Commission Meeting

of

NEW JERSEY COMMISSION ON CAPITAL BUDGETING AND PLANNING

LOCATION: Committee Room 9
State House Annex
Trenton, New Jersey

DATE: February 13, 2015
10:00 a.m.

MEMBERS OF COMMISSION PRESENT:

B. Carol Molnar, Chair
Senator Paul A. Sarlo
Senator Samuel D. Thompson
Assemblyman Declan J. O'Scanlon Jr.
Thomas Neff
Steven Petrecca
Robert Romano
Jerry Traino

ALSO PRESENT:

Brian E. Francz
Executive Director

David F. Patella
Assistant Executive Director

George LeBlanc
Senate Majority
Commission Aide

Meeting Recorded and Transcribed by
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Chris Christie
Governor

Kim Guadagno
Lt Governor

B. Carol Molnar
Chair

Commission Meeting

In compliance with the Open Public Meeting Act, P. L. 1975, Chapter 231, please be advised that the next meeting of the New Jersey Commission on Capital Budgeting and Planning is scheduled for:

February 13, 2015
Friday at 10 a.m.
State House Annex, 3rd Floor, Room 9
Trenton, New Jersey

For Commission Members Attending via Conference Call:
Phone Number: 1-888-273-3658
Access Code: 8590177

Agenda

1. Call to Order
2. Open Public Meeting Act Notice
3. Roll Call
4. Approval of the Minutes of November 21, 2014 - **Action**
5. Debt Report Presentation for Fiscal Year 2014 - **Action**
6. Fiscal 2016 Capital Recommendations - **Action**
   - Department of Agriculture
   - Department of Children and Families
   - Department of Corrections
   - Department of Education
   - Department of Environmental Protection
   - Department of Health
   - Department of Human Services
   - Department of Law and Public Safety
   - Juvenile Justice Commission
   - Department of Military and Veterans Affairs
   - Department of Transportation
   - Office of Information Technology (OIT)
   - Interdepartmental Accounts
   - The Judiciary
7. Other Business ---- **Action may be taken**
8. Adjournment

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(The New Jersey Commission on Capital Budgeting and Planning held a meeting on February 13, 2015, at 10:00 a.m. Members of the Commission present via teleconference were B. Carol Molnar, Senator Paul A. Sarlo, Senator Samuel D. Thompson, and Assemblyman Declan J. O'Scanlon Jr.)

B. CAROL MOLNAR, Esq. (Chair): I would like to call the meeting of the Capital Planning Commission to order.

In accordance with the Open Public Meeting Law, the Commission has provided adequate notice of this meeting by giving written notice of the time, date, and location. The notice of the meeting has been filed at least 48 hours in advance by mail and/or fax to the Trenton *Times* and the *Star-Ledger*, and filed with the Secretary of State.

We will now take a roll call.

MR. FRANCZ (Commission Executive Director): Senator Sarlo. (no response)

Senator Thompson.

SENATOR THOMPSON: Yes.

MR. FRANCZ: Assemblywoman Sumter. (no response)

Assemblyman O'Scanlon.

ASSEMBLYMAN O'SCANLON: Yes.

MR. FRANCZ: Robert Romano.

DEPUTY STATE TREASURER ROMANO: Here.

MR. FRANCZ: Steve Petrecca.

MR. PETRECCA: Here.

MR. FRANCZ: Jerry Traino.

MR. TRAINO: Here.

MR. FRANCZ: Tom Neff.

MR. NEFF: Here

MR. FRANCZ: Ms. Cimiluca. (no response)

Mr. Rutala. (no response)

Mr. Annese. (no response)

And Chair Molnar.

MS. MOLNAR: Here.

MR. FRANCZ: Okay. Chair, we have a quorum.

SENATOR SARLO: Senator Sarlo here. I don't know if you called-- I might have missed-- Senator Sarlo is here.

MR. FRANCZ: Thank you very much.

