



Notice of Public Meeting

AGENDA

Committee: Finance Committee
Date: Thursday, November 10, 2022
Time: 8:30 a.m.
Location: 3rd Floor County Board Room
Remote Meeting Access: [Click here to join the meeting](#)

The meeting is open to the public, but portions of the meeting may be closed if this notice indicates that the committee may convene in closed session. The following matters may be considered and acted upon at the meeting, but deviations from the order shown may occur:

1. Call to Order
2. Roll Call of Members
3. Public Comment Regarding Posted Agenda Items
4. Review/Discussion/Action ~ PMA Contract Approval
5. Review/Discussion/Action ~ Acceptance of Bids for Highway Bond
6. Review/Discussion/Action ~ A Resolution Providing for the Issuance, Sale and Delivery of a \$1,700,000.00 General Obligation Promissory Note, Series 2022, of Buffalo County, Wisconsin; Establishing the Terms and Conditions Therefor; Directing Its Execution and Delivery; Creating a Debt Service Account Therefor and Awarding the Sale Thereof
7. Chairperson's Report
8. Administrative Coordinator Report
9. Public Comment Unrelated to Agenda Items
10. Review/Discussion/Action ~ Next Date and Time
11. Adjournment.

Date: November 2, 2022

Dennis Bork, Chair

By: Roxann M. Halverson, County Clerk

Board Members: If unable to attend, please contact the Chair. If the Chair is unavailable, please contact the County Clerk's Office at 608-685-6209. If the Chair and the County Clerk are not available, please call the Administrative Coordinator at 608-685-6234.

Persons with Disabilities: Buffalo County shall attempt to provide reasonable accommodations to the public for access to its public meetings, provided reasonable notice of special need is given. If you require special accommodations to attend this meeting, please contact the County Clerk's Office at 608-685-6209.

Public Access to the Courthouse: The South Entrance will be the only access to the building after 4:30 p.m.

Persons who are members of another governmental body, but who are not members of this committee, may attend this meeting. Their attendance could result in a quorum of another governmental body being present. Such a quorum is unintended, and they are not meeting to exercise the authority, duties, or responsibilities of any other governmental body.



FINANCIAL ADVISORY AGREEMENT

This Financial Advisory Agreement (the “Agreement”) is made and entered into by and between the Buffalo County, Wisconsin (“Issuer”) and PMA Securities, LLC (“PMA”) effective as of October 13, 2022 (the “Effective Date”). The Issuer and PMA collectively constitute the “Parties” hereunder.

WITNESSETH:

WHEREAS, the Issuer intends to issue \$1,700,000* General Obligation Promissory Note, Series 2022 (the “Securities”) and in connection with the authorization, sale, issuance and delivery of such indebtedness, the Issuer desires to retain a financial advisor to advise the Issuer regarding the issuance of the Securities;

WHEREAS, PMA is willing to provide its professional services and its facilities as financial advisor in connection with the Securities as may be considered and authorized by the Issuer during the period in which this Agreement shall be effective;

WHEREAS, the Issuer is a municipal entity and the Securities are municipal securities as defined by the Securities Exchange Act of 1934 and the rules of the Municipal Securities Rulemaking Board (“MSRB”);

WHEREAS, PMA is registered as a municipal advisor with the U.S. Securities Exchange Commission (“SEC”) and the MSRB and thus, may provide municipal advisor services to a municipal entity such as the Issuer, including advice with respect to the issuance of municipal securities; and

WHEREAS, the financial advisory services described herein are provided by PMA exclusively as a Municipal Advisor as described under MSRB Rule G-3(d).

NOW, THEREFORE, the Issuer and PMA, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I SCOPE OF SERVICES

Upon the request of an authorized representative of the Issuer, PMA agrees to perform the financial advisory services (hereinafter “Services” or “Scope of Services”) stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay PMA the compensation as provided in Section VI hereof. The Scope of Services to be performed in connection with the issuance of the Securities are only those listed below.

A. Financial Planning. At the direction of the Issuer, PMA shall:

1. Analysis. Conduct an analysis of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service the Securities contemplated. This analysis will include reviews of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, may include an analysis of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. The analysis may take into account any outstanding indebtedness payable from the revenues of existing or projected facilities operated by the Issuer, additional revenues to be available from any proposed rate increases and additional revenues, as projected through internal proprietary systems of PMA and its affiliates or through other parties employed by the Issuer, resulting from improvements to be financed by the Securities under consideration.

*Preliminary, subject to change, and reflects the current estimated par amount.

2. Future Financings. Consider and analyze future financing needs as projected by the Issuer's staff, through internal proprietary systems of PMA and its affiliates or through other parties, if any, employed by the Issuer.
3. Recommendations for Securities. Submit recommendations to the Issuer regarding the Securities under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while achieving the objectives of the Issuer. All recommendations will be consistent with the goal of designing the Securities to be sold on terms that are advantageous to the Issuer, including the lowest interest cost consistent with all other considerations.
4. Market Information. Advise the Issuer of current bond market conditions, other related forthcoming bond issues, economic data and other market information, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Securities may be set at a favorable time.
5. Elections. Assist in coordinating the assembly of data for the preparation of any necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the issuance of municipal securities, including assistance in the transmission of such data to any law firm retained by the Issuer, such as issuer counsel, bond counsel, disclosure counsel or otherwise, in the event it is necessary to hold an election to authorize the Securities.

