



Municipal Debt Advisory Commission

2018

Oregon Municipal Debt Advisory Commission

2018 Annual Report



2018 Members



**Nancy Brewer,
Chair**

City of Corvallis
Finance Director
League of Oregon Cities Representative



Nick Hogan

Estacada School District
Business Manager
Oregon School Board Association 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



Christine Reynolds

Orrick, Herrington & Sutcliffe LLP
Partner
Public Member



Bryce Stadick

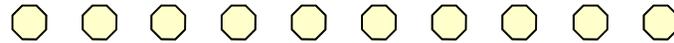
Oregon Health & Science University
Treasury Manager
Public Member



Laurie Steele

Marion County
Treasurer
Association of Oregon Counties Representative

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Introduction



MUNICIPAL DEBT ADVISORY COMMISSION

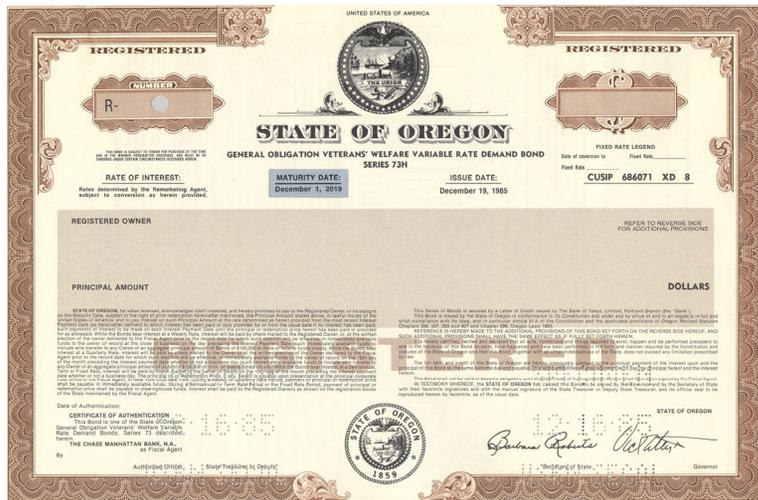
The Oregon Municipal Debt Advisory Commission (MDAC or Commission) was established in 1975 to assist local government in the cost-effective issuance, sale, and management of their debt. The Commission is composed of seven members, including the State Treasurer (or his designee), three public body finance officers, one representative for the special districts, and two public members. State [ORS 287A.001\(14\)](#) defines public body (referred in this report as local government) 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 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.”

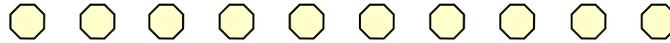
Local government debt information in the Bond Tracker System was updated and verified as of 06/30/2017. The next biennial verification will occur in early 2020 for data as of 06/30/2019. These district-by-district verifications are performed through close collaboration between DMD staff and local government 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.

This report is based on calendar year end data with the exception of Oregon School Bond Guaranty and Pension Obligation Bonds where data represents fiscal year end.



Historical paper bond certificate

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 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.

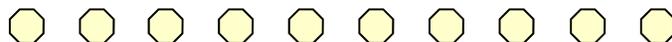
The Bond Calendar lists state and local sales, enabling local governments to minimize scheduling conflicts which may impact the marketability of their issues. The statewide [Oregon Bond Calendar](#) is updated on a real time basis and contains links to bond election information and the Oregon Bond Index 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@ost.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	BQ <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-M/N				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 local governments issuing and managing debt.

In addition, MDAC staff monitors local and national bond markets and economic trends, advises local governments 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.

*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.

** 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.

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

Debt Instruments, continued



General Obligations-Non-Self Supporting (GO(N))** are bonded obligations, approved by voters, that: (i) provide permanent (long term) financing; (ii) are secured by the taxing and borrowing power of the issuing municipality; and (iii) are expected to be paid from property tax levies. Example: school district general obligation bonds.

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).

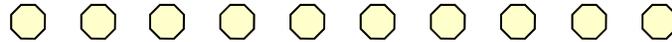
***United States Department of Agriculture (USDA) loans** are financial obligations issued under the Rural Development or Rural Utilities program. These obligations are most often categorized as Full Faith and Credit (S) in the Bond Tracker System.

*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.

** 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.

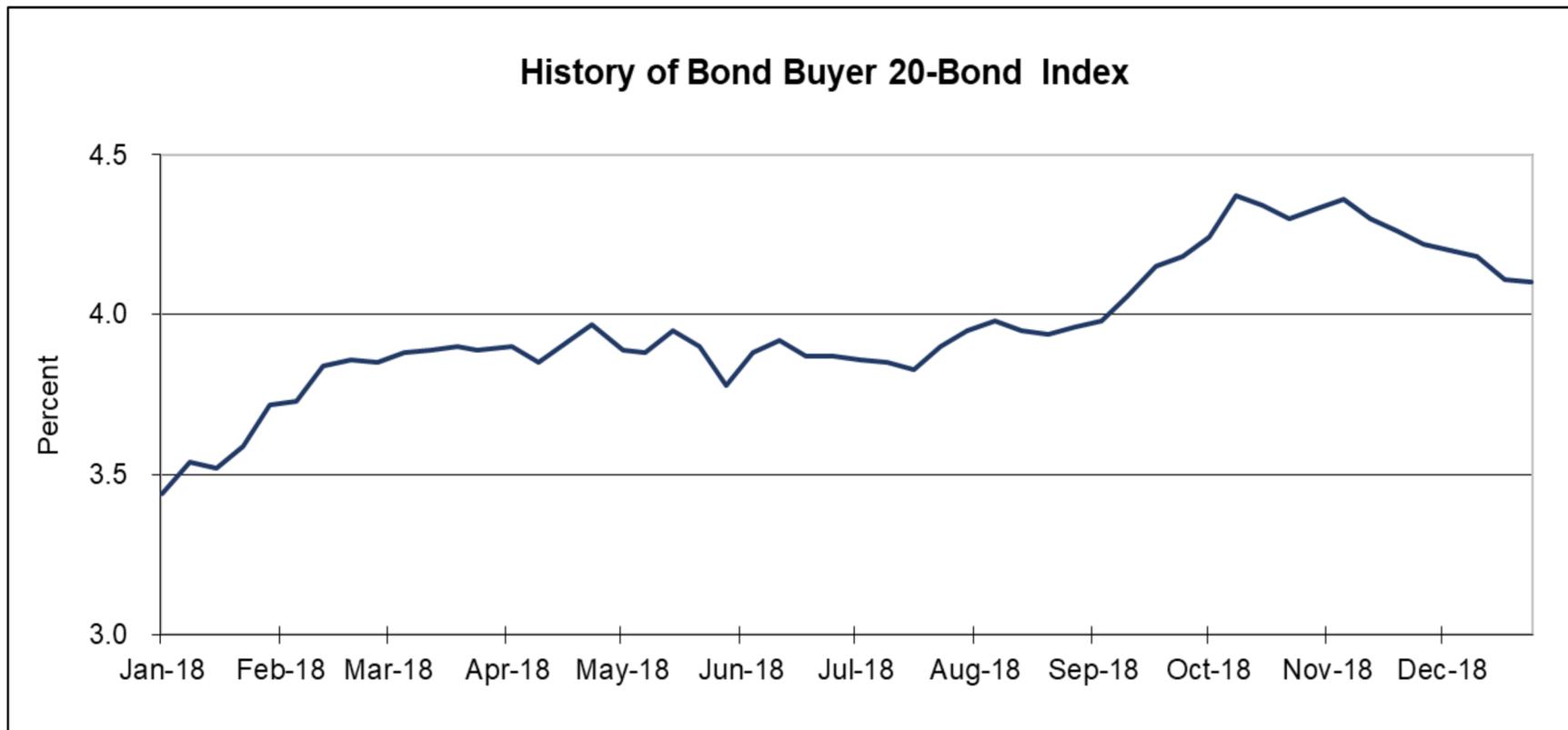
Refer to Oregon Bond Education Center—[Types of Debt Instruments](#) and [MDAC Reporting Requirements Matrix](#) for more information.

