municipal long-term financial obligation for 2017 sales by Sale Type and Lead Underwriter.

Underwriters by Volume in 2017		
<u>2017</u>	<u>Volume</u>	<u>No.</u>
Piper Jaffray, Inc.	\$2,082,334,784	34
Wells Fargo Bank	706,035,000	5
Goldman Sachs & Co.	233,240,000	2
Mesirow Financial	175,000,000	1
JP Morgan	173,445,000	2
Citigroup Global Markets	164,110,000	1
Morgan Stanley	146,455,000	4
D.A. Davidson & Co.	141,841,823	27
Bank of America Merrill Lynch	117,960,000	2
Robert W. Baird	117,310,000	3
RBC Capital Markets	33,795,000	1
Raymond James	21,180,000	2
None	13,973,000	5
Total	\$4,126,679,607	89

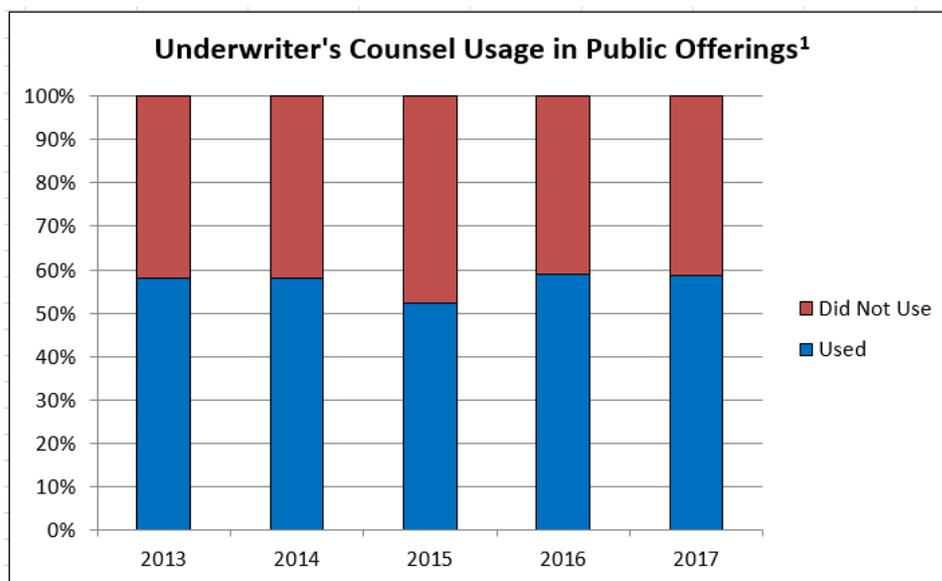
Underwriters by Sale Type in 2017				
<u>Rank by Volume</u>	<u>Competitive</u>	<u>Negotiated</u>	<u>Privately Placed</u>	<u>Total</u>
Piper Jaffray	1	33		34
D.A. Davidson & Co.		27		27
None	2		3	5
Wells Fargo Bank	2	3		5
Morgan Stanley	4			4
Robert W. Baird	3			3
JP Morgan		2		2
Raymond James	2			2
Goldman Sachs		2		2
Bank of America Merrill Lynch	2			2
Mesirow Financial	1			1
RBC Capital Markets		1		1
Citigroup Global Markets	1			1
TOTALS	18	68	3	89

Underwriter's Counsel



Use of Underwriter's Counsel for Oregon Public Offerings in 2017¹ (State & Local)

Underwriter's Counsel Equal to Each Manager (Proportionate)	Par Amount (US\$ mil)	Market Share (%)	Number of Issues
Orrick Herrington & Sutcliffe LLP	1,924.6	29.1	24
Hawkins Delafield & Wood LLP	1,044.1	15.8	9
Kutak Rock LLP	545.2	8.2	9
Ballard Spahr LLP	245.3	3.7	2
Norton Rose Fulbright	90.1	1.4	2
Pacifica Law Group LLP	33.8	.5	1
Subtotal with Underwriters Counsel	3,883.1	58.6	47
Subtotal without Underwriters Counsel	2,742.9	41.4	64
Industry Total	6,626.0	100.0	111



An underwriter's counsel is an attorney or firm selected by and representing underwriters in the purchase of a new issue of municipal securities. Their primary role is to assure appropriate disclosure to investors and to assist in the underwriter's due diligence process.

The transactions' total par amount engaging an underwriter's counsel increased in 2017 compared to 2016, while the number of obligations issued remained steady. By par amount, 58.6% of issuers used a underwriter's counsel in 2017 compared to 59.1% in 2016.

¹ Source: Thomson Reuters, 2017

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:

Laura Lockwood-McCall	Director
Larry Groth	Deputy Director
Alice Bibler	Debt Manager
Lee Anaya	Debt Program Senior Analyst
Martha Kellams	Debt Program Analyst
Christine Wilson	Debt Program Coordinator
Vacant	Debt Management Assistant

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

or write:
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