

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, September 16, 2015 in Room 207, City Hall, 100 N. Jefferson Street, Green Bay, Wisconsin.

Present: Chair Lund, Supervisors Bernie Erickson, Pat Buckley, Pat Moynihan and Steve Fewell

Excused: Supervisors John Van Dyck, Pat Evans

Also Present:

Supervisor Dave Kaster

Brian Della (Bond Counsel)

Chad Weininger (Director of Administration)

Other interested parties

Dan Process (Internal Auditor)

I. Call meeting to order.

The meeting was called to order by Chair Tom Lund at 6:45 pm.

II. Approve/modify agenda.

Motion made by Supervisor Erickson, seconded by Supervisor Fewell to approve. Vote taken. MOTION CARRIED UNANIMOUSLY

1. Resolution Authorizing the Issuance and Sale of [\$3,775,000] General Obligation Corporate Purpose Refunding Bonds, Series 2015B.

Motion made by Supervisor Fewell, seconded by Supervisor Buckley to award the 2015B Bonds to FTN Financial Capital Markets at an interest cost of 0.971%. Vote taken. MOTION CARRIED UNANIMOUSLY

2. Resolution Authorizing the Issuance and Sale of [\$2,970,000] General Obligation Airport Improvement Refunding Bonds, Series 2015C (AMT).

Motion made by Supervisor Fewell, seconded by Supervisor Erickson to award the 2015C (AMT) Bonds to Morgan Stanley & Co. at an interest cost of 2.466%. Vote taken. MOTION CARRIED UNANIMOUSLY

3. Such other matters as authorized by law.

Motion made by Supervisor Buckley, seconded by Supervisor Erickson to adjourn at 6:51 p.m. Vote taken. MOTION CARRIED UNANIMOUSLY.

Respectfully submitted,

Alicia A. Loehlein
Recording Secretary

Brown County, Wisconsin Results of Sale

\$3,775,000* G.O. Corporate Purpose Refunding Bonds, Series 2015B

\$2,970,000* G.O. Airport Improvement Refunding Bonds, Series 2015C (AMT)

September 16, 2015



Prepared by

Public Financial Management, Inc.

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Milwaukee, Wisconsin 53214

414-771-2700



Moody's Affirms "Aaa" Rating

Economic Base

- Moody's expects the County to exhibit modest long-term growth in taxable valuation due to ongoing developments and its role as a regional employment, commercial and retail center.

Financial Indicators

- The County's sound financial operations are expected to remain stable given strong reserves and management's conservative budgeting practices.
- After several years of operating surpluses the County has seen drawdowns in 2013 (\$3.3 million) and 2014 (\$284,000), primarily due to one-time capital projects.
- Fund balances are still healthy despite the two recent years of drawdowns.

Debt Factors

- An above average but manageable debt profile. Principal amortization of general obligation debt is average with 77% of all debt retired in ten years.

Management

- The County's sound financial operations are expected to continue due to prudent management practices and strong reserve levels.



Existing Debt and Debt Being Refunded

Below is the existing debt by issue. Series 2005A, 2005B and 2008A are being refunded by today's bonds.