MS. MOLNAR: Thank you, Senator.

The first item of business is to approve the minutes dated November 21, 2014. Do I hear a motion to approve?

SENATOR THOMPSON: Motion.

ASSEMBLYMAN O'SCANLON: Second.

MS. MOLNAR: Thank you.

Let's take a vote -- an individual vote.

MR. FRANCZ: Okay.

Senator Sarlo.

SENATOR SARLO: Yes.

MR. FRANCZ: Senator Thompson.

SENATOR THOMPSON: Yes.

MR. FRANCZ: Assemblyman O'Scanlon.

ASSEMBLYMAN O'SCANLON: Yes.

MR. FRANCZ: Robert Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. FRANCZ: Steven Petrecca.

MR. PETRECCA: Yes.

MR. FRANCZ: Jerry Traino.

MR. TRAINO: Yes.

MR. FRANCZ: Tom Neff.

MR. NEFF: Yes.

MR. FRANCZ: And Ms. Molnar.

MS. MOLNAR: Yes. Thank you.

MR. FRANCZ: The motion--

MS. MOLNAR: Now, since some members are present via teleconference, it would be helpful, if you have a question, to state your name first for the stenographer (*sic*).

So the first item on our-- I'm sorry; the next item on our agenda is the Debt Report for 2014. I believe James Petrino will be making the presentation.

J A M E S M. P E T R I N O: Good morning, Chairwoman Molnar and Commission members. My name is Jim Petrino, Director of the Office of Public Finance in the Department of the Treasury. And I am here today to present and discuss, with the Commission, the State of New Jersey Debt Report for Fiscal Year 2014.

Seated alongside me is Anthony Longo, a manager on my staff, and the person to be credited with putting in the bulk of the hours and effort in researching and compiling the data, and producing the report that you have before you today.

By way of background, particularly for the new members of the Commission, the Office of Public Finance is the Treasury agency responsible for managing the process of borrowing funds for capital purposes -- primarily through the issuance of bonds, notes, and other obligations in the capital markets. The scope of our management, as well as the scope of the bond data in the report you are considering today, is limited to those obligations supported by appropriations of general or dedicated State revenues.

Following enactment in the mid-1990s of legislation requiring the Commission to annually produce a State Capital Improvement Plan that includes, among other things, a report on the State's overall debt, the Office of Public Finance was tasked with producing a report that would both meet this legislative mandate and be an information resource for municipal bond market participants, other State finance stakeholders, such as the credit rating agencies, and the general public. The Office of Public Finance has met this mandate each year since Fiscal Year 1996.

As you know, in 2009, legislation was again enacted which required the Commission's Debt Report to begin including data on the long-term obligations not normally associated with capital projects or borrowing, such as certain contractual obligations and accruals required to be reported in the State's annual financial statements, as well as actuarial estimates of the unfunded liabilities for State administered pension systems and post-retirement medical and other benefits.

Following passage of this law, and despite the fact that the Office of Public Finance has no involvement or expertise in such accounting or actuarial matters, we redesigned the Debt Report to include these items. However, we also took the opportunity to expand the sections regarding the bonded debt for capital purposes, that the Office of Public Finance is most familiar with, so that the Debt Report could continue to serve two beneficial purposes: to allow the Commission to accept the report for its State Capital Improvement Plan, thereby meeting its legislative mandate; and to continue to serve as a valued resource and reference document to the investment and finance communities.

The inclusion of such nonbonded components in the overall report of the State's debt, beginning with Fiscal Year 2010, naturally resulted in a substantial increase to the aggregate debt figures in the report, somewhat obscuring the fact that the State's bond liabilities have been growing at much more modest levels over the same time period. In fact, in this year's report you will see that, for the first time, the recorded amount of nonbonded obligations exceeds the reported amount of bonded obligations.

