



POLK COUNTY, WISCONSIN

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Polk County Board of Supervisors

100 Polk County Plaza, Balsam Lake, Wisconsin
Polk County Government Center - County Board Room

Committee of the Whole Meeting Minutes

Wednesday, September 13, 2017

Meeting called to order by Chair Johansen at 1:02 p.m.

Chairman Johansen called on the clerk for evidence of proper notice. Clerk informed members that the Committee of the Whole had been properly noticed electronically on the Polk County website, posted in the Government Center building, as well as distributed to the Supervisors via email and weekly meeting packets on September 6, 2017. Corporation Counsel, Jeff Fuge informed the board members the meeting had been properly noticed.

Roll call was taken by the clerk with 14 present. Supervisor Jim Edgell was absent and excused.

Also present: Sharon Jorgenson, County Clerk; Dana Frey, County Administrator; Jeff Fuge, Corporation Counsel; Andrea Jerrick, Deputy County Administrator; Emil Norby, Highway Commissioner; Norman Barrientos from Barrientos & Ayres, Randy LaFave from Market & Johnson, Maggie Wickre, Finance Director; Amanda Nissen, Treasurer; members of the public and member of the press.

Chairman Johansen led the Pledge of Allegiance.

Chairman Johansen called for a motion to approve the consent agenda. **Motion** (Bonneprise/Masters) to approve the September 13, 2017 agenda and minutes of the March 9th, 2017 meeting. **Motion** carried by unanimous voice vote.

Business Items:

Chairman Johansen called upon Administrator Frey for meeting updates. Budget process moved to last item on agenda.

Chairman Johansen called upon Administrator Frey for overview of items to be covered and updates on Highway Garage Workshop. Board received update on Highway Project from Deputy Administrator Andrea Jerrick. Board received presentation from Randy LaFave, Construction Manager Representative from Market & Johnson regarding overview of bid submissions received on Bid Package #1, Bid Package #2 breakdown, and update on bid package for former Bishop Building. Bids for Bishop Building Bid Package will be opened 9/18/17. Bid package #2 will incorporate a separate bid package for Salt shed,

fuel island, and scale project. Board received presentation from Norman Barrientos, Architect from Barrientos & Ayres regarding final design elements of Highway Garage.

Board received handout and presentation regarding financing overview and financing process for Highway Garage project from Michele Wiberg, Senior Vice President/Director at PMA Securities. Next step will be to adopt a Parameters Resolution to establish borrowing amounts, interest rate and cost of issuance, which will be needed by November 1st in order to give 30 day call notice for pay-off of 2005 bonds.

Chairman Johansen called for a recess at 2:42 p.m.

Chairman Johansen called Committee of the Whole back in session at 2:51 p.m.

Board received information regarding bonding/financing, use of fund balance, and contingencies from Administrator Frey. Board received Budget presentation and recommendations including amendments to budget ceilings and policy amendments from Administrator Frey.

Chairman Johansen called for a motion to adjourn. **Motion** Bonneprise/Masters to adjourn. Chairman Johansen called for a voice vote on the motion to adjourn. **Motion** carried by unanimous voice vote.

Chairman Johansen declared meeting adjourned at 3:36 p.m.

Respectfully submitted,

Sharon E. Jorgenson
Polk County Clerk



POLK COUNTY BOARD OF SUPERVISORS
OFFICE OF THE CHAIRMAN, DEAN K. JOHANSEN

100 Polk County Plaza, Suite 170
Polk County Government Center
Balsam Lake, WI 54810

Committee of the Whole Meeting

Date: Wednesday, September 13, 2017

Time: 1:00 p.m.

Place: County Board Room

Order of Business

1. Call to Order (meet in county board room)
2. Evidence of Proper Notice
3. Roll Call
4. Pledge of Allegiance
5. Consent Agenda:
 - a. Approval of Noticed Agenda for Committee of the Whole Meeting
 - b. Approval of Minutes from March 9, 2017 meeting

Business Items

6. Administration 2018 Budget Recommendation
7. **Highway Garage Workshop**
 - a. Presentation Concerning Construction of Highway Garage
 - Overview of Bid Submissions Received on Bid Package #1
 - Update on Bid Package for Bishop Building
 - Development of Design of Bid Package #2
 - b. Recommendations Concerning Bid Package #2

Adjourn



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Committee of the Whole Minutes

Thursday, March 9th, 2017

Meeting called to order by Chair Johansen at 3:05 p.m.