Date of Issue	Obligation	Amount Issued	Final Maturity	Interest Rates Outstanding	Principal Outstanding	Call Date
06/01/2005	Bonds, Series 2005A (AMT)	\$ 4,000,000	11/01/2024	4.15% - 5.125%	\$ 3,100,000	11/01/2015
06/01/2005	Bonds, Series 2005B	4,620,000	11/01/2020	3.70% - 3.95%	2,135,000	11/01/2015
06/07/2006	Bonds, Series 2006	7,125,000	11/01/2021	4.00% - 4.25%	3,115,000	11/01/2016
07/01/2007	Bonds, Series 2007	9,240,000	11/01/2022	4.00% - 4.10%	5,110,000	11/01/2016
03/01/2008	Notes, Series 2008A	8,455,000	11/01/2017	3.25% - 3.75%	2,800,000	11/01/2015
03/01/2008	Bonds, Series 2008B	26,200,000	11/01/2027	3.50% - 5.00%	22,565,000	11/01/2017
04/01/2008	Bonds, Series 2008C	14,950,000	11/01/2018	3.625% - 4.00%	6,005,000	11/01/2016
06/01/2009	Bonds, Series 2009A (BABs)	13,475,000	11/01/2028	3.60% - 5.50%	11,465,000	11/01/2019
07/01/2010	Notes, Series 2010A	15,615,000	11/01/2019	2.00% - 3.25%	8,670,000	None
07/01/2010	Bonds, Series 2010B (BABs)	5,600,000	11/01/2029	4.25% - 5.75%	5,600,000	11/01/2019
12/01/2010	Bonds, Series 2010C (BABs)	4,750,000	11/01/2029	2.00% - 5.20%	3,890,000	11/01/2019
05/01/2011	Bonds, Series 2011A	10,440,000	11/01/2030	3.00% - 4.375%	9,665,000	11/01/2020
06/01/2012	Bonds, Series 2012A	9,215,000	11/01/2031	2.00% - 2.45%	8,260,000	11/01/2021
10/10/2012	Bonds, Series 2012B (AMT)	3,810,000	11/01/2021	2.00% - 2.25%	3,025,000	None
10/10/2012	Bonds, Series 2012C	3,225,000	11/01/2017	2.00%	1,745,000	None
06/05/2013	Bonds, Series 2013A	6,460,000	11/01/2032	2.00% - 3.00%	6,320,000	11/01/2022
10/09/2013	Bonds, Series 2013B	1,905,000	11/01/2018	2.00%	1,545,000	None
10/09/2013	Bonds, Series 2013C (AMT)	3,715,000	11/01/2022	2.00% - 4.00%	3,355,000	None
10/09/2013	Bonds, Series 2013D	9,060,000	11/01/2022	2.00% - 3.20%	8,385,000	None
06/11/2014	Bonds, Series 2014A	5,665,000	11/01/2033	2.00% - 3.30%	5,665,000	11/01/2023
11/30/2014	Bonds, Series 2014B	2,330,000	11/01/2019	2.00%	2,330,000	None
11/30/2014	Bonds, Series 2014C (AMT)	4,575,000	11/01/2023	1.00% - 3.00%	4,575,000	None
06/09/2015	Bonds, Series 2015A	7,565,000	11/01/2034	2.00% - 3.00%	7,565,000	11/01/2024
Total						\$ 136,890,000



Results of Sale – 2015B Bonds

On August 19, 2015, the County Board of Supervisors authorized the issuance of approximately \$3,775,000 G.O. Corporate Purpose Refunding Bonds, Series 2015B to refinance the 2005B and 2008A issues.

Today, at 10:00 AM, PFM took bids for the County's \$3,775,000 G.O. Corporate Purpose Refunding Bonds, Series 2015B. A total of eight (8) bids were received. Below are the results.

Series 2015B Bonds		
Bidder	Bid True Interest Cost	Post Resize True Interest Cost
1 FTN Financial Capital Markets (Memphis, TN)	0.970%	0.971%
2 BOSC, Inc. (Dallas, TX / Milwaukee, WI)	1.044%	
3 UMB Bank N.A. (Kansas City, MO)	1.080%	
4 Robert W. Baird & Co., Inc. (Milwaukee, WI)	1.108%	
5 Piper Jaffray (Kansas City, MO)	1.112%	
6 Bankers' Bank (Madison, WI)	1.139%	
7 Hutchinson, Shockey, Erley & Co. (Chicago, IL)	1.157%	
8 Raymond James & Associates, Inc. (St. Petersburg, FL)	1.197%	

After bids were received the issue was downsized by \$105,000 to \$3,670,000.

It is recommended that the County award the 2015B Bonds to FTN Financial Capital Markets.

Results of Sale – 2015C Airport Bonds (AMT)



On August 19, 2015, the County Board of Supervisors authorized the issuance of approximately \$2,970,000* G.O. Airport Improvement Refunding Bonds, Series 2015C (AMT) to refinance the 2005A (AMT) issue.

Today, at 10:00 AM, PFM took bids for the County's \$3,775,000 G.O. Corporate Purpose Refunding Bonds, Series 2015C. A total of four (4) bids were received. Below are the results.

Series 2015C (AMT) Bonds			
Bidder	Bid True Interest Cost	Bid True Interest Cost	Post Resize True Interest Cost
1 Morgan Stanley & Co. (New York, NY)	2.455%	2.466%	
2 Robert W. Baird & Co., Inc. (Milwaukee, WI)	2.550%		
3 Hutchinson, Shockey, Erley & Co. (Chicago, IL)	2.607%		
4 Bernardi Securities (Chicago, IL)	2.640%		

After bids were received the issue was downsized by \$95,000 to \$2,875,000.