Evolving standards and actuarial and accounting treatment, evidenced by newly effective or soon to be effective pronouncements of the Governmental Accounting Standards Board, are changing the way pension and benefit obligations are to be calculated and reported in the financial statements -- potentially adding to the upward growth trend of these nonbonded liabilities.

You'll find new footnotes to some of the standard schedules in the Debt Report, and a new table in the Supplemental Information section of the Debt Report that explains in detail some of these changes.

At this point, Chairwoman Molnar, I'm prepared to continue with a brief walk-through of the Report, focusing on some of the major totals and subtotals.

MS. MOLNAR: Okay.

MR. PETRINO: Or, if you prefer, I can pause here and see if you or the members have any initial questions or comments.

MS. MOLNAR: All right. Are there any questions right now, so far? (no response)

If not, we'll continue on.

MR. PETRINO: Okay, thank you.

If members have their Report with them, I'd like to start basically on Page 8 of the Report, which is the first data section on Outstanding Obligations.

The State's outstanding obligations are organized in a couple of summary tables on this page. The one at the top is the aggregate bonded and nonbonded obligations broken down by their components: general obligation bonds -- we have figures from 2013 and 2014 -- the change from the prior year, and the percent of the total that that section represents. Focusing on the first subtotal, the total CAFR reconciled bonded obligations -- and I'll explain these in a little bit more detail on the following pages -- the amount outstanding as of June 30, 2014, was $41.8 billion, approximately; in comparison with the amount outstanding from the prior year of $41.45 billion -- an increase of $380.9 billion (*sic*). That represents growth of about just under 1 percent.

The nonbonded obligations, on the other hand, as of June 30, 2014, are now $43.32 billion, an increase of $4.8 billion over the prior year -- or 12.6 percent growth. That now represents 50.7 percent of the total reported outstanding obligations.

On that same page we show a couple of other categories of summary detail on the bonded obligations by State revenues and by the source of the State support.

I think the easiest way to just kind of wrap up the overview of the outstanding obligations is to focus on the five subtotals that we have, and with more detail, on the following pages. If you turn to Page 10, on this page we depict the obligations supported by general State revenues -- our General Obligation Bonds. These are bonds that are issued pursuant to acts approved by the Legislature, and then subsequently approved by the voters. They are all listed there, the amounts outstanding as of June 30, 2013. You'll see we did not issue any General Obligation Bonds during the year. The deduction shown of $243 million in total is the regular amortization of these bonds, leaving the amount outstanding of $2,157,000,000 -- as I said, a reduction of $243 million from the prior year. So that's Subtotal *A*.

On the second page -- I'm sorry; on the next page, Page 11, obligations supported by General State Revenues. These are obligations -- depicted here -- obligations subject to appropriation. Bonds issued by various State authorities -- State-created authorities that have legislative authority to issue bonds for purposes, and to enter into leases or other contracts with the State to support and pay the debt service on those bonds.

Focusing on Subtotal *B* at the bottom of that page, the amount of outstanding bonds in this category, as of June 30, 2014, was $15,277,000,000 -- an increase of $78 million over the prior year -- or roughly one-half of 1 percent.

The following page depicts Subtotal *C*, the third category, which are obligations supported by dedicated State revenues. For example -- and you'll see on here the individual bond issuers and the bonds issued -- Garden State Preservation trust is supported by a portion of the sales tax revenues, as is the Transportation Trust Fund Authority, along with motor fuels taxes, etc. Those obligations in the Subtotal *C*, outstanding as of June 30, 2014, were $17,677,000,000 -- an increase of about $304 million over the prior year. And, if I did my arithmetic correct, that's about a 1.75 percent increase.

Just below that, again on Page 12, is the aggregate obligations supported by general and dedicated State revenues. These are the bonded obligations -- the amount of bonds outstanding that the Office of Public Finance manages. That total, as of June 30, 2014, is $35.112 billion -- an increase of $138 million over the prior year. This represents an increase of 0.4 percent from the prior year.