Chair called on the clerk for evidence of proper notice. Clerk informed members that the Committee of the Whole had been properly noticed electronically on the Polk County website, posted in the Government Center building, as well as distributed to the Supervisors via email and weekly meeting packets on March 7th, 2017. Corporation Counsel, Jeff Fuge informed the board members the meeting had been properly noticed.

Roll call was taken by the clerk with 9 present. Absent were Supervisors Brad Olson, Craig Moriak, Brian Masters, Warren Nelson, Joe Demulling, and John Bonneprise.

Also present: Sharon Jorgenson, County Clerk; Dana Frey, County Administrator; Jeff Fuge, Corporation Counsel; Andrea Jerrick, Deputy County Administrator; Debbie Peterson, Buildings/Parks, Emil Norby, Highway Commissioner; Jeff Reed, Village of Balsam Lake; Pat Fehrenbach and Eric Henningsgard, SEH; Brock Geyen, Clifton Larson Allen; members of the public and members of the press.

Chair Johansen called for a motion to approve the consent agenda. **Motion by Jepsen/Luke** to approve the agenda.

Chairman Johansen led the Pledge of Allegiance.

Business Items:

Chairman Johansen called upon Dana Frey to report on the highway facility as required by Resolution 42-16. (Note scrivener's error on Resolution number 40-16 on Agenda, should be 42-16). Board received hand-out showing project site layouts and timeline for project.

Board received hand-out showing Polk County Highway Department site concept lay-outs and proposals/use of the current Bishop Building and a presentation by Pat Fehrenbach from SEH.

Chair Johansen declared meeting in recess for the purpose of touring the Bishop site/future Highway Department site at 3:51 p.m.

Chair Johansen declared meeting back in session at 4:26 p.m following tour of site.

Chairman Johansen called upon Pat Fehrenbach from SEH to present estimated costs of highway project. Chairman Johansen called upon Andrea Jerrick to present preliminary real estate agreements

negotiated between the Village of Balsam Lake and Bishop Millwork. Board received hand out from Jerrick. Auditor Brock presented information on the TID (Tax Increment District). Dana Frey presented report of options and recommendations for payment options for highway building project.

With board consensus Chairman Johansen asked that a resolution be prepared to move forward with the Highway project. He asked that project hand-out materials be sent to absent board supervisors.

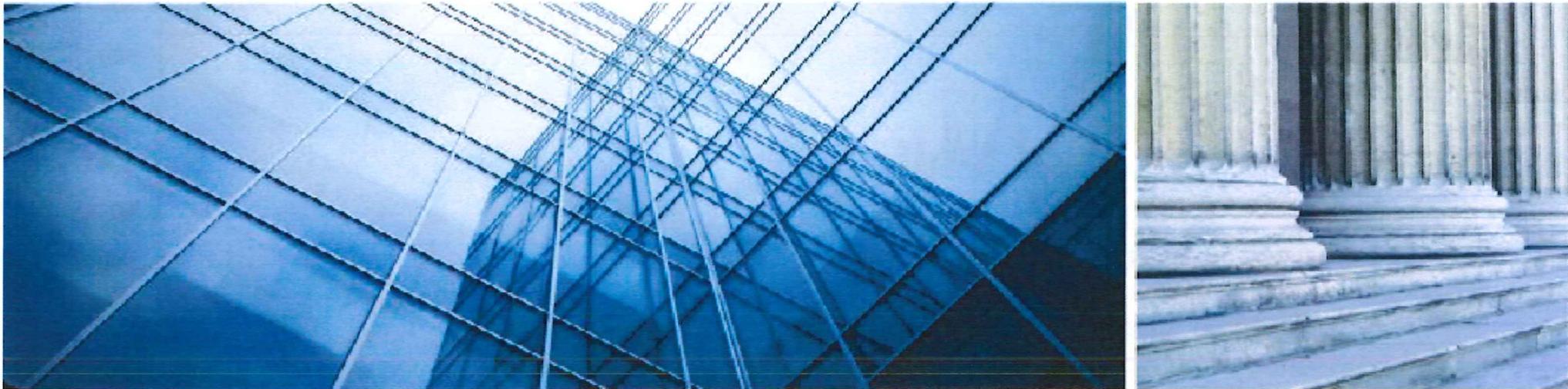
Chairman Johansen notified board members of the death of Supervisor Warren Nelson. He also informed the board that Supervisor Craig Moriak resigned as of 3/31/17 as he has moved out of his district.