It is recommended that the County award the 2015C (AMT) Bonds to Morgan Stanley.

2



Actual Savings

Below is the estimated dollar savings by refunding the three bond issues, net of all expenses. The “present value” savings are 5.5% and 11.8% respectively.

Year	Existing 2005 Bonds & 2008 Notes			2015B Refunding			Savings
	Principal	Interest	Total	Principal	Interest	Total	
2016	1,265,000	138,910	1,403,910	1,255,000	78,293	1,333,293	70,617
2017	1,315,000	93,975	1,408,975	1,290,000	48,300	1,338,300	70,675
2018	365,000	44,490	409,490	365,000	22,500	387,500	21,990
2019	380,000	30,620	410,620	375,000	15,200	390,200	20,420
2020	400,000	15,800	415,800	385,000	7,700	392,700	23,100
Total	3,725,000	323,795	4,048,795	3,670,000	171,993	3,841,993	206,802

Year	Existing 2005 AMT			2015C (AMT) Refunding			Savings
	Principal	Interest	Total	Principal	Interest	Total	
2016	200,000	139,000	339,000	210,000	92,000	302,000	37,000
2017	225,000	130,500	355,500	240,000	79,950	319,950	35,550
2018	225,000	120,656	345,656	235,000	72,750	307,750	37,906
2019	300,000	110,813	410,813	305,000	65,700	370,700	40,113
2020	300,000	97,313	397,313	300,000	56,550	356,550	40,763
2021	325,000	83,813	408,813	320,000	47,550	367,550	41,263
2022	350,000	69,188	419,188	340,000	37,950	377,950	41,238
2023	450,000	51,250	501,250	420,000	27,750	447,750	53,500
2024	550,000	28,188	578,188	505,000	15,150	520,150	58,038
Total	2,925,000	830,719	3,755,719	2,875,000	495,350	3,370,350	385,369



Schedule

Below is the schedule for the \$3,670,000 G.O. Corporate Purpose Refunding Bonds, Series 2015B, and \$2,875,000 G.O. Airport Improvement Refunding Bonds, Series 2015C (AMT).

Action	Date
✓ Board approves Initial Authorizing Resolutions	August 19, 2015
✓ Rating Call with Moody's	August 28, 2015
✓ Rating received by Moody's	September 8, 2015
✓ Preliminary Official Statement distributed to potential bidders	September 8, 2015
✓ Day of Sale - Board awards 2015B and 2015C Bonds to best bidders	September 16, 2015
Closing - money is wired to the County	October 7, 2015
2005 Bonds and 2008 Notes are prepaid in full	November 1, 2015



Aggregate G.O. Debt Service Table

With today's refunding issues, the County will have \$136,785,000 of outstanding principal. On November 2, 2015 the outstanding principal will drop to \$124,895,000 (all G.O. debt has a November 1 maturity date).