Now, in addition to the actual bonds outstanding in each year, it is a requirement under the legislation that we include information that's contained in the CAFR, or the Comprehensive Annual Financial Report of the State, that's put out each year. And the reconciliation appears on Page 13. And what this represents -- there are certain obligations that are not supported by State revenues but, under existing accounting convention, are required to be reported in the State's financial statements. These would include the two items shown -- the Tobacco Settlement Financing Corporation bonds and certain bonds of the TTFA that are secured by Federal grant and not secured by State revenues.

Other adjustments that need to be taken into account are -- there are certain bond issues for which the State receives a portion of the debt service from the party that was the beneficiary of the bond issue. For example, Educational Facilities Authority Capital Improvement Fund, and some of the other bonding programs there. The individual colleges are required to provide a certain percentage of the debt service to the State. The State of New Jersey and the State revenues support the bond issue fully; we take an offsetting revenue from the colleges. But college money is not pledged to bondholders. However, the accounting convention says that that portion that the colleges owe appears on their financial statements; it cannot also appear on the State's financial statements, so an adjustment downward is made.

And so forth. There are other accounting-type adjustments; the largest of which you'll see in other bond adjustments has to do with bond accretion. That's a term of art for the State's capital appreciation bonds. These are bonds that are much like U.S. Savings Bonds; they are sold at a discount -- you buy them at a discount, and it doesn't pay interest regularly; it only pays interest at maturity. Accounts for the State financial statements dictate that you must show the amount unamortized -- the amount amortized and the amount unamortized are shown here. The net of the two is essentially the accrued interest held in that bond.

So once you get through all of the accounting adjustments to get to the bottom line of what the CAFR will report for outstanding debt, the total of those adjustments is an increase, as of June 30, 2014 -- that's Subtotal *D*, by the way -- of $6.722 billion. That represents an increase over the prior year of $242.6 million.

When you add that to the previous bonded totals -- we're at the next subtotal highlighted in yellow in the report on that page, Page 13 -- aggregate bonded obligations; that's *A*, plus *B*, plus *C*, plus *D.* Total outstanding debt -- bonded debt then is $41.835 billion. The prior year was $41.454 billion, so the increase, year-over-year, is $380.9 million, or just under 1 percent growth

Page 14 is the fifth category, and these are the nonbonded obligations. These include things like accumulated sick and vacation payable, capital leases, the net pension obligation, other post-employment benefits, and a couple of other items. The total of those items, outstanding as of June 30, 2014, is $43.032 billion; for the prior year it was $38.206 billion, or an increase of $4.826 billion, or approximately a 12.6 percent increase.

MS. MOLNAR: Could you clarify why the post-employment benefits on that page went up $3.3 billion?

MR. PETRINO: As in-- I may need to ask for assistance on this one. I meant to preface my remarks here that once we stray too far from the bonded portion of this, our knowledge in this kind of drops off significantly. So--

UNIDENTIFIED MEMBER OF AUDIENCE: Is that something we could answer?

MR. PETRINO: I have-- With me is Tom McMullen from the Division of Pension and Benefits. I'm going to ask him to see if he can respond to that question.

MS. MOLNAR: Thank you.

MR. PETRINO: He's a Manager of Financial Reporting in the -- I'm sorry; he's the Manager of Budget Compliance in the Division of Pensions and Benefits.

Tim.

T I M O T H Y M c M U L L E N: And, I mean, the main reason for the increase in the unfunded liabilities is the State did not contribute the full, actuarially required contribution -- it's Fiscal 2014?

MR. PETRINO: Yes.

MR. McMULLEN: For Fiscal 2014. It was just a-- The State made a contribution equivalent to the normal contribution only for that year. So because it didn't make the full contribution, the unfunded liabilities increased.

MR. PETRINO: In the post-employment medical too?

MR. McMULLEN: Post-employment medical is funded strictly on pay-as-you-go basis. So every year that number is going to grow because there's no money being set aside for future benefit costs. It's strictly paid on a pay-as-you-go basis.