Motion Prichard/Chris Nelson requesting a resolution of condolence to family of Warren Nelson. Board discussed sending flowers from the board and paying for them from the Sunshine Fund or collecting from supervisors.

Chairman Johansen called for a motion to adjourn. **Motion** to adjourn Arcand/Jepsen. **Motion** carried by unanimous voice vote. Chairman Johansen declared meeting adjourned at 5:40 p.m.

Respectfully submitted,

Sharon E. Jorgenson
Polk County Clerk



POLK COUNTY

2017 Financing Overview

MICHELE WIBERG
SENIOR VICE PRESIDENT
DIRECTOR – WISCONSIN OFFICE
PMA SECURITIES, INC.

SEPTEMBER 13, 2017

HISTORICAL INTEREST RATE COMPARISON

MMD "AAA" 10-Year Bond Index

20 Year History



Information shown is the Municipal Market Data index for AAA-rated, 10-year bonds.

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3 below AAA*

- **Developing a Financing Plan**
 - Create an optimal financing strategy within the framework of current municipal market characteristics, coupled with the County’s specific financing needs and goals
- **Key Discussion Points:**
 - Desire for shorter term debt amortization (10 years or less)
 - Goal of level debt service levy while accounting for potential future financing needs
 - Analyze components of 2017 financing needs – new money plus refinancing
 - Consider single- versus multi-series borrowing
 - Estimate costs of issuance and discuss how costs are accounted for in a municipal market debt issue
- **PMA’s role in the Financing Process**
 - Evaluate financing sources – municipal market, local financial institution, State Trust Fund – and recommend the course of action that provides the best outcome for the County

– **Example MuniAuction Sale Results:**

Northeast Wisconsin Technical College District
\$15,000,000 General Obligation School Improvement Bonds, Series 2017
Sale Date: July 10, 2017

	Bidder	Firm	TIC	Time	Gross Interest	+ Discount/ (Premium)	Total Interest	Bid No.	Cumulative Improvement
1st	RWBA-DK	<u>Robert Baird</u>	2.914284%	10:28:00 am	\$5,408,289.73	(563,348.40)	\$4,844,941.33	1	-
2nd	PIPE-DD	<u>Piper Jaffray</u>	2.931285%	10:29:28 am	\$5,358,373.07	(487,540.01)	\$4,870,833.06	4	0.021654%
3rd	FTNF-VP	<u>FTN Financial</u>	2.949652%	10:29:17 am	\$5,514,881.26	(600,000.00)	\$4,914,881.26	4	0.072501%
4th	NORT-DS	<u>Northland</u>	3.058899%	10:28:54 am	\$5,697,123.07	(600,000.00)	\$5,097,123.07	8	0.491796%
5th	HUTC-JV	<u>Hutchinson</u>	3.113656%	10:29:53 am	\$5,653,212.50	(491,000.00)	\$5,162,212.50	2	0.081427%
Total Bids:								19	

– **Example Parity Sale Results:**

Wisconsin Indianhead Technical College District
\$6,545,000 General Obligation Promissory Notes, Series 2017A
Sale Date: February 27, 2017

Bidder Name	TIC
<u>UMB Bank N.A.</u>	1.801571
<u>Northland Securities, Inc.</u>	1.841509
<u>BOK Financial Securities, Inc.</u>	1.841565
<u>Citigroup Global Markets, Inc.</u>	1.845980
<u>Robert W. Baird & Co., Inc.</u>	1.877645
<u>Raymond James & Associates, Inc.</u>	1.890149
<u>Wells Fargo Bank, National Association</u>	1.895494

- September 13, 2017
 - County Board COW Workshop
 - Discuss Financing Process and Timeline; Review Financing Plans

- October 17, 2017
 - County Board Meeting
 - Finalize borrowing amount for highway facility project
 - Adopt a **Parameters Resolution** for the borrowing
 - Parameters Resolution establishes not to exceed amounts for borrowing size, interest rate, and costs of issuance; delegates authority to one or two individuals to approve final sale (i.e. County Board Chair and/or County Administrator)