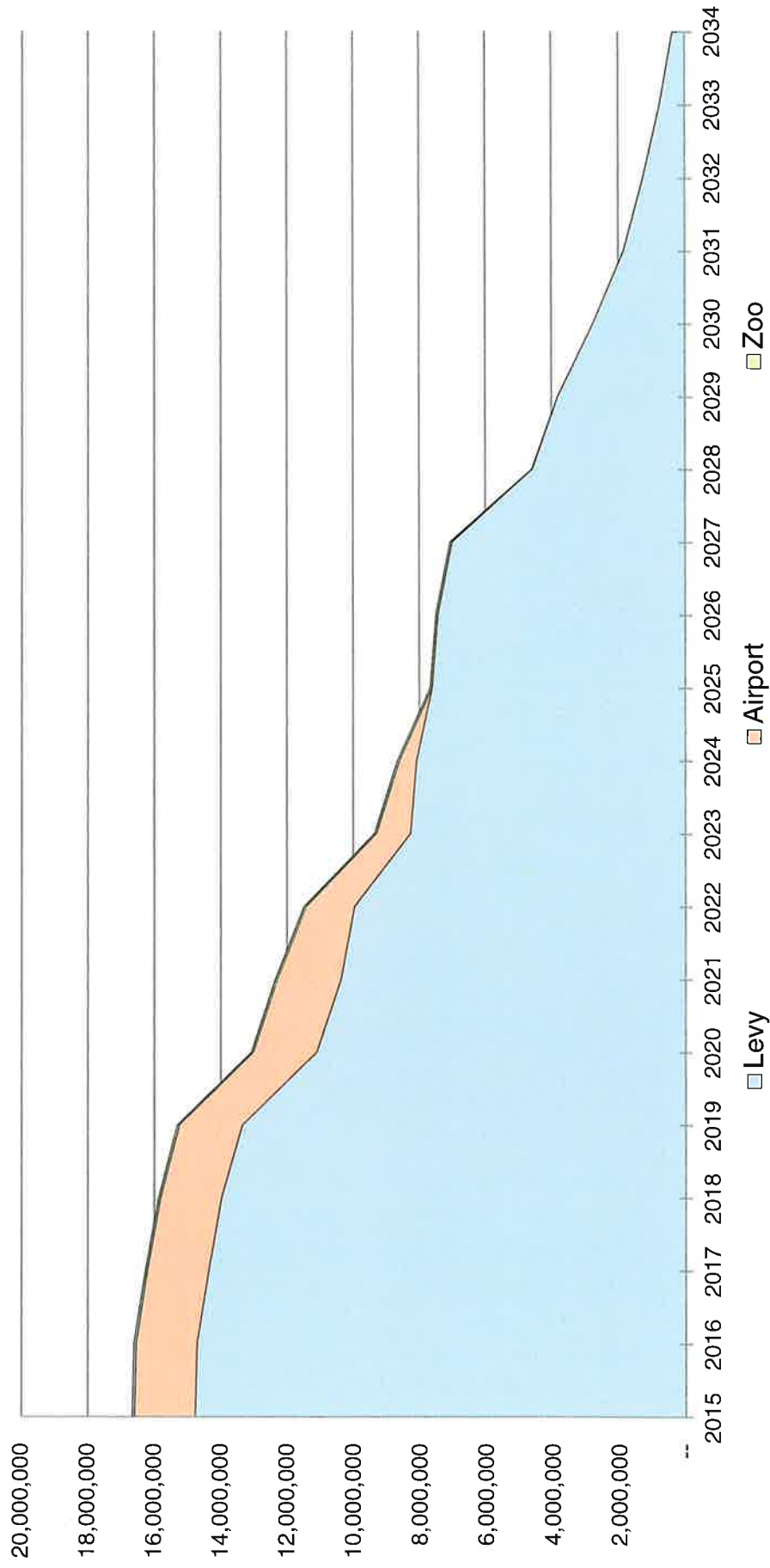
Year	Lewy Supported		Airport Supported		Zoo Supported		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	10,438,000	4,323,552	1,420,000	418,600	32,000	27,863	11,890,000	4,770,015
2016	10,636,000	4,079,017	1,490,000	343,900	34,000	26,738	12,160,000	4,449,655
2017	10,575,000	3,782,116	1,540,000	311,050	35,000	25,525	12,150,000	4,118,691
2018	10,489,000	3,486,378	1,560,000	273,950	36,000	24,188	12,085,000	3,784,516
2019	10,203,000	3,136,628	1,670,000	236,350	37,000	22,413	11,910,000	3,395,391
2020	8,323,000	2,778,206	1,710,000	195,650	42,000	20,588	10,075,000	2,994,444
2021	7,895,000	2,473,494	1,770,000	144,350	45,000	18,510	9,710,000	2,636,354
2022	7,789,000	2,172,509	1,360,000	90,100	46,000	16,260	9,195,000	2,278,869
2023	6,398,000	1,871,721	980,000	44,550	47,000	13,960	7,425,000	1,930,231
2024	6,480,000	1,605,021	505,000	15,150	50,000	11,598	7,035,000	1,631,769
2025	6,282,000	1,329,759	--	--	53,000	9,070	6,335,000	1,338,829
2026	6,381,000	1,057,216	--	--	54,000	6,375	6,435,000	1,063,591
2027	6,228,000	777,806	--	--	57,000	3,630	6,285,000	781,436
2028	4,072,000	504,108	--	--	13,000	715	4,085,000	504,823
2029	3,470,000	335,898	--	--	--	--	3,470,000	335,898
2030	2,565,000	201,768	--	--	--	--	2,565,000	201,768
2031	1,720,000	118,243	--	--	--	--	1,720,000	118,243
2032	1,185,000	69,900	--	--	--	--	1,185,000	69,900
2033	720,000	33,240	--	--	--	--	720,000	33,240
2034	350,000	10,500	--	--	--	--	350,000	10,500
	122,199,000	34,147,078	28,010,000	4,147,299	581,000	227,433	136,785,000	36,448,161
								173,233,161



Aggregate G.O. Debt Service Graph

Below is a graphical representation of the County's G.O. debt service obligations by repayment source.

