The meeting began at 11:02 a.m.

1. Roll Call

   Members Present: 4 - Thomas F. Casey III, Jim Saco, Donna Vaillancourt; Paul Scannell, President.

   Members Absent: 1 – John Gemello

   Staff Present: Michael P. Callagy, County Manager
                  Roberto Manchia, County Chief Financial Officer
                  Daniel McCloskey, Deputy County Counsel
                  Sherry Golestan, Deputy Clerk of the Board

2. Public Comment – There were no public comments.

3. Welcome and introductions

4. Approval of the Minutes for March 24, 2021 meeting

   Motion: Casey  
   Second: Saco  
   Ayes: 4 - Casey, Saco, Vaillancourt, Scannell  
   Noes: 0  
   Members Absent: 1 – John Gemello

5. Review and discussion of draft transactional documents and resolutions for Cordilleras financing and prior bond refunding

   John Palmer reviewed the draft County and JPFA resolutions each of which approves the new money and refunding bond transactions and the forms of the documents, delegates to staff whatever powers are necessary to execute the transactions.

   There was brief discussion that the drafts are not yet final and will be updated and revised prior to approval, including with regard to the draft preliminary official statement which refers to the Cadillac Tax which has been repealed.

   Steven Gald noted that in connection with the Plan of Finance (as further discussed below) the potential of a direct-placed advance forward delivery
structure is under consideration, meaning that one of the bankers, Morgan Stanley, would purchase bonds directly from the County. We will do a complete analysis of the economic benefit of this option vs. traditional public offering, including identifying what, if any, additional features, concerns and risk need to be taken into account before we come back and provide a richer discussion. Based on the numbers that we see today, a direct placement appears to provide more economic benefit.

Mark Epstein added that the financing and refunding options are still under consideration and this will be brought back for more discussion next time.

6. Update: status, schedule and structure of Cordilleras financing and prior bond refunding

Steven Gald shared that the plan is to be in front of the rating agencies in the next couple of weeks prior to seeking approval at the Board of Supervisors meeting May 18th, and then back to the JPFA Board for the May 26 meeting and that the transactions remain on schedule.

Paul Scannell asked for discussion on the rating agencies.

Steven Gald stated that there will be meetings with S&P and Moodys via ZOOM and it is anticipated that the County will have more or less the same rating levels as in the past.

Paul Scannell asked who will be on ZOOM with the rating agencies.

Roberto Manchia noted that he and Michael Callagy will be present for the rating agencies meeting, that the Cordilleras project is moving forward and in process, and that although the market is changing, we are looking at the County’s entire debt structure rather than just funding the bonds to finance Cordilleras.

7. Review Plan of Finance

Chris Mukai of Citi reviewed the Plan of Finance, which has 4 different components and identifies different financing scenarios: New Money; County Equity; 2013A Refunding; and 2014A Refunding. He discussed the County’s outstanding debt and reserves and the market environment for strong issuers like the County and different strategies for the new Cordilleras bonds and the refinance of the 2013 bonds.

Chris Lebrett of Citi discussed Scenario 1 in which County Equity is Targeted to Cordilleras Project and the new money in the debt service will layer on top of existing monies. The true interest cost would be 2.69%, bringing the County savings of $33,486,172 assuming Cordilleras savings level at 25%.

Chris Lebrett discussed Scenario 2 in which County Equity is Targeted to Series 2014A Debt Service and the equity is used to pay down some of the that debt service and stabilize aggregate payments. Considering the total
debt service under Cordilleras, and the cost differential, increasing new money borrowed by $33M, however, the savings from allocating the equity there brings savings of $42,818,487 to the County.

Mark Epstein discussed that interest is capitalized through June 2024 (interest owed during construction before occupancy) which can be paid with own money in real time or borrowed and includes interest in the project. This aids reimbursement, levels debt service and is common practice and also helps pay investors during construction.

Jim Saco suggested to add that Scenario 2 levels debt in the title of this slide when presenting it to the analysts.

Chris Lebrett added that in the 2013 Series A Refunding Opportunity, it increases flexibility, enables release of reserves and produces 10.5% PV savings. The majority of the savings are realized in FY 2022.

Chris Lebrett shared that the 2014 Series A Refunding Opportunity can be refunded for debt service savings at current rates, and savings are front loaded in FY 2021 and 2022.

Mark Epstein added the County has a debt policy of 3% present value savings as the minimum.

8. Other Business (Discussion only)
   - Next meeting: May 26

9. Adjournment

   Michael Callagy thanked the JPFA members for all of their diligent work.

   The meeting adjourned at 11:48 a.m.