- October 26, 2017
 - Sale, interest rates locked in
 - With Parameters Resolution in place, no County Board meeting is necessary

- November 1, 2017
 - Call Notice distributed for payoff of 2005 Bonds
 - Call Notice is required to be sent 30 days in advance of payoff date, which is December 1
- December 1, 2017
 - Closing Date
 - Funds available for highway facility project and can be invested to meet the proposed construction draw down schedule; investment earnings can be used to offset project costs or future debt service levies
 - Funds wired to payoff 2005 Bonds

Polk County
EXAMPLE FINANCING PLAN

LEVY YEAR	YEAR DUE	EXISTING DEBT SERVICE	EFFECT OF EXAMPLE 2017 REFINANCING	NET LEVY FOR EXISTING DEBT SERVICE	\$11,000,000 G.O. PROMISSORY NOTES Dated December 1, 2017 (First interest 6/1/18)		\$10,000,000 G.O. PROMISSORY NOTES Dated December 1, 2021 (First interest 6/1/22)		\$10,000,000 G.O. PROMISSORY NOTES Dated December 1, 2026 (First interest 6/1/27)		\$10,000,000 G.O. PROMISSORY NOTES Perpetually Issued Every 5 Years TOTAL DEBT SERVICE	LESS: EST. REOFFERING PREMIUM	NET DEBT SERVICE	NET MILL RATE (A)	COMBINED DEBT SERVICE	COMBINED MILL RATE (A)	YEAR DUE	
					PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) EST. TIC= 2.35%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) EST. AVG= 3.50%	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1) EST. AVG= 3.50%								
				Actual 2017 Levy: \$3,160,000														
2016	2017	\$2,256,055			\$645,000	\$330,000									\$3,160,000	\$0.75	2017	
2017	2018	\$2,335,375	(\$92,375)	\$2,243,001	\$210,000	\$310,650						(\$415,443)	\$559,557	\$0.13	\$2,802,558	\$0.66	2018	
2018	2019	\$2,369,900	(\$87,700)	\$2,282,201	\$260,000	\$304,350							\$520,650	\$0.12	\$2,802,851	\$0.66	2019	
2019	2020	\$2,328,250	(\$90,288)	\$2,237,963	\$1,875,000	\$296,550							\$564,350	\$0.13	\$2,802,313	\$0.65	2020	
2020	2021	\$523,750	(\$92,248)	\$431,503	\$1,240,000	\$240,300	\$770,000	\$350,000					\$2,171,550	\$0.50	\$2,603,053	\$0.61	2021	
2021	2022				\$1,275,000	\$203,100	\$800,000	\$323,050					\$2,600,300	\$0.60	\$2,600,300	\$0.60	2022	
2022	2023				\$1,315,000	\$164,850	\$630,000	\$295,050					\$2,601,150	\$0.60	\$2,601,150	\$0.60	2023	
2023	2024				\$1,350,000	\$125,400	\$655,000	\$273,000					\$2,404,900	\$0.55	\$2,404,900	\$0.55	2024	
2024	2025				\$1,395,000	\$84,900	\$675,000	\$250,075					\$2,403,400	\$0.55	\$2,403,400	\$0.55	2025	
2025	2026				\$1,435,000	\$43,050	\$50,000	\$226,460	\$390,000	\$350,000			\$2,404,975	\$0.55	\$2,404,975	\$0.55	2026	
2026	2027						\$50,000	\$226,460	\$450,000	\$292,075			\$2,494,500	\$0.56	\$2,494,500	\$0.56	2027	
2027	2028						\$1,525,000	\$224,700	\$405,000	\$336,350			\$2,491,050	\$0.56	\$2,491,050	\$0.56	2028	
2028	2029						\$1,575,000	\$171,325	\$425,000	\$322,175			\$2,493,500	\$0.56	\$2,493,500	\$0.56	2029	
2029	2030						\$1,630,000	\$116,200	\$435,000	\$307,300			\$2,488,500	\$0.55	\$2,488,500	\$0.55	2030	
2030	2031						\$1,690,000	\$59,150	\$450,000	\$292,075			\$2,491,225	\$0.55	\$2,491,225	\$0.55	2031	
2031	2032								\$1,470,000	\$278,325	\$740,000		\$2,486,325	\$0.55	\$2,486,325	\$0.55	2032	
2032	2033								\$1,525,000	\$224,875	\$741,350		\$2,491,225	\$0.55	\$2,491,225	\$0.55	2033	
2033	2034								\$1,575,000	\$171,500	\$747,175		\$2,493,675	\$0.54	\$2,493,675	\$0.54	2034	
2034	2035								\$1,635,000	\$116,375	\$742,300		\$2,493,675	\$0.54	\$2,493,675	\$0.54	2035	
2035	2036								\$1,690,000	\$59,150	\$742,075		\$2,491,225	\$0.54	\$2,491,225	\$0.54	2036	
2036	2037										\$2,486,325		\$2,486,325	\$0.53	\$2,486,325	\$0.53	2037	
2037	2038								Average life = 7.0 years		\$2,491,225		\$2,491,225	\$0.53	\$2,491,225	\$0.53	2038	
2038	2039										\$2,493,675		\$2,493,675	\$0.53	\$2,493,675	\$0.53	2039	
2039	2040										\$2,493,675		\$2,493,675	\$0.53	\$2,493,675	\$0.53	2040	
2040	2041										\$2,491,225		\$2,491,225	\$0.52	\$2,491,225	\$0.52	2041	
		<u>\$9,813,330</u>	<u>(\$362,809)</u>	<u>\$10,354,666</u>	<u>\$11,000,000</u>	<u>\$2,103,150</u>	<u>\$10,000,000</u>	<u>\$2,289,000</u>	<u>\$10,000,000</u>	<u>\$2,456,125</u>	<u>\$16,169,025</u>	<u>(\$415,443)</u>	<u>\$53,601,857</u>	<u>\$0.49</u>	<u>\$63,956,523</u>	<u>IMPACT (\$0.09)</u>		