Total Existing Debt Service





Brown County / PFM Refunding History



Brown County



- In 2007 and 2014, PFM won RFPs to serve as financial advisor to Brown County.
- Since being hired, PFM has conducted 22 competitive sales for Brown County, yielding 12 different winning firms.

1. Fifth Third Securities, Inc.
2. Harris Bank
3. Hutchinson, Shockey, Erley
4. Janney Montgomery Scott
5. M&I Bank
6. Morgan Keegan
7. Morgan Stanley
8. Piper Jaffray
9. PNC Capital Markets
10. Raymond James
11. Robert W. Baird
12. FTN Financial



RAYMOND JAMES[®]



Morgan Stanley



FIFTH THIRD
SECURITIES





Brown County – Refunding Discipline

Of the 22 debt issues PFM has advised the County on, 11 had a refunding component, and only one of the eleven was an advance refunding. This patience has yielded additional P.V. savings vs “advance” refundings.

Sale Date	Brown County Issue	Par Amount	New or Refunding	"Advance" "Current"	P.V. Savings
06/20/2007	G.O. Corporate Purpose Bonds, Series 2007	\$ 9,240,000	New Money	Current	3.1%
02/20/2008	G.O. Promissory Notes, Series 2008A	8,455,000	New / Ref.	Current	
02/20/2008	G.O. Corporate Purpose Bonds, Series 2008B	26,200,000	New Money	Current	
03/19/2008	G.O. Refunding Bonds, Series 2008C	14,950,000	Refunding	Advance	3.4%
05/20/2009	Taxable G.O. Corporate Purpose Bonds, Series 2009A (BABs)	13,475,000	New Money	Current	
06/16/2010	G.O. Promissory Notes, Series 2010A	15,615,000	New Money	Current	
06/16/2010	Taxable G.O. Corporate Purpose Bonds, Series 2010B (BABs)	5,600,000	New Money	Current	
11/08/2010	Taxable G.O. Public Safety Bonds, Series 2010C (BABs)	4,750,000	New Money	Current	
04/20/2011	G.O. Corporate Purpose Bonds, Series 2011A	10,440,000	New Money	Current	
05/16/2012	G.O. Corporate Purpose Bonds, Series 2012A	9,215,000	New Money	Current	
09/19/2012	G.O. Airport Refunding Bonds, Series 2012B (AMT)	3,810,000	Refunding	Current	16.4%
09/19/2012	G.O. Refunding Bonds, Series 2012C	3,225,000	Refunding	Current	9.4%
05/15/2013	G.O. Highway Bonds, Series 2013A	6,460,000	New Money	Current	
09/18/2013	G.O. Corporate Purpose Refunding Bonds, Series 2013B	3,715,000	Refunding	Current	8.3%
09/18/2013	G.O. Airport Improvement Refunding Bonds, Series 2013C (AMT)	1,905,000	Refunding	Current	11.6%
09/18/2013	Taxable G.O. Refunding Bonds, Series 2013D	9,060,000	Refunding	Current	14.9%
05/21/2014	G.O. Highway Bonds, Series 2014A	5,665,000	New Money	Current	
10/15/2014	G.O. Corporate Purpose Refunding Bonds, Series 2014B	2,330,000	Refunding	Current	8.9%
10/15/2014	G.O. Airport Improvement Refunding Bonds, Series 2014C (AMT)	4,575,000	Refunding	Current	14.1%
05/20/2015	G.O. Corporate Purpose Bonds, Series 2015A	7,565,000	New Money	Current	
09/16/2015	G.O. Corporate Purpose Refunding Bonds, Series 2015B	3,760,000	Refunding	Current	5.5%
09/16/2015	G.O. Airport Improvement Refunding Bonds, Series 2015C (AMT)	2,875,000	Refunding	Current	11.8%