Interest Rates



The Bond Buyer 20-Bond Index 2018 average of 3.96% was a 30 basis point increase over 2017's Bond Buyer 20-Bond Index average of 3.66%. The year began with rates trending upward; the index broke through 4% in September and peaked at 4.37% in October, then dropped slightly to finish the year at 4.10%. This is the first time since 2013 the Bond Buyer 20-Bond Index has ended the year above 4%.

2018	Start	End	High	Low	Avg
Bond Buyer 20-Bond Index ¹	3.44%	4.10%	4.37%	3.44%	3.96%
Oregon Bond Index A-rated 20 ²	2.95%	3.32%	3.81%	2.95%	3.41%



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.

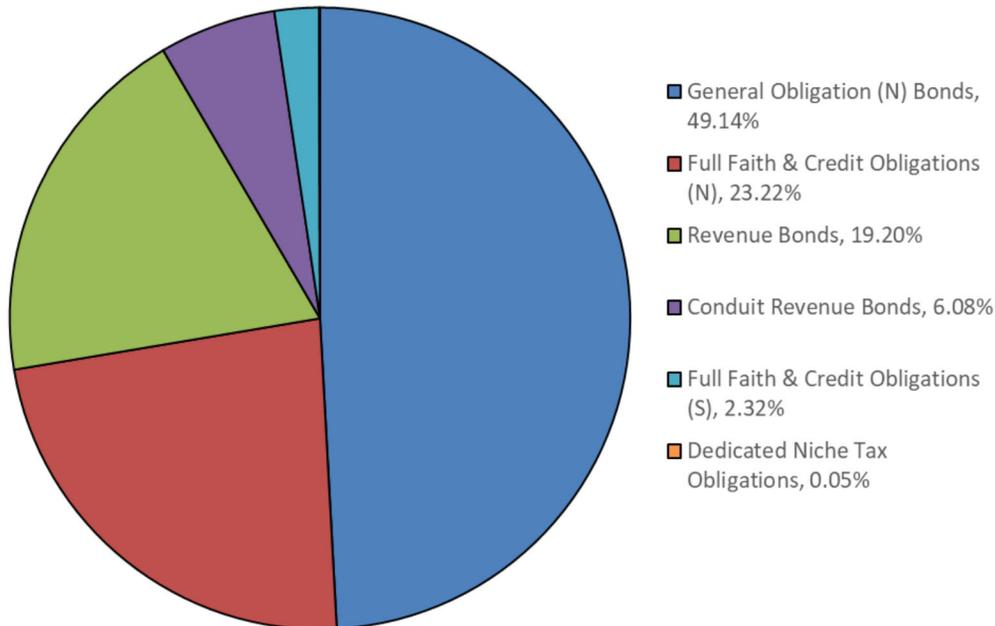
Debt Issued



The largest category of Oregon local government debt issued in CY 2018 was General Obligation Bonds with nearly \$1.5 billion issued; Full Faith & Credit (N) debt was next at \$700.3 million issued. (See pages 3 and 4 for a description of debt instruments.)

Local governments in three Oregon counties accounted for 72.8% of all local debt issued in CY 2018. Among these counties, local issuers within Multnomah County led with \$1.2 billion. Issuers within Marion and Clackamas counties sold the second and third largest debt by par amount at \$496.5 million and \$496.2 million respectively.