B. Debt Management and Financial Implementation. At the direction of the Issuer, PMA shall:

1. Method of Sale. Evaluate the particular financing of Securities being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:
 - a. If the Securities are to be sold by an advertised competitive sale, PMA will:
 - (1) Oversee the sale of the Securities;
 - (2) Disseminate information to prospective bidders, organize such informational meetings as may be necessary, and facilitate prospective bidders' efforts in making timely submission of proper bids which may include the use of a third party auction platform;
 - (3) Assist the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and
 - (4) Advise the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids.
 - b. If the Securities are to be sold by negotiated sale, PMA will:
 - (1) Recommend, for the Issuer's formal approval and acceptance, one or more investment banking firms as managers of an underwriting syndicate to negotiate the purchase of the Securities. This may include a request for proposal for underwriting services. A recommendation will be based upon but not limited to the following: proposed underwriter fees, indicative interest rates and yields, recent comparable bond sales that support the indicative rates and yields, quality of structuring ideas proposed, experience of the

underwriter and its personnel, and willingness to commit capital. In keeping with the provisions of Rule G-23 of the MSRB, PMA will not participate in an underwriting syndicate in connection with the negotiated purchase of the Securities.

- (2) Cooperate with and assist the underwriter(s) in the review of a bond purchase contract and other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the Issuer's agreement with the underwriter(s), but shall not be or become an obligation of PMA, except to the extent specifically provided otherwise in this Agreement or assumed in writing by PMA.
 - (3) Assist the staff of the Issuer in the safekeeping of any good faith checks, to the extent there are any, and provide a cost comparison for both expenses and interest, which are suggested by the underwriter(s), to the then current market.
 - (4) Advise the Issuer as to the fairness of the prices/yields offered by the underwriter(s).
- c. If the Securities are to be sold as a placement:
- (1) Direct Sale. The Issuer shall identify the potential purchasers and provide the information to PMA in a direct sale. At the request of the Issuer, PMA will disseminate information, including any offering documents, to prospective purchasers and collect prospective purchasers' timely submission of offers to purchase. PMA will analyze such offers to purchase and make a recommendation to the Issuer regarding the acceptance of one or more offers to purchase the Securities according to parameters set out by the Issuer or based on the Issuer's best interest.
 - (2) Private Placement. PMA may recommend that the Issuer engage a placement agent for a private placement of the Securities, under certain circumstances. The recommendation to engage a placement agent will be based upon, but not limited to, the following factors: the size and complexity of the Securities, the credit of the Issuer, the amortization length of the Securities and whether DTC eligibility is appropriate for the issuance. If PMA recommends the use of a placement agent, PMA will then recommend, for the Issuer's formal approval and acceptance, an investment banking firm as placement agent for the Securities. This may include a request for proposal for placement agent services. A recommendation will be based upon, but not limited to the following: proposed fee, indicative interest rates, recent comparable bond sales that support the rates, quality of structuring ideas proposed and experience of the placement agent and its personnel.
2. Issuer Meetings. Attend meetings of the governing body of the Issuer, its staff, representatives or committees as requested and at all times when PMA may be of assistance or service and the subject matter is related to the Securities.
 3. Review of Third Party Recommendations. Review of a recommendation of another party if requested by the Issuer and the request is within the Scope of Services. PMA will determine, based on the information obtained through reasonable diligence, whether the municipal securities transaction or municipal financial product is or is not suitable for the Issuer. In addition, PMA will inform the Issuer of:
 - (1) PMA's evaluation of the material risks, potential benefits, structure and other characteristics of the recommended municipal securities transaction or municipal financial product;

- (2) The basis upon which PMA reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for the Issuer; and
 - (3) Whether PMA has investigated or considered other reasonably feasible alternatives to the recommended municipal securities transaction or municipal financial product that might also or alternatively serve the Issuer's objectives.
4. Offering Documents. Draft the preliminary and final Official Statements, Offering Memoranda or Term Sheets ("Offering Documents") based on information provided by the Issuer as well as information derived from other sources. The information contained in the Offering Documents will be derived from the sources stated or, if not otherwise sourced, from the Issuer. PMA makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in the Offering Document, and its assistance in preparing the Offering Document should not be construed as a representation that it has independently verified such information. The Issuer will be expected to examine, approve and make certifications with respect to the information in the Offering Documents in accordance with its obligations under the federal securities laws.
 - (1) In a competitive sale, PMA will coordinate the preparation of the notice of sale and bidding instructions, official bid form and such other documents as may be required and submit all such documents to the Issuer for examination, approval and certification.
 - (2) PMA will electronically distribute the Offering Documents.
 - (3) Some of the data collected may require a fee, such as overlapping debt or an auditor's certificate. Upon the request of an authorized representative of the Issuer, any fees for data will be sent to the Issuer for prior approval.
 - (4) As needed for Offering Documents disclosure purposes, PMA will file reportable event notices and other information to the MSRB's Electronic Municipal Market Access ("EMMA") as directed by the Issuer.
5. Credit Ratings and Insurance. Make recommendations to the Issuer as to the advisability of obtaining a credit rating and/or insurance for the Securities. Where insurance for the Securities is advised, PMA will request bids from insurance agencies. When directed by the Issuer, coordinate the preparation of such information as may be appropriate for submission to the rating agency and/or insurance agencies. If PMA's advice includes personal presentation of information to the rating agency and/or insurance agencies, PMA will arrange for such personal presentations by the Issuer's representatives.
6. Trustee, Paying Agent, Registrar. Assist the Issuer in the selection of a trustee and/or paying agent/registrar for the Securities and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.
7. Escrow Bidding Agent, Escrow Agent, Verification Agent. Assist the Issuer in the selection of an escrow bidding agent, an escrow agent and/or a verification agent for the Securities and assist in the negotiation of agreements pertinent to those services and the fees incident thereto, if needed.
8. Financial Publications. Advise financial publications of the forthcoming sale of the Securities and provide them with all pertinent information, when appropriate. Upon request, PMA will coordinate the publication of legal notices when required by law for the issuance of the Securities.