MS. MOLNAR: Thank you. That's very helpful.

Okay, did you want to continue with your report?

MR. PETRINO: Oh, well, that I guess concludes the outstanding obligation section of the report. The only other item to note, I suppose, is-- One thing I wanted to say, though, that I forgot to mention -- with the CAFR reconciliation, the State's CAFR for 2014 is not yet completed -- the audit process is not yet completed. So these--

MS. MOLNAR: When is that due?

MR. PETRINO: I'm not sure there's a due date on that. I think it's when it's completed.

MS. MOLNAR: Okay.

MR. PETRINO: Yes.

All right -- Jim Kelley from the Office of Management and Budget, who is also here, just told me March 15 is their date.

MS. MOLNAR: Okay, good.

All right. Are there any questions? (no response)

Do you have anything else you want to mention?

MR. PETRINO: No, I think I would turn it over to questions. You know, the following page, Page 15, is the actuarial liabilities -- now, these aren't balance sheet items but, in this case, the actuarial reports for the State's pension plans and for post-retirement medical benefits for Fiscal 2014 are also not complete. So what we've shown, just for the sake of providing something since the statute requires that it be in here, is the amounts outstanding as of 2013, in comparison to 2012. And that's been our practice in the last few years, since we've been required to put this in there --- in the Debt Report.

So if you want, I can-- As of June 30, 2013, the unfunded actuarial accrued liability for the State-administered retirement systems was $37.279 billion, a $2.9 million increase over 2012. And the post-retirement-- The unfunded actuarial accrued liabilities for the post-retirement medical benefits was $53 billion at the end of 2013, an increase of approximately $1.5 billion over the prior year, Fiscal 2012.

The rest of the report is tables that are consistent with prior years; I won't drag all of us through each of these. There's a 10-year history of outstanding obligations on Pages 16 and 17; and then on Page 18 there's a list of legislatively authorized but unissued debt as of June 30, 2014 and 2013. Other sections of the report deal with the annual debt service supported by State revenues. We also then have the obligation profiles in Section 5, which is each program or project finance that is outstanding and it provides more detail of the bond issuer, the bonds outstanding by series, and a graphical depiction of the future debt service on those obligations.

There's a section on capital leases, a section on certain State debt ratios that's put out by Moody's, the credit rating agency. And there is a supplemental information section, Section 8, which depicts the bonds that have been issued subsequent to June 30, 2014. And also, as I had previously mentioned, there are some changes put out by the Governmental Accounting Standards Board in the way that the net pension liabilities are depicted, and we've provided a statement that's compliant with that pronouncement. My understanding is that, in the future, this is going to be how these are presented and depicted in the future. So this will be more in the front section of the report in subsequent years. Again, if you're-- There are a number of footnotes describing that, and if you have any questions on that, I'll have to defer to my colleagues from Pensions and Benefits, or the Office of Management and Budget.

MS. MOLNAR: Okay.

MR. PETRINO: So at this point, that concludes the presentation. And we're happy to respond to any questions or comments.

MS. MOLNAR: Okay. Any Commission members have any questions or comments?

SENATOR SARLO: Yes, Senator Sarlo; I have a question.

MR. PETRINO: Certainly.

MS. MOLNAR: Okay.

SENATOR SARLO: With regards to -- just looking at my notes here -- on Page 22: projects the debt service to grow from $3.1 billion -- this is more from a budgetary standpoint, as the Chairman of the Budget Committee -- in FY 2014 to, say, $4 billion -- $3.999 billion in FY 2016, an increase of $900 million, 30 percent. This is debt service increase. But there's a footnote attached to that on the next page, on Page 23, that says, "A portion of this increase will not be realized because the Administration intends to refund or refinance." The question I have is -- and maybe we don't know this, at this point in time -- what are we looking at in actual dollars in the budget for this debt service increase? What can we anticipate in the next fiscal year budget proposal, in real dollars, to cover debt service on this increase? Do we have that number yet?