Local Debt Issued in CY 2018 by Bond Type



LOCAL GOVERNMENT DEBT ISSUED BY COUNTY

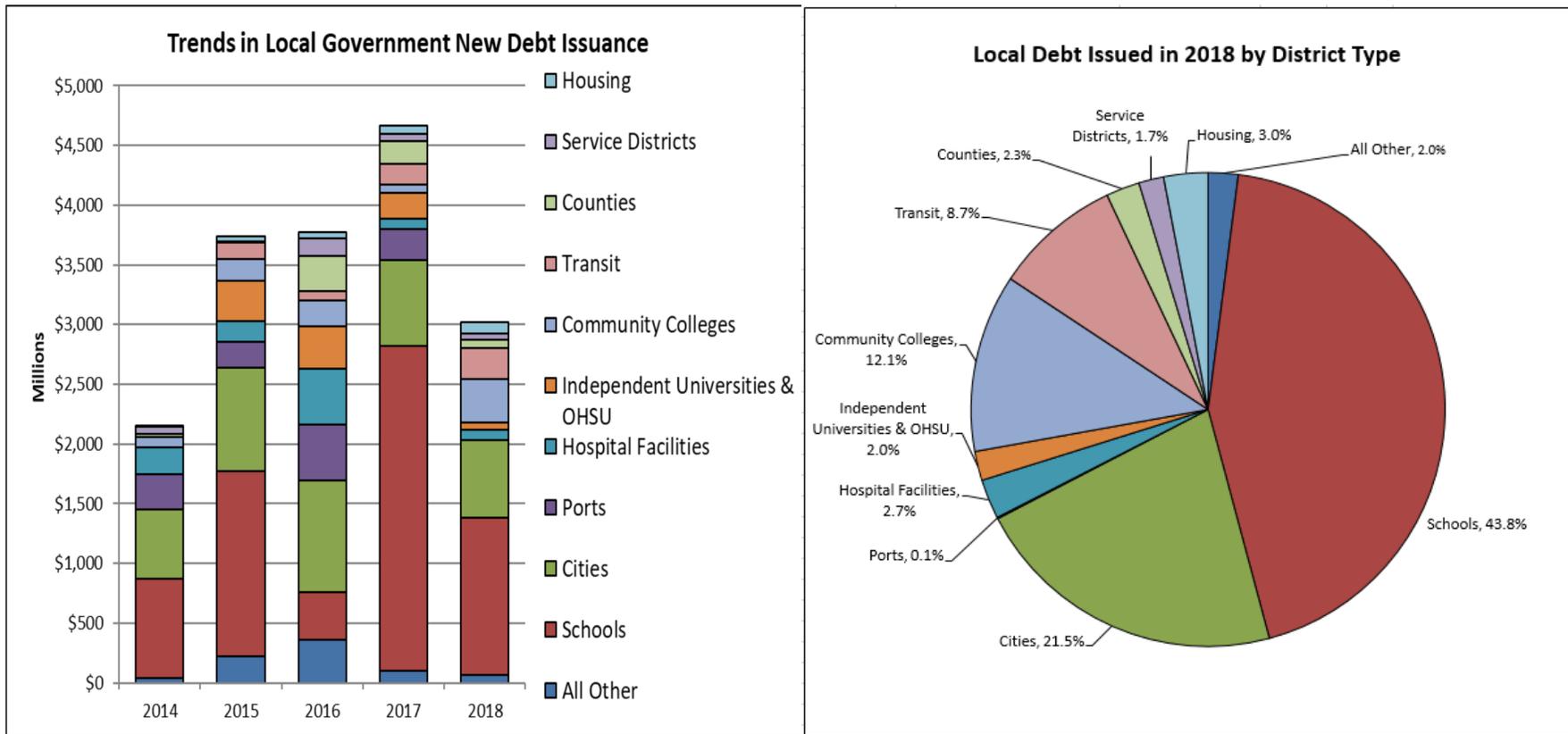
Multnomah	\$ 1,203,420,000
Marion	496,488,009
Clackamas	496,185,330
Benton	167,349,046
Washington	164,974,965
Lane	96,314,876
Jackson	71,853,767
Coos	55,680,000
Tillamook	36,457,776
Yamhill	36,397,301
Other Counties	190,982,833
TOTAL	\$ 3,016,103,903

Debt Issued continued on next page

Debt Issued, continued



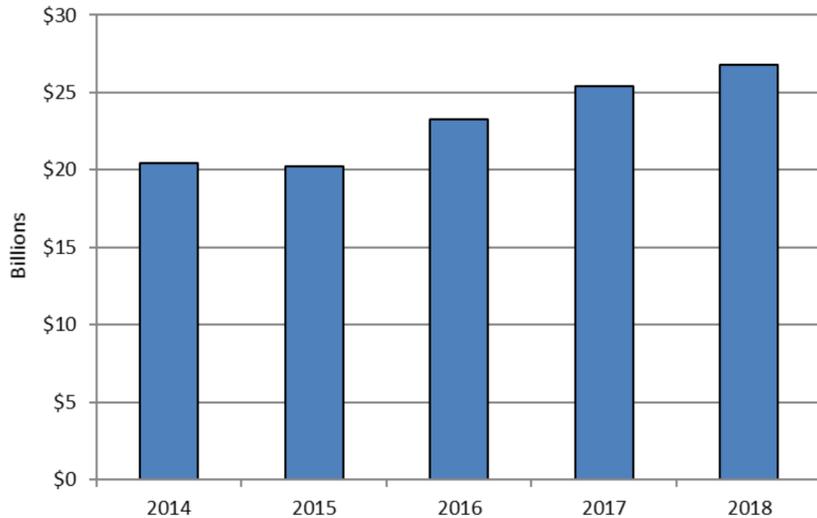
In 2018 elections, 48 local Oregon bond issues were presented to the voters, totaling just under \$5.9 billion in proposed new issuance. Thirty-two bond election measures passed, totaling slightly less than \$5 billion in 2018; however not all 2018 voter-approved bond measures were sold during 2018. The tables below reflect annual new debt issuance in CY 2018; school districts are the leading issuer of new obligations with \$1.3 billion in bonds sold. Cities were second with \$650 million in new issuance, and third was community colleges with \$366.3 million issued.



Debt Outstanding

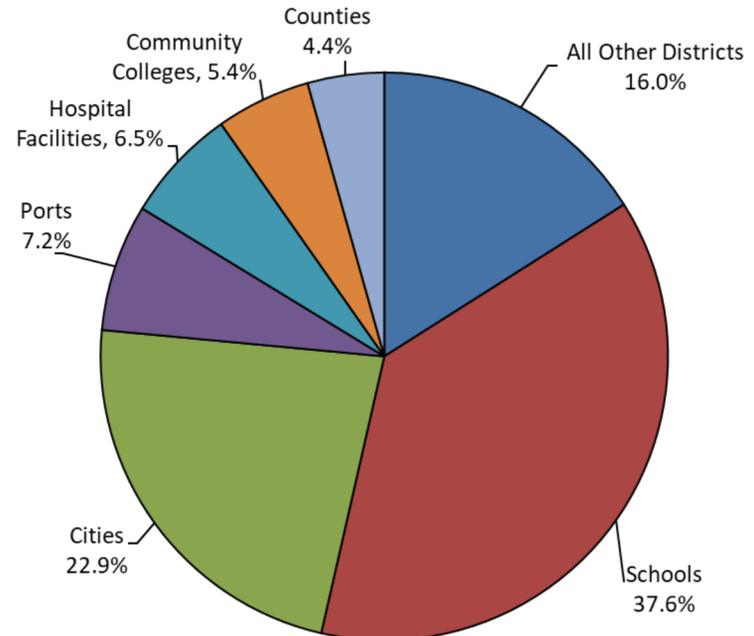


Outstanding Principal by Calendar Year



As the chart on the top left shows, bond issuance by local governments increased from 2015 to 2018 as improved economic conditions have allowed communities to address needed improvements in infrastructure and facilities.

Total Local Government Outstanding Principal as of 12/31/18



Outstanding Local Debt

as of 12/31/18

General Obligation (N) Bonds	\$9,812,906,396
Revenue Bonds	6,882,375,001
Full Faith & Credit Obligations (N)	4,600,826,347
Conduit Revenue Bonds	2,920,205,917
Full Faith & Credit Obligations (S)	2,007,229,679
Dedicated Niche Tax Obligations	450,365,398
General Obligation (S) Bonds	112,331,579
Other	16,704,661
Appropriation Credits	10,815,000
TOTAL	\$26,813,759,978

As of December 31, 2018, six categories responsible for the most outstanding debt were: school districts at \$10.1M, cities at \$6.1M, ports at \$1.9M, hospital facilities at \$1.7M, community colleges at \$1.4M, and counties at \$1.2M. Approximately \$12.4B of the total outstanding \$26.8B have debt service payments made by dedicated revenue sources.