9. Consultants. Arrange for reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Securities and assist in the negotiation of agreements pertinent to those services and the fees incident thereto.
10. Legal Counsel. Maintain liaison with bond counsel, disclosure counsel and local counsel, if any, in the preparation of legal documents pertaining to the authorization, sale and issuance of the Securities.
11. Delivery of the Securities. Coordinate the efforts of the working group for the Securities, which typically includes the Issuer, underwriter, bond counsel, and other counsel, as applicable, rating agency, bond registrar, paying agent, and any other third party engaged by the Issuer, as soon as a bid for the Securities is accepted by the Issuer, so that the Securities may be delivered and paid for as expeditiously as possible. Assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Securities.

C. Services Not Related to an Issuance of Municipal Securities. If requested by the Issuer, PMA will perform the services following this paragraph for the Issuer, with respect to the Securities, with no additional compensation required. This Agreement hereby terminates any prior Financial Advisory Agreement or Financial Advisory Engagement Letter for the provision of the following services:

1. Rating surveillance preparation;
2. Debt summary and debt book updates;
3. Educational presentations to the Issuer's governing body, community and/or staff;
4. Review paying agent/DTC invoices for accuracy;
5. Review and provide advice related to a bond levy;
6. Advise the Issuer of filings related to tax credit bonds and the need to approve abatement resolutions and debt service extension base modification resolutions;
7. Assist with filing debt-related documents with other government entities, such as the state;
8. Assist with FOIA-related documentation and questions; and
9. Assist with post-issuance compliance per the rules of the Internal Revenue Service ("IRS").

D. Limitations on Services. The Services are subject to the following limitations:

1. The Services are limited solely to the services described herein and are subject to any limitations set forth within the Scope of Services.
2. PMA is not responsible for certifying as to the accuracy or completeness (including the accuracy or completeness of any description of the Issuer's compliance with its continuing disclosure obligations) of any preliminary or final Offering Documents, other than with respect to any information about PMA provided by PMA for inclusion in such documents.
3. The Services do not include tax, legal, accounting or engineering advice with respect to the Securities, services not related to an issuance of municipal securities (except as provided in Section I.C. above) or in connection with any opinion or certificate rendered by bond counsel or any other person at closing, and does not include review or advice on any feasibility study.

4. Unless requested by the Issuer, PMA will not negotiate fees or send out a request for proposal for legal services including issuer counsel, bond counsel or disclosure counsel.
5. Dissemination Agent services for continuing disclosure are not included under this Agreement except as provided under Section I.B.4.(4). Dissemination Agent services include, for example, annual financial information and annual financial statement filings to EMMA.

E. Amendment to Scope of Services. The Scope of Services may be amended as set forth in Section VIII.D. The Parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services. Changes to the Scope of Services may result in an increased fee.

SECTION II POTENTIAL BENEFITS & RISKS OF ISSUING THE SECURITIES

A. The potential benefits involved with issuing the Securities include, among other things:

1. Meeting the Issuer's Funding Needs. The Securities are being issued to meet the Issuer's stated funding needs.
2. Relative Low Cost of Financing. Municipal obligations, such as the Securities, generally offer a lower cost of financing than other available alternatives.
3. Ability to Lower Cost of Financing in the Future. To the extent the Securities, or a portion of the Securities, are subject to a prepayment provision, the Issuer may be able to lower the cost of financing with a future refinancing of the Securities.
4. Ability to Restructure Payments in the Future. To the extent the Securities, or a portion of the Securities, are subject to a prepayment provision, the Issuer may be able to restructure the repayment schedule with a future refinancing or defeasance of the Securities.

B. The potential risks involved with issuing the Securities include, among other things:

1. Interest Rate Risk. The Securities are issued at a fixed rate(s). If market interest rates decline subsequent to the sale of the Securities, the Issuer will not be able to take advantage of lower market interest rates for the Securities unless and until the Securities can be prepaid or refinanced.
2. Prepayment Risk. To the extent the Securities, or a portion of the Securities, are not subject to a prepayment provision, the Issuer cannot prepay the Securities prior to their maturity date(s).
3. Closing Risk. If the Securities fail to attract an appropriate purchaser, or fail to be delivered at closing, the Issuer will not receive proceeds from the Securities.
4. Default Risk. If the Issuer fails to make the scheduled principal and/or interest payment(s) on the Securities in a timely manner, a default will occur, which negatively affects the Issuer's ability to get financing for other needs.
5. Tax Risk. If the opinion of bond counsel for the Securities identifies the Securities as tax-exempt or tax advantaged, and the IRS subsequently determines the Securities are taxable or ineligible for a tax credit, this determination could cause the IRS to change the designation of the Securities to taxable or to revoke the tax credits, resulting in potential adverse publicity, impairment of the Issuer's ability

to issue municipal securities in the future, litigation from bondholders and others or a settlement agreement between the IRS and the Issuer resulting in a payment from the Issuer to the IRS to maintain the tax-exempt or tax advantaged status of the Securities. Potential causes of such a determination may include, but are not limited to the following: the Issuer does not spend the proceeds of the Securities in a timely manner, change in use of the project financed by the Securities and any other determination by the IRS that rules governing the issuance of tax-exempt obligations were violated.