MR. PETRINO: Senator, Jim Petrino.

I don't; I'm not part of the Budget process. The one thing I should point out, and probably should have pointed out, is you're correct. There is a footnote there; there are these floating-rate notes that have what we call a *hard maturity* -- which is why we depict them in the total. However, the intention is not to pay the full maturing amount of these notes in the fiscal year in which they come due. The idea there is to refinance those out to a longer period.

SENATOR SARLO: Listen, from my concerns -- here's a $900 million -- it's almost a billion dollar price tag in just less than two fiscal years. You know, what is-- That's going to impact other priorities in the budget, or other potential policies in the budget. So I mean, it's a billion dollar increase in just debt service, so-- I really-- It's-- Maybe, through Treasury, if we could get a response to that, through the Chair of this Commission, it would be great.

MS. MOLNAR: Okay, thanks; great idea.

SENATOR THOMPSON: Senator Thompson.

I don't have access to the report. Early in your report you mentioned that nonbonded obligations -- some nonbonded obligations increased 12.6 percent from last year. Could you give us a little bit more information on that?

MR. PETRINO: Sure. The primary drivers there are the net pension obligation, which showed a growth of $1.4 billion; and the other post-employment benefits grew approximately $3.4 billion. So that, in effect, is the reason for the increase.

SENATOR THOMPSON: Oh, okay.

MR. PETRINO: It's those two items. There are actually reductions, year-over-year, in the accumulated sick and vacation -- a smaller reductions in those. There is an *Other* category that had a small increase of $51 million -- relatively small. But, so in overall, clearly it's the net pension obligation and the post-employment medical.

SENATOR THOMPSON: All right; okay, fine.

MS. MOLNAR: Okay. Any other questions or comments? (no response)

If not, do I hear a motion to accept the Report?

SENATOR SARLO: So moved.

SENATOR THOMPSON: Second.

MS. MOLNAR: Okay, do I hear a second?

SENATOR THOMPSON: Thompson, yes.

ASSEMBLYMAN O'SCANLON: O'Scanlon.

MS. MOLNAR: Okay. We'll take a vote via roll call.

MR. FRANCZ: Senator Sarlo. (no response) Senator Sarlo -- a yes or no on accepting the Debt Report? (no response)

Senator Thompson.

SENATOR THOMPSON: Yes.

MR. FRANCZ: Senator O'Scanlon -- Assemblyman O'Scanlon; excuse me.

ASSEMBLYMAN O'SCANLON: I appreciate the promotion. Yes. (laughter)

MR. FRANCZ: Robert Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. FRANCZ: Steven Petrecca.

MR. PETRECCA: Yes.

MR. FRANCZ: Jerry Traino

MR. TRAINO: Yes.

MR. FRANCZ: Tom Neff.

MR. NEFF: Yes.

MR. FRANCZ: And Ms. Molnar.

MS. MOLNAR: Yes.

MR. PETRINO: Thank you, Chairwoman and Commission members.

MS. MOLNAR: Thank you.

The final item for our Commission is to approve the recommendations for Fiscal Year 2016.

Now, we can approve them all, in total, like we did last year, or go through each Department -- whatever the Commission wishes.

MR. LeBLANC (Commission Aide): May I interrupt for one second?

MS. MOLNAR: Sure.

MR. LeBLANC: It's George LeBlanc, Senator Majority Office.

Senator Sarlo has indicated that he had to step away from the phone and--

SENATOR SARLO: I'm back; I actually just stepped away; I'm sorry. Was that a roll call for the vote?

MR. FRANCZ: Yes.

MS. MOLNAR: Yes.