Refundings

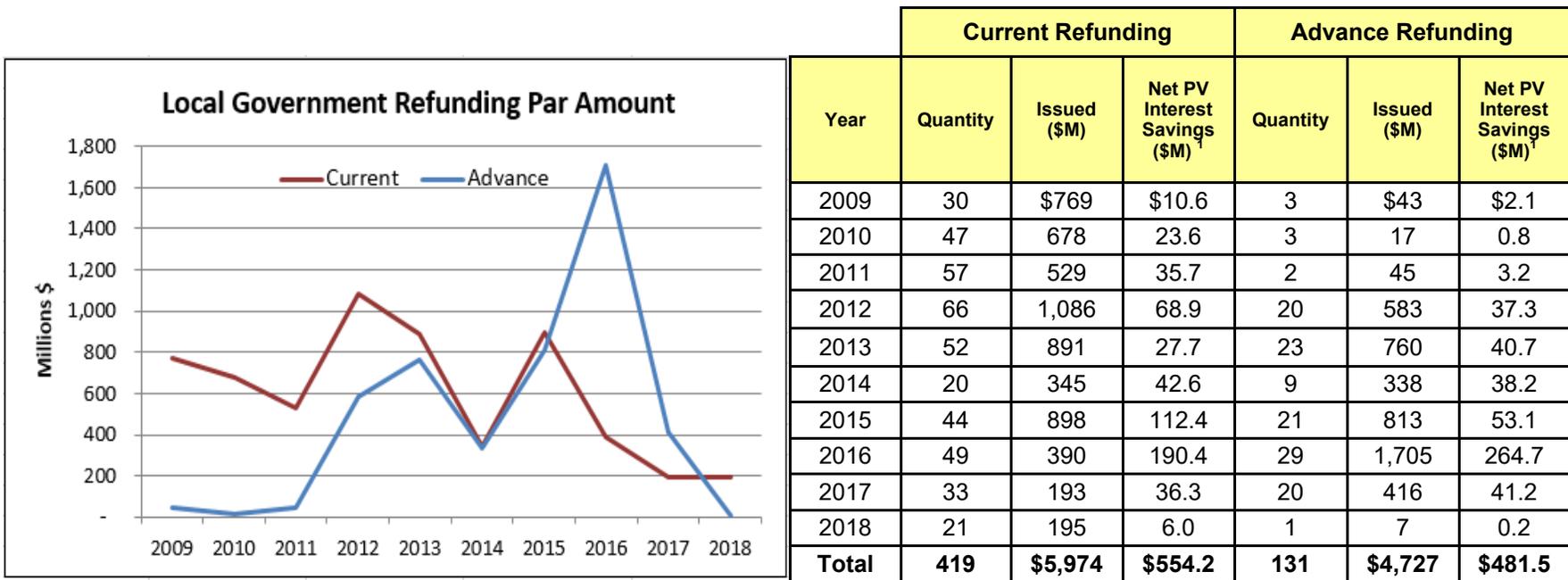


The federal H.R. 1, Tax Cuts and Jobs Act (TCJA) passed in December 2017 eliminated the ability of local governments to issue tax-exempt advance refunding bonds, although interest on current refunding bonds can still be sold on a tax-exempt basis.

Prior to enactment of TCJA, advance refundings were executed when new bonds could be 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.

Despite the new federal restrictions, the State Treasurer's Office remains responsible for assessing compliance of proposed advance refunding issues per Oregon Administrative Rule [OAR 170-062-0000](#) and approving those that meet that Rule, although these are now limited to taxable advance refundings. There are no limits on the number of current refundings a community may complete nor do they require OST approval.

In CY 2018, the number of advance and current refunding issues decreased sharply compared to previous years, with a concurrent decline in debt service savings — \$6.1 million in 2018 compared with \$77.5 million in 2017.



Year	Current Refunding			Advance Refunding		
	Quantity	Issued (\$M)	Net PV Interest Savings (\$M)	Quantity	Issued (\$M)	Net PV Interest Savings (\$M) ¹
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	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
2018	21	195	6.0	1	7	0.2
Total	419	\$5,974	\$554.2	131	\$4,727	\$481.5

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

Issue Purpose



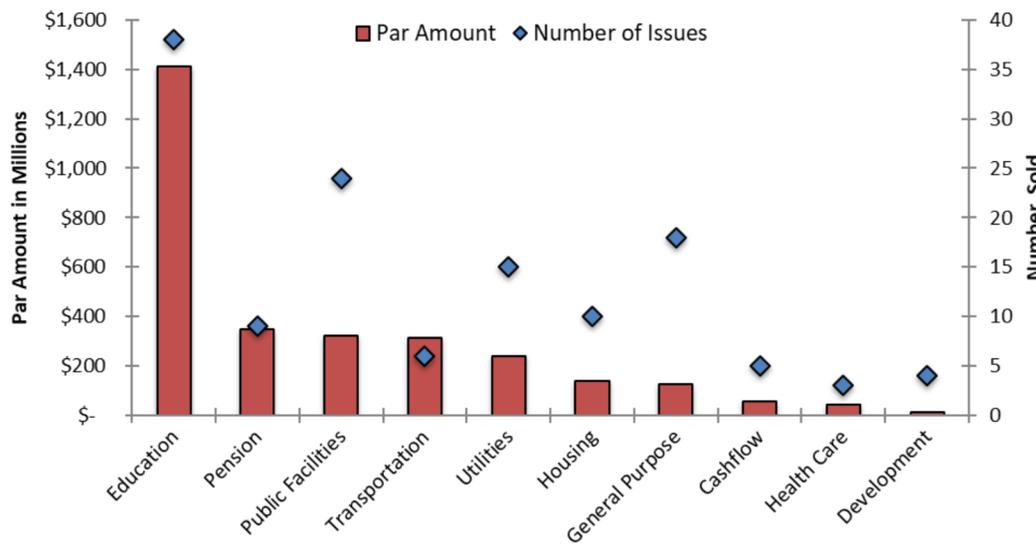
Top Issuers By Purpose in CY 2018

<u>Purpose</u>	<u>Issuer</u>	<u>Issued</u>
Education	Marion Cty SD 24J (Salem-Keizer)	\$383,230,000
Transportation	Tri-Met	262,145,000
Utilities	City of Portland	191,930,000
Education	Portland Community College	185,000,000
Pension	Portland Community College	171,865,000
Education	Benton Cty SD 509J (Corvallis)	159,999,046
Education	Clackamas Cty SD 62 (Oregon City)	151,885,950
Education	Washington Cty SD 88J (Sherwood)	119,099,965
Education	Clackamas Cty SD 12 (N. Clackamas)	112,209,380
Public Facilities	City of Portland	102,860,000

In CY 2018, the financing of education-related facilities was the largest purpose for new local debt, with \$1.4 billion issued in 38 series. Salem-Keizer School District 24J in Marion County led education issuance with bonds totaling \$383.2 million. The next largest issuance category was pension with slightly less than \$348 million sold in 9 series of bonds in CY 2018.