6. Disclosure Risk. To the extent the SEC determines that a material fact was omitted from the Offering Documents or a material misstatement was made in the Offering Documents, the SEC could determine that the Issuer violated federal securities laws.

SECTION III COOPERATION IN MEETING REGULATORY REQUIREMENTS

The Issuer acknowledges that PMA has regulatory duties as municipal advisor to the Issuer, and the Issuer agrees to cooperate, and to cause its agents to cooperate, in carrying out these regulatory duties, including providing complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Issuer agrees that, to the extent the Issuer seeks to have PMA provide advice with regard to any recommendation made by a third party in accordance with Section I.B.3, the Issuer will provide to PMA written direction to do so and any information it has received from such third party relating to its recommendation.

SECTION IV TERM OF AGREEMENT

The terms of this Agreement are effective as of the Effective Date and shall remain in effect, unless earlier terminated by PMA or at the direction of the Issuer pursuant to the following section, until the closing of the Securities. This Agreement may be renewed for a maximum of three (3) years beyond the Effective Date of this Agreement or any amendment to this Agreement as set forth in Section VIII.D at the Issuer's request for PMA to perform the any of the services set forth in Section I.C.

SECTION V TERMINATION

This Agreement may be terminated with or without cause by the Issuer upon prior written notice to PMA or by PMA upon at least thirty (30) days' prior written notice to the Issuer of the Party's intention to terminate, specifying in such notice the effective date of such termination. In the event the termination occurs before the Securities close, it is understood and agreed that no amounts are due to PMA for services provided or expenses incurred, unless otherwise stated in Section VI below. No penalty will be assessed for termination of this Agreement. The provisions of Section VII.B. shall survive any termination of this Agreement pursuant to this Section V or the expiration of the term of this Agreement pursuant to Section IV.

SECTION VI COMPENSATION AND EXPENSE REIMBURSEMENT

A. Compensation. The fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement shall be \$11,500.00. Such fees, for which PMA is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Securities to the purchaser. No fee shall be due from the Issuer to PMA unless the Securities close.

As set forth in PMA's *Municipal Advisor Disclosure Statement*, PMA notes that this Agreement may involve contingent based compensation subject to compensation based conflict. Also, we note how it relates to different structures or scenarios. For example, recommending a multi-issuance strategy versus a single issuance strategy could result in additional compensation for PMA and the application of minimum fees, if any. However, this recommendation would be made only if the benefits exceed the costs. Such benefits could include bank qualification, reduced negative arbitrage in the investment of bond proceeds and meeting the financial goals of the Issuer. Also, the additional compensation would be paid over time, subject to the retention of PMA for subsequent issuances.

B. Issuer Expenses.

1. Customary fees and expenses incident to a sale are payable by the Issuer. These fees and expenses, depending upon the final structure, can include fees for underwriter(s), bond counsel, local counsel, disclosure counsel, rating agency, insurance premium, trustee/paying agency, competitive sale auction platform, escrow bidding agent and verification agent.
2. Customary fees and expenses incident to the preparation of the Offering Documents, such as overlapping debt and auditor's certificates, are payable by the Issuer. In the event PMA must pay these fees and expenses before the Securities close, the Issuer will be responsible for reimbursing PMA for the pre-paid fees and expenses.

SECTION VII DISCLOSURES

A. Disclosures. The *Municipal Advisor Disclosure Statement*, and each delivery thereof, as provided from time to time, shall be incorporated by reference into this Agreement as of the date thereof to the same extent as if set forth herein. As set forth in the *Municipal Advisor Disclosure Statement*, PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to institutional clients, including financial advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, an investment adviser registered with the SEC (the "Advisory Affiliate"). These entities operate under common ownership with the Firm and are referred to in this disclosure as the "Affiliates." Each of these Affiliates also provides services to municipal entity clients. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

PMA's duties, responsibilities, and fees arise from that as a municipal advisor to the Issuer in connection with the issuance of the Securities. PMA receives additional fees for the services used by the Issuer, if any, described in the paragraph above. The fees for these services arise from separate agreements with the Issuer and with institutions of which the Issuer may be a member.

Additional disclosures are required with the implementation of MSRB Rule G-42. PMA is required to provide the Issuer with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. By signing this Agreement, the Issuer acknowledges that PMA has provided the Issuer with the *Municipal Advisor Disclosure Statement*, which contains important disclosures on matters such as all material conflicts of interest and all legal and disciplinary events that are material to a client's evaluation of us relevant to our provision of municipal advisory services. This disclosure document will also specify the date of the last material change or addition to the legal or disciplinary event disclosures, if any, on any Form MA or Form MA-I that PMA files with the SEC and a brief explanation regarding the materiality of the change or addition.

