

PROCEEDINGS OF THE BROWN COUNTY EXECUTIVE COMMITTEE

Pursuant to Section 18.94 Wis. Stats., a special meeting of the **Brown County Executive Committee** was held on Wednesday, May 20, 2009 in Room 210, City Hall – 100 North Jefferson Street, Green Bay, Wisconsin

Present: Mary Scray, Bernie Erickson, Pat Evans, Tom Lund, Andy Nicholson, John VanderLeest, Guy Zima
Also Present: Supervisors Warpinski, Dantine, Andrews, Kaster. Tom Hinz, Jayme Sellen, Sara Perrizo, Lynn Vanden Langenberg, John Luetscher, Fred Mohr, Bob Heimann. Brian Della - Brown County's bond financial Advisor and PFM Consultant. Thomas E. Klancnik - Bond Counsel Attorney, Whyte Hirschboeck Dudek. Other Interested Parties.

I. CALL MEETING TO ORDER:

The meeting was called to order by Chairman Scray at 6:40 p.m.

II. APPROVE/MODIFY AGENDA:

A MOTION WAS MADE BY SUPERVISOR LUND AND SECONDED BY SUPERVISOR EVANS TO APPROVE. MOTION CARRIED UNANIMOUSLY.

1. RESOLUTION RE: INITIAL RESOLUTIONS AUTHORIZING THE ISSUANCE AND SALE OF \$13,475,000.00 [TAXABLE] GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2009A [(BUILD AMERICA BONDS – DIRECT PAYMENT)]

Thomas Klancnik, Bond Counsel Attorney stated there were two alternatives: the traditional tax exempt bonds or Build America bonds. The Build America bonds are a creature of the American Recovery and Reinvestment Act of 2009, the economic stimulus package enacted by Congress and signed into law by the President in February. The new Build America Bond program, authorize state and local governments to issue Build America Bonds as taxable bonds in 2009 and 2010 to finance any capital expenditures for which they otherwise could issue tax-exempt governmental bonds. State and local governments receive a direct federal subsidy payment for a portion of their borrowing costs on Build America Bonds equal to 35 percent of the total coupon interest paid to investors. This new program is intended to assist state and local governments in financing capital projects at lower borrowing costs and to stimulate the economy and create jobs.

The Bonding Company went out and compared the bids on the tax exempt and the taxable to get the lowest interest cost and it turned out that no one bid tax exempt and there were three bids on the Build America taxable bonds and the bid from Morgan Keegan & Co. (attached) was the lowest bid received.

Supervisor Lund questioned if there was a disadvantage to the Build America Bond and asked if they could be called. Klancnik responded that these were set up to be the same way under either scenario and they are callable by the County in ten years. There is a theoretical risk of the Federal Government not honoring its commitment to pay 100%.

Brian Della, Brown County's Bond Financial Advisor and PFM Consultant stated that the Federal Government pays what they say they are going to pay. The County takes the time to submit the request for payment every year and the County saves a lot of money. He explained that the County will receive most of the benefit in the first ten years.

A MOTION WAS MADE BY SUPERVISOR ZIMA AND SECONDED BY SUPERVISOR ERICKSON TO ADOPT. Vote taken. MOTION CARRIED UNANIMOUSLY.

2. SUCH OTHER MATTERS AS AUTHORIZED BY LAW.

Motion made by Supervisor Erickson and seconded by Supervisor Evans to adjourn at 6:40 p.m. MOTION APPROVED UNANIMOUSLY

Respectfully submitted,

Alicia A. Loehlein
Recording Secretary