(A) Mill rate based on 2016 Equalized Valuation (TID-OUT) of \$4,216,878,900 with annual growth of 0.50%.



Polk County

Preliminary Refinancing Analysis

Calendar Year	BEFORE REFINANCING				*	AFTER REFINANCING					EST. ANNUAL D/S SAVINGS	
	\$18,500,000 G.O. Refunding Bonds Dated March 15, 2005			TOTAL DEBT SERVICE	*	\$18,500,000 G.O. Refunding Bonds Dated March 15, 2005		\$6,990,000 G.O. Refunding Bonds Dated December 1, 2017				TOTAL DEBT SERVICE
	PRINCIPAL (12/1)	RATE	INTEREST (6/1 & 12/1)		*	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	PRINCIPAL (12/1)	INTEREST (6/1 & 12/1)	TOTAL		
					*							
					*							
2017	\$1,860,000	3.800%	\$396,055	\$2,256,055	*	\$1,860,000	\$396,055				\$2,256,055	\$0
2018	\$2,010,000	4.750%	\$325,375	\$2,335,375	*			\$2,150,000	\$93,001	\$2,243,001	\$2,243,001	\$92,375
2019	\$2,140,000	4.750%	\$229,900	\$2,369,900	*			\$2,215,000	\$67,201	\$2,282,201	\$2,282,201	\$87,700
2020	\$2,200,000	4.750%	\$128,250	\$2,328,250	*			\$2,200,000	\$37,963	\$2,237,963	\$2,237,963	\$90,288
2021	\$500,000	4.750%	\$23,750	\$523,750	*			\$425,000	\$6,503	\$431,503	\$431,503	\$92,248
	\$8,710,000		\$1,103,330	\$9,813,330	*	\$1,860,000	\$396,055	\$6,990,000	\$204,666	\$7,194,666	\$9,450,721	\$362,609

Callable Maturities \$6,850,000 Callable: December 1, 2017 @ Par

\$0 Remaining Callable

Gross Savings (sum of annual savings)	\$362,609
Present Value Savings (in today's dollars)	\$345,181
Present Value Savings as a Percentage of Bonds Refinanced	5.039%

Savings are shown net of estimated costs of issuance.





The information contained herein is solely intended to suggest/discuss potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive. The information set forth herein was gathered from sources which we believe, but do not guarantee, to be accurate. Neither the information, nor any options expressed, constitute a solicitation by us for purposes of sale or purchase of any securities or commodities. Investment/financing decisions by market participants should not be based on this information.

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