B. Scope of Liability. PMA, at all times, will act in good faith with respect to its Services under this Agreement. The Issuer agrees that PMA shall not be liable to the Issuer for any act or omission in connection with the performance of PMA's services hereunder, other than as a result of PMA's negligent acts or omissions, reckless conduct, intentional misconduct, bad faith, violation of applicable law or material breach of any of the material terms of this Agreement. PMA will have no duty, responsibility or liability under this Agreement as to any services identified in Section I.D. of this Agreement, relating to the services included in the Limitations on Services section. PMA shall not be responsible for any loss incurred by reason of any act or omission of the Issuer, or any member of the working group for the Securities. No recourse may be had against PMA for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action or other proceeding brought by or received from the IRS in connection with the Securities or otherwise relating to the tax treatment of the Securities, or in connection with any opinion or certificate rendered by counsel or any other party.

It is understood that nothing herein shall in any way constitute a waiver or limitation of any of the obligations which PMA may have under federal securities laws or under applicable state law.

SECTION VIII MISCELLANEOUS

A. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the state in which the Issuer is located without regard to conflict of law principles.

B. Binding Effect: Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and PMA, their respective successors and assigns; provided however, neither Party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other Party.

C. Prior Agreement or Documentation. Each Party acknowledges and agrees that the provisions of this Agreement modify and supersede any prior agreement or documentation with regards to the issuance of the Securities ("Prior Documentation"). The provision(s) set forth in this Agreement shall control in the event that any provision(s) of this Agreement conflict with any provision(s) contained in any Prior Documentation.

D. Entire Agreement. This instrument contains the entire agreement between the Parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed or acknowledged by each Party hereto. The form of this modification may include an email acknowledged by each Party. The Parties agree to amend or supplement this Agreement promptly to reflect any material changes or additions to the Agreement.

[The remainder of this page is intentionally left blank.]

PMA Securities, LLC

Buffalo County, Wisconsin

By: Brian J. Della

By⁽¹⁾: _____

Brian J. Della
Director, Public Finance

Print Name

Title: _____

Date: October 13, 2022

Date: _____

By: _____

James O. Davis
Chief Executive Officer

Date: _____

- (1) By signing this Agreement, as representative of the Issuer, the representative acknowledges that he or she has the ability to bind the Issuer by contract with PMA and that he or she is not a party to a disclosed conflict.

PMA Use Only:

Reviewed: _____ Date: _____

Revised 3/2022



Buffalo County Resolution

Drafted By: RHalverson
Month/Year: 10/2022
Committee: Finance

Department: County Clerk
Fiscal Impact: Yes/No

Resolution # _____

RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF A \$1,700,000 GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2022, OF BUFFALO COUNTY, WISCONSIN; ESTABLISHING THE TERMS AND CONDITIONS THEREFOR; DIRECTING ITS EXECUTION AND DELIVERY; CREATING A DEBT SERVICE ACCOUNT THEREFOR AND AWARDING THE SALE THEREOF

BE IT RESOLVED, by the Board of Supervisors (the “Board”) of Buffalo County, Wisconsin (the “County”), as follows:

Section 1. Note Purpose, Authorization, and Award.

1.01 Under and pursuant to the provisions of Wisconsin Statutes, Chapter 67 and Sections 67.045 and 67.12(12), the County is authorized to issue and sell its general obligation promissory notes for any public purpose.

1.02 The Board adopted an initial resolution on October 24, 2022 (the “Initial Resolution”) calling for the County to borrow an amount not to exceed \$1,700,000 by issuing general obligation promissory notes for the public purpose of financing a portion of the County’s 2023 through 2024 Road Improvement Program and related equipment purchases (the “Project”).

1.03 The Board hereby directs the issuance and sale of its \$1,700,000 General Obligation Promissory Note, Series 2022 (the “Note”), for the purpose of providing funds to finance the Project.

1.04 The County has solicited bids for the sale of the Note and received the best bid from _____, located in _____, _____ (the “Purchaser”), to purchase the Note and to make the advance to the County under the Note pursuant to the Purchase and Loan Agreement, as hereinafter defined, to pay or provide for costs of the Project, and upon condition that the Note matures and bears interest at the times and annual rate set forth in Section 2. The County, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is hereby accepted. All actions of the Chairperson, the County Clerk and the Administrative Coordinator, and PMA Securities, LLC, independent municipal advisor to the County, taken with regard to the sale of the Note are hereby ratified and approved.

Section 2. Terms and Form of the Note.

2.01 The Note shall be a single note, dated as of the date of delivery, in fully registered form, in the amount of \$1,700,000, with principal payable in annual installments on September 1 of each year commencing with the initial principal payment on September 1, 2023 in the principal installments and in the years stated below:

Principal Payment Date (September 1)	Principal Installments	Principal Payment Date (September 1)	Principal Installments
2023	\$70,000	2028	\$75,000
2024	\$70,000	2029	\$80,000
2025	\$70,000	2030	\$425,000
2026	\$70,000	2031	\$400,000
2027	\$70,000	2032	\$370,000

The Note shall bear interest on the unpaid principal balance at the rate of _____% per annum. Interest shall be payable semiannually on March 1 and September 1 of each year (each herein referred to as an “Interest Payment Date”) commencing



Buffalo County Resolution

with the initial interest payment on September 1, 2023. Payments shall be applied first to interest due through the stated principal payment date set forth above on the unpaid principal balance and thereafter to reduction of principal. Delinquent payments, if any, shall be applied by the registered holder in the following sequence: (1) billed delinquent interest, (2) past-due interest installments, (3) past-due principal installments, (4) interest installments due, and (5) principal installments due.

