

**BOARD OF FUND COMMISSIONERS
MINUTES OF MEETING**

July 3, 2012

Pursuant to public notice previously provided by the Office of Administration, Governor Nixon called the meeting to order at 9:00 AM. Call of roll indicated that the following members of the Board were present:

Governor Jeremiah (Jay) Nixon – President
Treasurer Clint Zweifel – Secretary
Lieutenant Governor Peter Kinder – Member
Auditor Tom Schweich – Member
Attorney General Chris Koster – Member
Acting Commissioner Doug Nelson – Member

A waiver and consent to hold the meeting was circulated for signature.

Governor Nixon stated that the Board of Fund Commissioners' staff had previously circulated the minutes of the last meeting. Governor Nixon asked for approval of the minutes of the last meeting which was held on July 18, 2011. Treasurer Zweifel moved for the adoption of the minutes. Acting Commissioner Nelson seconded the motion. Motion was carried by unanimous vote.

Governor Nixon stated the first item on the agenda was regarding Fiscal Year 2013 transfers and payments. He asked Stacy Neal to brief the board. Stacy stated this request was to make all the payments located in House Bill 1. This included bond payments for Fiscal Year 2013, as well as, transfers one year in advance of the payment due dates in accordance with the bond covenants. Stacy further stated, that this will be the last year for the Third State Building bond payments which will be paid off August 1, 2012 and October 1, 2012.

With no further discussion or questions, Acting Commissioner Nelson motioned to approve the resolution, Treasurer Zweifel seconded the motion. Motion was carried with the following vote:

Governor Nixon	YEA
Treasurer Zweifel	YEA
Lieutenant Governor Kinder	YEA
Auditor Schweich	YEA
Attorney General Koster	YEA
Acting Commissioner Nelson	YEA

Governor Nixon stated the second item on the agenda was discussion and authorization for the Office of Administration to proceed with a refunding opportunity. He asked Stacy Neal to brief the board. Stacy stated that this year there was an opportunity to refund the

outstanding Board of Fund Commissioners' Fourth State Building A 2002 and Water Pollution Control A 2002 and B 2002 bonds for economic savings. Any time there is a savings of 5% or better, it is presented for Board approval. The proposed transaction was projected at just over 13% savings. Summaries of the refunding were included with the packets. The second page of the material showed the potential impact of interest rate fluctuations on the transaction. Overall, Stacy stated that this is a great transaction that reduces the time the bonds that are outstanding, saves money including budgetary savings for Fiscal Year 2013, and has outstanding present value savings. Stacy requested the Board approve the Office of Administration, Columbia Capital (OA's Financial Advisor), and Gilmore & Bell and Fields & Brown (OA's co-bond counsel) to pursue the opportunity. The plan is to sell the bonds competitively on September 11, 2012.

With no further discussion or questions, Treasurer Zweifel motioned to approve the refunding opportunity. Attorney General Koster seconded the motion. Motion was carried by the following vote:

Governor Nixon	YEA
Treasurer Zweifel	YEA
Lieutenant Governor Kinder	YEA
Auditor Schweich	YEA
Attorney General Koster	YEA
Acting Commissioner Nelson	YEA

There being no further business, Treasurer Zweifel moved to adjourn. Acting Commissioner Nelson seconded the motion which prevailed unanimously.