SENATOR SARLO: Okay. Yes, I'm going to vote to accept the report as presented. And I would like to see -- get a response to that question, just from a budgetary standpoint, as the Chairman of the Budget Committee. Because clearly, as the debt goes up from year to year, there's a dollar increase that goes into the budget every year -- so keep that in mind. I vote to accept the Report as presented by Treasury

MS. MOLNAR: Perfect; thank you.

All right. If there are no other questions, we'll move on to the approval of the capital recommendations, which were sent. It seems to be a very austere year coming up, as far as recommendations.

Do I hear a motion to accept the recommendations as presented by our staff?

SENATOR SARLO: Madam Chair, this is Senator Sarlo.

I have one quick question; and I'm going to vote, because I'm going to be stepping away for a moment again.

MS. MOLNAR: Sure.

SENATOR SARLO: I have to leave the call, but I'm going to be voting yes to accept the recommendations.

But I have a question with regards to the criteria. For instance, Corrections-- Like, institutions like Corrections and Human Services are being recommended for funding for good stuff, like generators, and roof replacements, and other emergency needs. But then the Department of Military and Veterans Affairs' request for $10.8 million for similar types of items was denied, or was not included. I'm just-- Who's making the final decision here that we're going to do generators, and roof replacements, and emergency needs at Corrections and Human Services, but not the Department of Military and Veterans Affairs? Is it on a rolling basis? I mean, can somebody just give me a little insight into that?

MR. FRANCZ: Sure. This is Brian Francz, the Executive Director of the Commission.

We at OMB have a ranking system which looks at criticality of the asset, whether it can be easily replaced or not, what kind of people are in the facility -- whether it's State staff. I would say probably the reason that the prison projects were funded above MAVA is the fact that if a prison roof falls in, it's very difficult to relocate prisoners somewhere else, because the facility is so specific; whereas--

SENATOR SARLO: Understood; okay.

MR. FRANCZ: Okay.

SENATOR SARLO: I got it.

MS. MOLNAR: On Veterans, though -- don't we get some matching funds from the Federal government?

MR. FRANCZ: We do. Most of those projects are 50 percent federally funded.

MS. MOLNAR: Okay. So we're not going to recommend any, then, for Veterans?

MR. FRANCZ: Unfortunately, they were just below the cut-off.

MS. MOLNAR: Okay.

Do I hear a motion to approve the recommendations as presented by the staff?

ASSEMBLYMAN O'SCANLON: So moved.

MS. MOLNAR: Okay, do I hear a second?

MR. NEFF: Second.

MR. FRANCZ: Second by Tom Neff.

MS. MOLNAR: Okay, thank you.

All right, we'll take a roll; if there are no questions, we'll take a roll vote.

MR. FRANCZ: Okay.

Senator Thompson.

SENATOR THOMPSON: Yes.

MR. FRANCZ: Assemblyman O'Scanlon.

ASSEMBLYMAN O'SCANLON: Yes.

MR. FRANCZ: Robert Romano.

DEPUTY STATE TREASURER ROMANO: Yes.

MR. FRANCZ: Steven Petrecca.

MR. PETRECCA: Yes.

MR. FRANCZ: Jerry Traino.

MR. TRAINO: Yes.

MR. FRANCZ: Tom Neff.

MR. NEFF: Yes.

MR. FRANCZ: And Chair Molnar.

MS. MOLNAR: Yes.

MR. FRANCZ: Okay.

MS. MOLNAR: Is there any other business that we have to undertake at this point?

MR. FRANCZ: No, we don't.

MS. MOLNAR: I have one question. Are there any bonds being proposed that the Commission might have to review -- bond proposals, down the road, that anyone is aware of?

MR. FRANCZ: None that we are aware of, no.

MS. MOLNAR: Because we have to -- we usually review it before it goes on the -- in November, on to referendum to the voters.

Okay. If no one has any other questions or comments, we probably will not meet until the fall again. I want to thank everyone for your time, and have a great summer, and a great holiday.

And thank you; thank you all.

MR. FRANCZ: Thank you.

(MEETING CONCLUDED)