2.02 The principal amounts of the Note maturing on and after September 1, 20__ are subject to redemption and prepayment at the option of the County on September 1, 20__ and on any day thereafter in whole or in part, at par plus accrued interest to the date of redemption.

2.03 The Board hereby appoints the County Clerk as registrar and transfer agent for the Note (such officer or successor thereof is herein referred to as the "Note Registrar").

2.04 The Note shall bear interest at the annual rate stated therefor in Section 2.01. The County Treasurer shall make all interest payments with respect to the Note by check or draft mailed to the registered owner of the Note shown on the bond registration records maintained by the Note Registrar at the close of business on the 15th day (whether or not on a business day) of the month next preceding the Interest Payment Date at such owner's address shown on such bond registration records.

2.05 A. The Note shall be prepared for execution in accordance with the approved form and shall be signed by the manual signature of the Chairperson and attested by the manual signature of the County Clerk. In case any officer whose signature shall appear on the Note shall cease to be an officer before delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until delivery.

B. The County Clerk is authorized and directed to obtain a copy of the proposed approving legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A., Duluth, Minnesota, which is to be complete except as to dating thereof and cause the opinion to be attached to the Note. The County Clerk is authorized and directed to file the opinion in the County offices.

2.06 A. The County shall cause to be kept at the principal corporate office of the Note Registrar a note register in which, subject to such reasonable regulations as the Note Registrar may prescribe, the County shall provide for the registration of the Note and the registration of transfers of the Note entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Note Registrar or its incapability of acting as such, the Note registration records shall be maintained at the office of the successor Note Registrar as may be appointed by the Board.

B. Upon surrender for transfer of the Note at the principal corporate office of the Note Registrar, the County shall execute and the Note Registrar shall authenticate and deliver, in the names(s) of the designated transferee(s), one new note of a like aggregate principal amount, as requested by the transferor.

C. A Note surrendered upon the exchange provided for in this Resolution shall be promptly cancelled by the Note Registrar and thereafter disposed of as directed by the Board.

D. A Note issued in exchange for or upon transfer of the Note shall be a valid obligation of the County evidencing the same debt and entitled to the same benefits under this Resolution as the Note surrendered for such exchange or transfer.

E. The Note presented for a transfer or exchange shall (if so required by the County or the Note Registrar) be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the County and the Note Registrar, duly executed by the registered owner thereof or the owner's attorney duly authorized in writing.

F. The County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of the Note, other than exchange expressly provided in this Resolution to be made, without expense or without charge to the registered owner.

G. If the Note becomes mutilated or is destroyed, stolen or lost, the Note Registrar will deliver a new Note of like amount, number, maturity dates and tenor in exchange and substitution for and upon cancellation of the mutilated Note or in lieu of and in substitution for the Note destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of



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the Note Registrar in connection therewith; and, in the case of the Note being destroyed, stolen or lost, upon filing with the Note Registrar and the County of evidence satisfactory to them that the Note was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Note Registrar of an appropriate note or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the County and the Note Registrar must be named as obligees. The Note so surrendered to the Note Registrar will be cancelled by the Note Registrar and evidence of such cancellation must be given to the County. If the mutilated, destroyed, stolen or lost Note has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Note prior to payment.

2.07 The Note delivered upon transfer of or in exchange for or in lieu of any other Note shall carry all of the rights to interest, accrued and unpaid and to accrue, which are carried by such other Note.

2.08 The principal of and interest on the Note shall be payable by the Note Registrar in such funds as are legal tender for the payment of debts due the United States of America. The County shall pay the reasonable and customary charges of the Note Registrar for the disbursement of principal and interest.

2.09 Delivery of the Note and payment of the initial advance of the purchase price under the Note shall be made at a place mutually satisfactory to the County and the Purchaser. A typewritten and executed Note shall be furnished by the County without cost to the Purchaser. The Note, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the County Clerk to the Purchaser upon receipt of the purchase price or initial advance plus accrued interest.

Section 3. Form of the Note.

3.01 The Note shall be typewritten or printed in substantially the following form:

UNITED STATES OF AMERICA
STATE OF WISCONSIN
BUFFALO COUNTY

R-1 \$1,700,000

GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2022

<u>Rate</u>	<u>Date of Original Issue</u>	<u>Final Maturity Date</u>
%	December 1, 2022	September 1, 2032

REGISTERED OWNER: _____

Buffalo County, Wisconsin (the "County"), for value received, promises to pay to the registered owner specified above (the "Holder"), or registered assigns, the principal sum of One Million Seven Hundred Thousand Dollars (\$1,700,000) payable in annual installments on the following Principal Payment Dates and in the following principal installments:

Principal Payment Date (September 1)	Principal Installments	Principal Payment Date (September 1)	Principal Installments
2023	\$70,000	2028	\$75,000
2024	\$70,000	2029	\$80,000
2025	\$70,000	2030	\$425,000
2026	\$70,000	2031	\$400,000
2027	\$70,000	2032	\$370,000

together with interest on the outstanding principal amount from the date hereof or the most recent Principal Payment Date to which interest has been paid, at a rate of _____% per annum, calculated on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board, such interest being payable



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on March 1 and September 1 of each year (each referred to herein as an “Interest Payment Date”), with the first interest being payable on September 1, 2023. Both principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft from the office of the County Treasurer. The County Treasurer shall make all interest payments with respect to this Note directly to the registered owner hereof shown on the bond registration records maintained on behalf of the County by the County Clerk at the close of business on the 15th day of the month next preceding the Interest Payment Date (whether or not a business day) at such owner’s address shown on said bond registration records, without, except for payment of the final principal installment on the Note, the presentation or surrender of this Note, and all such payments shall discharge the obligation of the County to the extent of the payments so made. Payment of the September 1, 2032 principal installment shall be made when due upon presentation and surrender of this Note to the County Clerk. For the prompt and full payment of such principal and interest as they become due, the full faith and credit and resources of the County are irrevocably pledged.