Outstanding debt related to education facilities remains in the top position; utilities and pension have held second and third places since 2011. Most pension obligation bonds were sold in the early-to-mid 2000's to help fund Oregon Public Employee Retirement System (OPERS) liabilities, although issuance has picked up again in the past few years as schools and community colleges address new unfunded accrued liabilities (UALs) in the OPERS.

Par Amount & Number of Issues Sold in 2018



Outstanding Total by Purpose as of 12/31/18

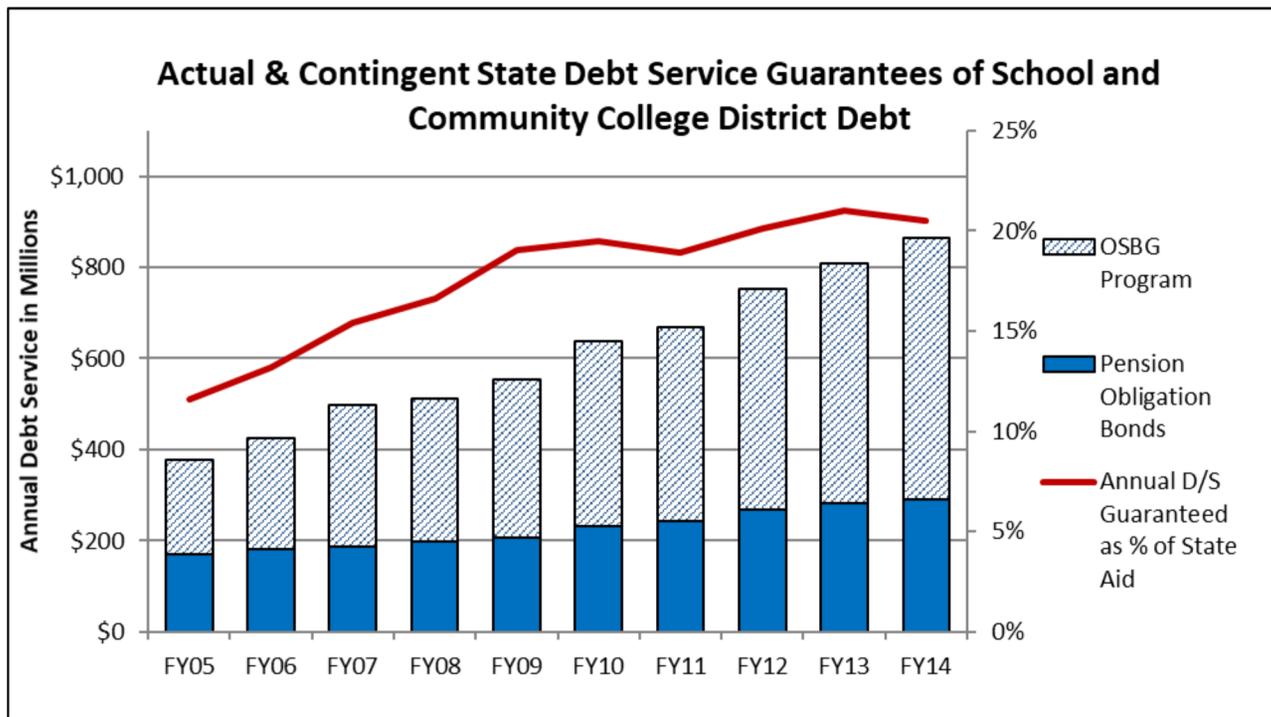
Education	\$ 8,933,806,323
Utilities	\$ 3,933,534,574
Pension	\$ 3,421,380,664
Health Care	\$ 2,531,141,394
Transportation	\$ 1,881,415,135
Public Facilities	\$ 1,720,992,246
Development	\$ 971,416,291
General Purpose	\$ 962,370,359
Cashflow	\$ 910,339,233
Environmental	\$ 665,141,665
Housing	\$ 471,690,760
Electric Power	\$ 375,062,175
Other	\$ 35,469,158
Grand Total	\$ 26,813,759,977

State Aid Intercept



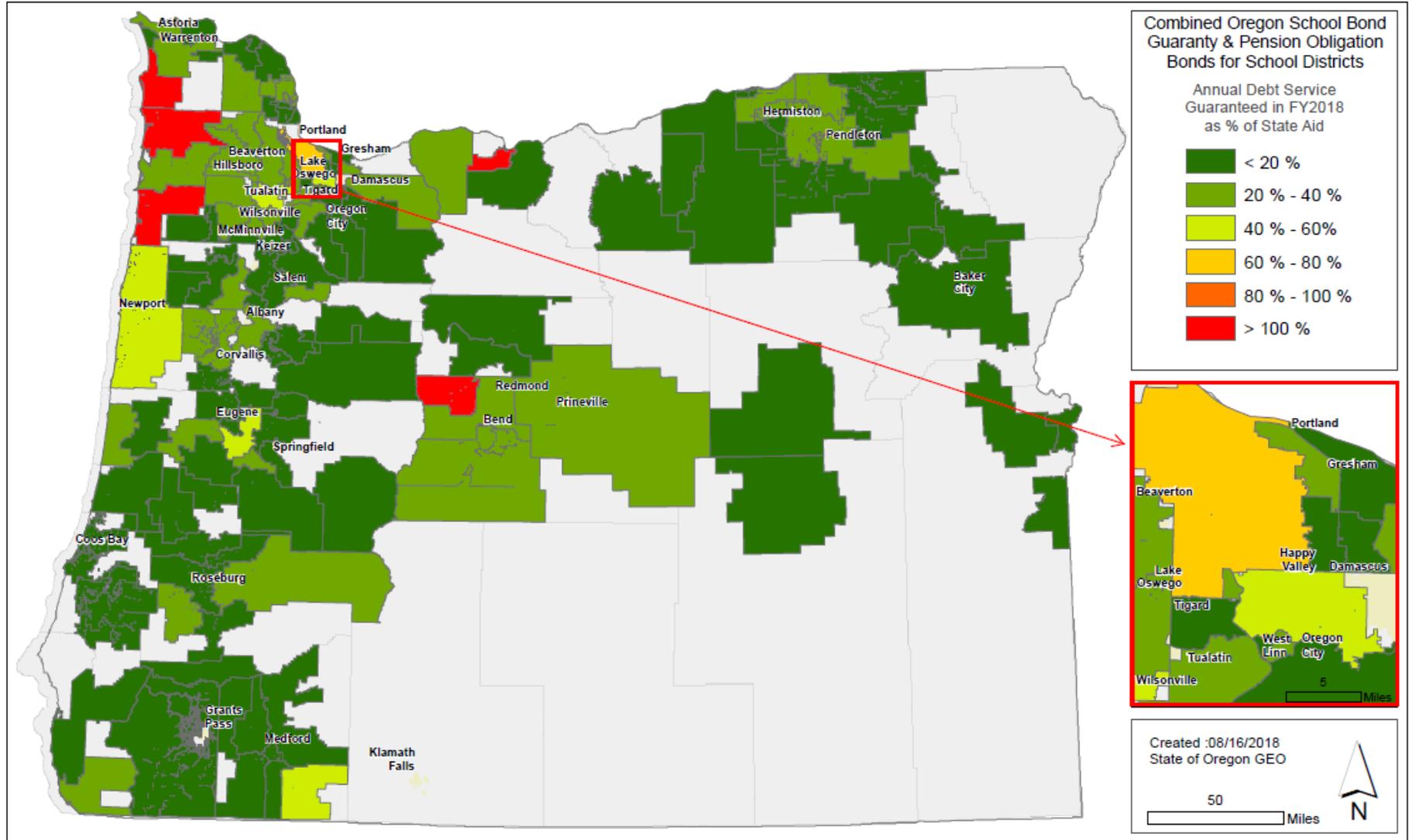
Since its inception in 1999, the [Oregon School Bond Guaranty](#) (OSBG) program has grown significantly in size. As of June 30, 2018, the program has guarantees on nearly \$5.9 billion in outstanding GO bonds and over \$9.2 billion¹ in guaranteed debt service issued by Oregon school districts and community colleges. To date this remains a contingent liability because no district has actually requested the state to make a payment on its behalf. 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 per issue suggests debt service savings to taxpayers of roughly \$15.3 million per year, or \$305.3 million over a 20-year period.