The principal amount evidenced by this Note shall be drawn upon by the County in accordance with a Purchase and Loan Agreement between the County and _____, dated as of the date hereof.

The principal of and interest on the Note are payable in such funds as are legal tender for payment of debts due the United States of America. Payments shall be applied first to interest due through the stated principal payment date set forth above on the unpaid principal balance and thereafter to reduction of principal. Delinquent payments, if any, shall be applied by the Holder in the following sequence: (1) billed delinquent interest, (2) past-due interest installments, (3) past-due principal installments, (4) interest installments due and (5) principal installments due.

This Note is issued by the County in the amount of \$1,700,000 pursuant to the authority contained in Wisconsin Statutes, Chapter 67, and Sections 67.045 and 67.12(12), and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the County on November 15, 2022 (the “Resolution”), for the public purpose of financing a portion of the County’s 2023 through 2024 Road Improvement Program and related equipment purchases. The Note is payable from the Series 2022 Promissory Note Debt Service Account in the County’s Debt Service Fund and a direct annual ad valorem tax has been levied upon all of the taxable property within the County, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred.

This Note has been designated by the County as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The principal amounts of the Note maturing on and after September 1, 20__ shall be subject to redemption and prepayment at the option of the County on September 1, 20__ and on any day thereafter, in whole or in part, at par plus accrued interest to the date of redemption.

The Note is issued as a fully registered note without coupons, in the denomination of \$1,700,000. The County will, at the request of the registered owner, issue one new fully registered note in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of the Note, all of like tenor except as to number and principal amount. This Note is transferable by the registered owner hereof upon surrender of this Note for transfer at the principal office of the Note Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Note Registrar and executed by the registered owner hereof or the owner’s attorney duly authorized in writing. Thereupon the County shall execute and the Note Registrar shall authenticate and deliver, in exchange for this Note, one new fully registered note in the name of the transferee of an authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of this Note, of the same maturity, and bearing interest at the same rate.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of Wisconsin to be done and to exist precedent to and in the issuance of this Note, in order to make it a valid and binding general obligation of the County in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the limits of the County is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount and that the issuance of this Note does not cause the indebtedness of the County to exceed any constitutional or statutory limitation.



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IN WITNESS WHEREOF, Buffalo County, Wisconsin, by its governing body, has caused this Note to be executed in its name by the signatures of the Chairperson and the County Clerk and its corporate seal or a true facsimile thereof to be impressed or imprinted hereon, all as of the date of original issue specified above.

ATTEST:

County Clerk

Chairperson

(SEAL)

Date of Execution: December 1, 2022

REGISTRATION CERTIFICATE

This Note must be registered as to both principal and interest in the name of the owner on the books to be kept by the County Clerk. No transfer of this Note shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Note and the interest accruing thereon is registered on the books of the County Clerk in the name of the registered owner last noted below.

Date
12/1/2022

Registered Owner

Signature of County Clerk

Federal Taxpayer I.D. No.:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____

(Name and Address of Assignee)

Social Security or other
Identifying Number of
Assignee

the within Note and all rights thereunder and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.



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Dated: _____

NOTICE: The signature of this assignment must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

(Bank, Trust Company, member of
National Securities Exchange)



Buffalo County Resolution

EXHIBIT A TO NOTE

Amount of Disbursement	Date of Disbursement
\$1,700,000	December 1, 2022

Section 4. Borrowed Money Fund; Debt Service Fund.

4.01 A The Series 2022 Borrowed Money Fund. There is hereby created a separate and special fund designated as the Series 2022 Borrowed Money Fund (the “Borrowed Money Fund”), which shall be used solely for payment of costs of constructing the Project and to pay the costs of issuing the Note. Proceeds of the Note shall be drawn under the Purchase and Loan Agreement and credited to the Borrowed Money Fund. The monies in said fund may from time to time be invested as provided in Section 66.0603, Wisconsin Statutes. Upon completion of such capital improvements as described in Section 1.02 hereof, and after payment in full of all costs thereof, any balance on hand in the Borrowed Money Fund shall be credited to the Debt Service Account.

B. Debt Service Fund. There is hereby established in the treasury of the County, if it has not already been created, a debt service fund separate and distinct from every other fund (the “Debt Service Fund”), which shall be maintained in accordance with generally accepted accounting principles. Sinking funds established for obligations previously issued by the County may be considered as separate and distinct accounts within the Debt Service Fund. There shall be maintained in the Debt Service Fund a separate account, to be designated the Series 2022 Promissory Note Debt Service Account.

C. The Series 2022 Promissory Note Debt Service Account. To the Series 2022 Promissory Note Debt Service Account (the “Debt Service Account”) there is hereby pledged and irrevocably appropriated and there shall be credited: (1) any collections of all taxes levied herein for the payment of the Note and interest thereon; (2) all investment earnings on funds in the Debt Service Account; (3) accrued interest, if any, received upon delivery of the Note; (4) surplus monies in the Borrowed Money Fund as specified in Section 4.01A hereof; (5) capitalized interest from the proceeds of the Note in the amount of \$0.00; and (6) any and all other monies which are properly available and are appropriated by the County to the Debt Service Account including further deposits as may be required by Section 67.11 of Wisconsin Statutes. The amount of any surplus remaining in the Debt Service Account when the Note and interest thereon are paid shall be used to reduce the amount of taxes levied herein. No money shall be withdrawn from the Debt Service Account and appropriated for any purpose other than the payment of principal of and interest on the Note until all such principal and interest has been paid in full and cancelled; provided (i) the funds to provide for each payment of principal of and interest on the Note prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due; and (ii) any funds over and above the amount of such principal and interest payments on the Note may be used to reduce the next succeeding tax levy, or may, at the option of the County, be invested by purchasing the Note as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, in interest bearing obligations of the United States of America, or in other obligations of the County, which investments shall continue to be a part of the Debt Service Account. When all of the Note has been paid in full and cancelled, and all permitted investments disposed of, any money remaining in the Debt Service Account shall be deposited in the general fund of the County, unless the Board directs otherwise.

D. Draws on Note. On the date of issuance of this Note, the County shall draw under the Purchase and Loan Agreement the entire principal amount of \$1,700,000.



Buffalo County Resolution

4.02 Debt Service Levy.

A. For the purpose of paying the principal of and interest on the Note as the same become due, the full faith, credit and resources of the County are hereby irrevocably pledged and there hereby is levied on all the taxable property in the County a direct, annual, irrevocable tax in such years and in such amounts as are sufficient to meet such principal and interest payments when due; said tax is hereby levied in the years and in the amounts shown on Exhibit A hereto, which is incorporated by reference as though fully set forth herein.

B. The County shall be and continue to be without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Note, said tax shall be, from year to year, carried into the tax rolls of the County and collected as other taxes are collected, provided that the amount of tax carried into said tax rolls may be reduced in any year by the amount of any surplus money in the Debt Service Account created in Section 4.01C hereof.

4.03 Payment of Costs of Issuance. The County agrees to pay the costs of issuance of the Note as set forth in the officers' certificate on the Closing Date.

Section 5. Certificate of Proceedings.

5.01 The officers of the County are authorized and directed to prepare and furnish to the Purchaser and to bond counsel certified copies of all proceedings and records of the County relating to the authorization and issuance of the Note and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Note as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the County as to the correctness of facts recited therein and the actions stated therein to have been taken.

5.02 The County Clerk shall provide and keep a separate record book and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Note.

5.03 In the event of the absence or disability of the Chairperson or County Clerk, such officers of the County or members of the Board as in the opinion of the County's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Note, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

Section 6. Tax Covenants.

6.01 A. The County hereby covenants not to use the proceeds of the Note, or to cause or permit them to be used, in such a manner as to cause the Note to be a "private activity bond" within the meaning of Sections 103 and 141 through 150 of the Code.

B. The County covenants and agrees to comply with requirements under the Code necessary to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Note, including without limitation (1) requirements relating to temporary periods for investment, (2) limitation on amounts invested at a yield greater than the yield on the Note, and (3) the rebate of excess investment earnings to the United States if the gross proceeds of the Note are not expended for the purposes of the Note in accordance with the requirements of the small-issuer exception and the regulations thereunder.



Buffalo County Resolution

C. For purposes of qualifying for the small-issuer exception to the federal arbitrage rebate requirements, the County finds, determines and declares:

- (1) the County is a governmental unit with general taxing powers;
- (2) the Note is not a “private activity bond” as defined in Section 141 of the Code;
- (3) 95% or more of the net proceeds of the Note are to be used for local governmental activities of the County;
- (4) the aggregate face amount of the tax-exempt obligations (other than private activity bonds) issued by the County during the calendar year in which the Note is issued is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

D. In order to qualify the Note as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code, the County hereby makes the following factual statements and representations:

- (1) the Note is not a “private activity bond” as defined in Section 141 of the Code;
- (2) the County hereby designates the Note as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Code;
- (3) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the County (and all entities whose obligations will be aggregated with those of the County) during the calendar year in which the Note was issued will not exceed \$10,000,000; and
- (4) not more than \$10,000,000 of obligations issued by the County during the calendar year in which the Note was issued have been designated for the purposes of Section 265(b)(3) of the Code.

E. The County shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this section.

Section 7. Post-Issuance Compliance Policy and Procedures. The Board has previously approved a Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures which shall apply to qualifying obligations to provide for compliance with all applicable federal regulations for tax-exempt obligations or tax-advantaged obligations (collectively, the “Policy and Procedures”). The Board hereby approves the Policy and Procedures for the Note. The County Treasurer continues to be designated to be responsible for post-issuance compliance in accordance with the Policy and Procedures.

Section 8. Purchase and Loan Agreement. The proceeds of the Note will be advanced to the County in accordance with the terms of this Resolution and with a Purchase and Loan Agreement between the County and the Purchaser (the “Purchase and Loan Agreement”). The Chairperson and the County Clerk are hereby authorized and directed to execute the Purchase and Loan Agreement substantially in the form currently on file in the office of the County.



Buffalo County Resolution

Adopted: November 15, 2022.

Chairperson

Attest:

County Clerk

Finance Committee:

Dennis Bork

Max Weiss

Brad Schmidtknecht

William Bruegger, Sr.

Brian Michaels