Of all school district and community college bonds issued, 84.5% (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 \$12.4 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 2018, annual school/community college debt service guaranteed by the State was 20.5% 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 2018.

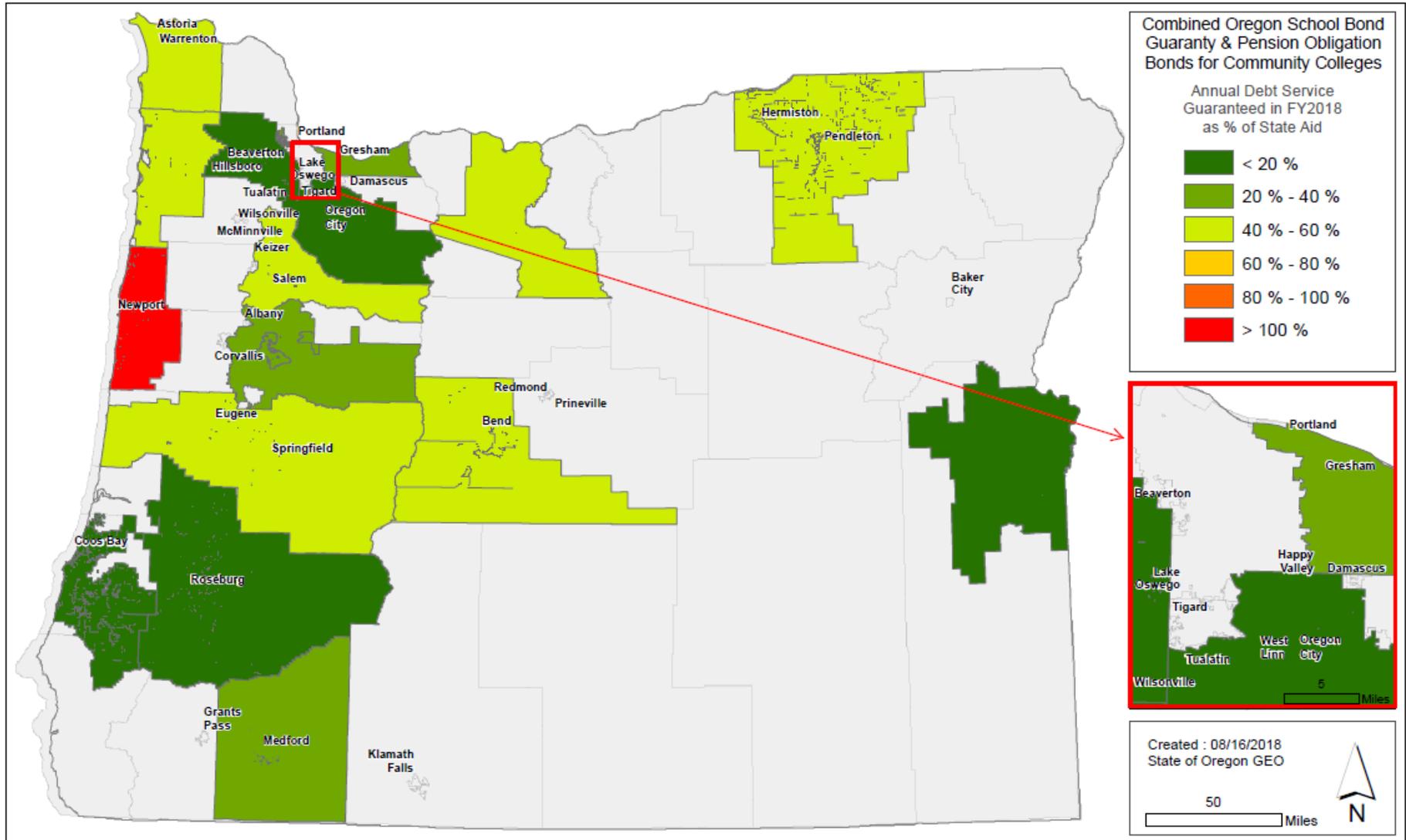


¹ Total debt service is not included; interest is only calculated in the Bond Tracker System for OSBG and POB bond issues containing an intercept mechanism. 11

State Aid Intercept — K-12 Schools



State Aid Intercept – Community Colleges

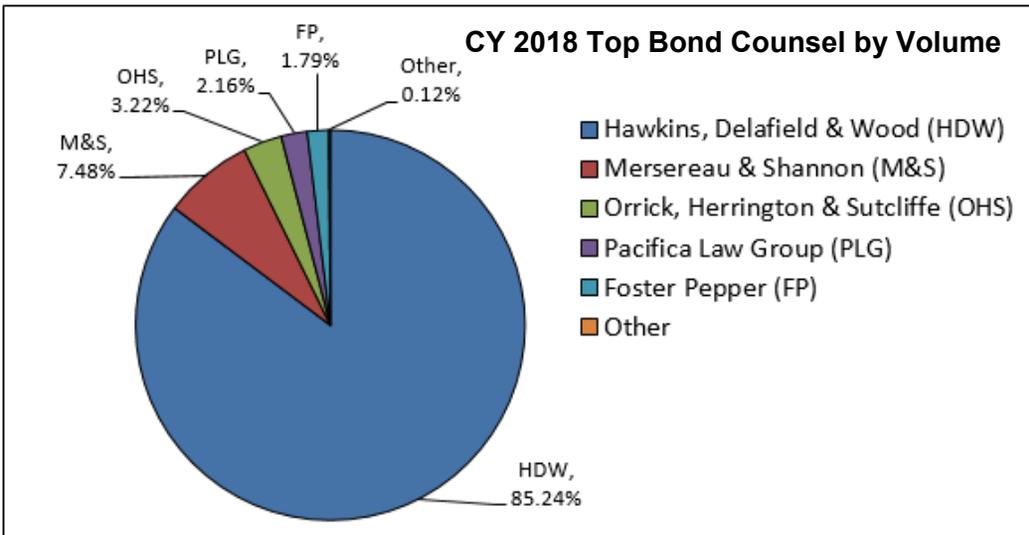


Bond Counsel



Local governments 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 the volume of Oregon debt for which each firm served as lead bond counsel over the past 3 years.

Issuer Category	HDW	M&S	OHS	PLG
Cities	25	11	6	0
Schools	26	11	0	0
Fire Districts	5	3	0	0
Hospital Facilities Authority	0	0	7	0
Counties	4	0	1	0
Housing	2	0	0	1
Urban Renewals	2	1	0	0
Community Colleges	3	0	0	0
Transit	2	0	0	0
Services	2	0	0	0
Parks	1	1	0	0
Health	0	1	0	0
Other	1	0	0	0
Educational Service District	0	1	0	0
Water Control	1	0	0	0
Ports	1	0	0	0
Water Supply	0	1	0	0
Independent Universities	0	0	0	1
TOTAL	75	30	14	2



CY 2016			CY 2017			CY 2018		
	Volume	No.		Volume	No.		Volume	No.
Hawkins, Delafield & Wood	\$ 1,690,044,135	86	Hawkins, Delafield & Wood	\$ 3,294,380,680	86	Hawkins, Delafield & Wood	\$ 2,521,041,673	75
Orrick, Herrington & Sutcliffe	1,233,351,000	23	Mersereau & Shannon LLP	504,031,577	35	Orrick, Herrington & Sutcliffe	221,217,750	14
Mersereau & Shannon LLP	227,768,841	36	Orrick, Herrington & Sutcliffe	400,532,000	11	Mersereau & Shannon	95,267,116	30
Pacifica Law Group	107,260,000	3	Pacifica Law Group	102,305,000	2	Pacifica Law Group	63,841,000	2
Foster Pepper, PLLC	47,690,000	4	Foster Pepper, PLLC	83,095,000	4	Foster Pepper, PLLC	52,900,000	1
None	146,382	2	None	42,413,785	41	Huycke O'Connor Jarvis	1,927,721	1
						None	1,493,294	4
Total	\$ 3,306,260,358	154	Total	\$ 4,426,758,042	179	Total	\$ 2,957,688,554	127

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

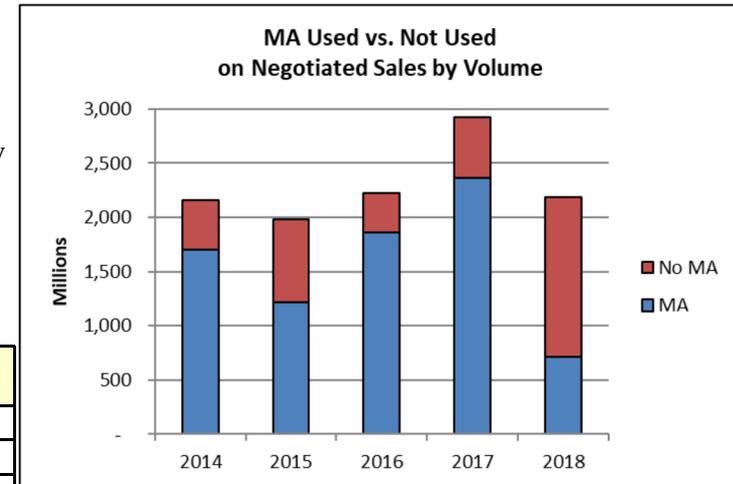
Municipal Advisors



An Independent Registered Municipal Advisor (IRMA) is a financial consulting firm 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. Municipal Advisors (MAs) often serve as an agent for the issuer during the pricing of negotiated bonds. The IRMA and its employees must be registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) are subject to fiduciary duties and other regulations. While an issuer is not required to engage a municipal advisor on its offering, many prefer to use these firms since an MA's key duty is to provide advice in the issuer's long-term best interest., as underwriters do not have a fiduciary duty to issuers.

Local Government Issues by Sale Type

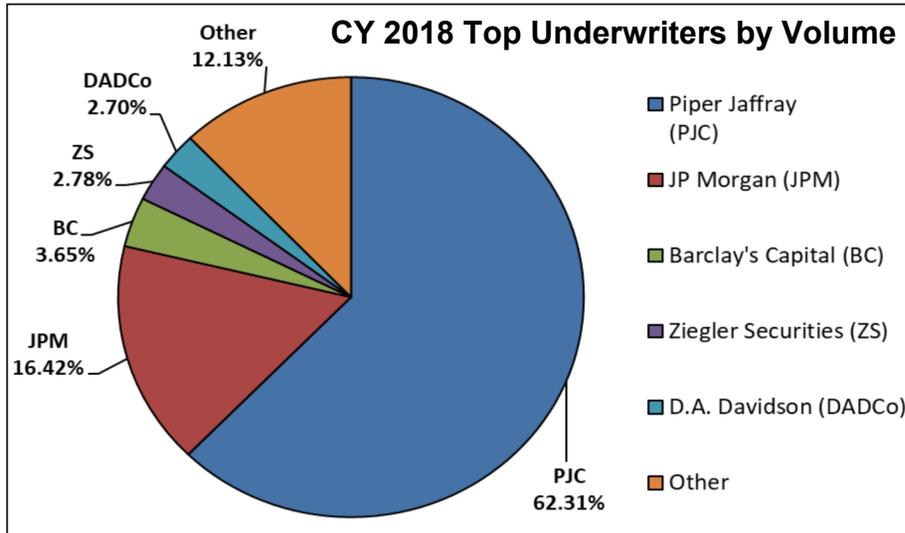
CY 2018 Issuer Category	Competitive		Negotiated		Privately Placed		Total
	MA Used	No MA	MA Used	No MA	MA Used	No MA	
Cities	9	4	2	7	4	21	47
Community Colleges	0	0	1	2	0	0	3
Counties	1	0	0	2	1	2	6
Educational Service District	0	0	0	0	0	1	1
Fire Districts	0	0	5	0	1	2	8
Health	0	0	0	0	1	0	1
Hospital Facilities Authority	0	0	0	6	0	1	7
Housing	0	0	0	0	2	2	4
Independent Universities	0	0	1	0	0	0	1
Other	0	0	0	0	1	0	1
Parks	0	0	1	0	1	0	2
Ports	0	0	1	0	0	0	1
Schools	0	0	4	24	1	12	41
Service Districts	2	0	0	0	0	0	2
Transit	0	0	2	0	0	0	2
Urban Renewal	0	0	0	0	1	2	3
Water Control	0	0	0	0	1	0	1
Water Supply	0	0	0	0	1	0	1
TOTAL	12	4	17	41	15	43	132



Municipal Advisors by Volume

CY 2018	Volume	No.
None	\$ 1,702,440,300	88
Public Financial Management	456,235,098	10
Ross Financial	262,145,000	2
SDAO Advisory Services LLC	227,969,834	13
D.A. Davidson & Co.	194,873,671	7
Piper Jaffray, Inc.	132,205,000	8
Springsted Incorporated	34,000,000	2
McLiney and Company	4,800,000	1
Wedbush Securities	1,435,000	1
Total	\$ 3,016,103,903	132

Lead Underwriters



The Lead Underwriter's role is to manage the pricing and sale of an issuer's bonds to various bond investors or, when necessary, take these bonds into inventory for later resale as market conditions permit.

These tables summarize Oregon municipal long-term financial obligation for CY 2018 sales by Sale Type and Lead Underwriter.

Underwriters by Sale Type in CY 2018

Rank by Volume	Competitive	Negotiated	Privately Placed	Total
Piper Jaffray	2	37	0	39
D.A. Davidson & Co.	1	11	0	12
Ziegler Securities	0	6	0	6
JP Morgan	2	2	0	4
Robert W. Baird	2	0	0	2
Fifth Third Bank	2	0	0	2
Morgan Stanley	2	0	0	2
Bank of America Merrill Lynch	0	1	0	1
Mesirow Financial	1	0	0	1
RBC Capital Markets	1	0	0	1
Citigroup Global Markets	1	0	0	1
U.S. Bank N.A.	0	0	1	1
Neighborly Securities	1	0	0	1
Barclay's Capital	1	0	0	1
None	0	0	2	2
TOTALS	16	57	3	76

Local Government Lead Underwriters by Volume

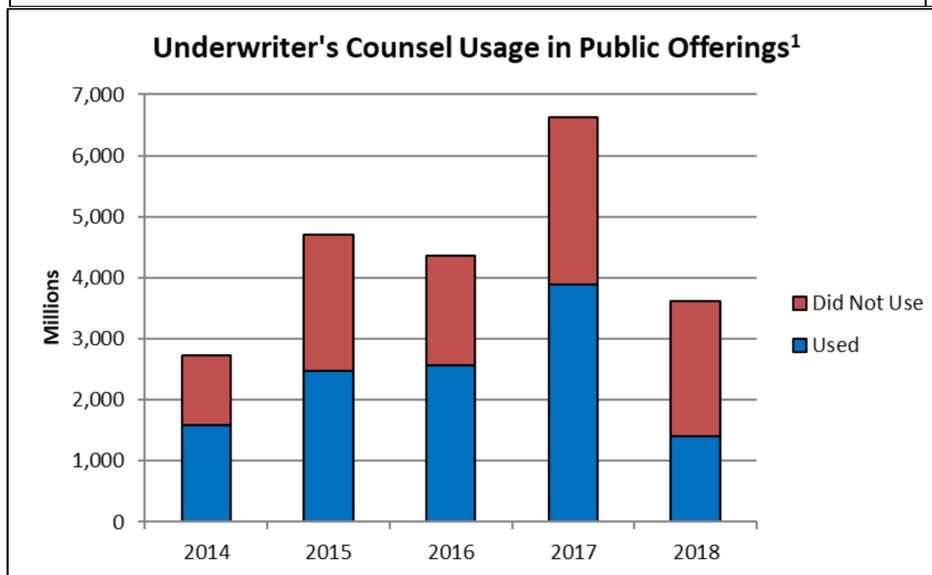
<u>CY 2018</u>	<u>Volume</u>	<u>No.</u>
Piper Jaffray, Inc.	\$1,756,640,359	39
JP Morgan	462,890,000	4
Barclays' Capital	102,860,000	1
Ziegler Securities	78,430,000	6
D.A. Davidson & Co.	76,150,000	12
Bank of America Merrill Lynch	60,000,000	1
U.S. Bank N.A.	52,900,000	1
RBC Capital Markets	51,640,000	1
Citigroup Global Markets	38,105,000	1
Robert W. Baird	31,920,000	2
Morgan Stanley	31,415,000	2
Neighborly Securities	28,255,000	1
Fifth Third Bank	26,500,000	2
Mesirow Financial	20,000,000	1
None	1,312,000	2
Total	\$2,819,017,359	76

Underwriter's Counsel



Use of Underwriter's Counsel for Oregon Public Offerings in CY 2018¹ (State & Local)

Underwriter's Counsel Equal to Each Manager (Proportionate)	Par Amount (US\$ mil)	Market Share (%)	Number of Issues
Orrick Herrington & Sutcliffe LLP	477.4	13.2	7
Kutak Rock LLP	303.9	8.4	5
Chapman and Cutler LLP	224.4	6.2	6
Faegre Baker Daniels LLP	122.8	3.4	3
Ballard Spahr LLP	122.8	3.4	3
Hawkins Delafield & Wood LLP	60.0	1.7	1
Norris George & Ostrow PLLC	55.5	1.5	3
Tiber Hudson LLC	23.3	0.7	1
Quarles & Brady	15.0	0.4	1
Used Underwriters Counsel	1,405.0	38.9	27
Did Not Use Underwriters Counsel	2,203.3	61.1	53
Total	3,608.3	100.0	80



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 actual number of issues and par amount of bonds by volume that engage an underwriter's counsel decreased in 2018 compared to 2017. By par amount, 38.9% of issuers used a underwriter's counsel in 2018 compared to 58.6% in 2017.

¹ Source: Thomson Reuters, 2018

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
Lee Helgerson	Senior Debt Manager
Alice Bibler	Debt Manager
Lee Anaya	Senior Debt Program Analyst
Martha Kellams	Debt Program Analyst
Christine Wilson	Debt Program Coordinator
Mary Destro	Debt Management Assistant

In accordance with the
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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

Disclaimer: 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.