



# Barron County – Board Meeting

September 22, 2020

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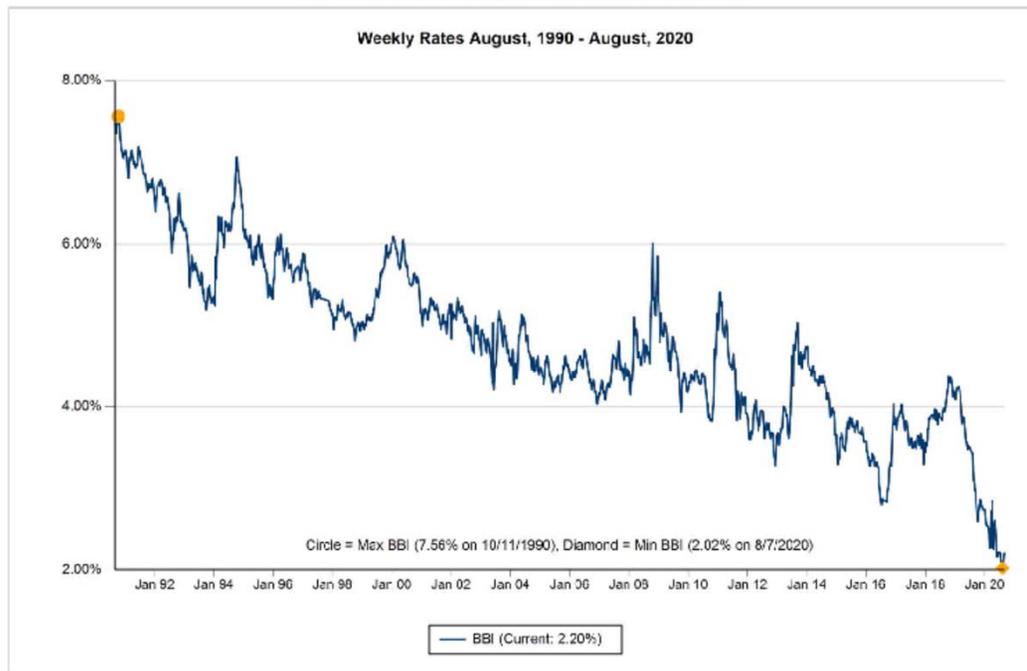


## Update

- Current Market Conditions are very attractive (see next page)
- Banks have reached out to County Staff and Ehlers expressing a strong interest in providing financing for the Highway Department Building
- Per CBS<sup>2</sup>: preliminary expenses are being incurred and approximately \$10 Million will be owed by May 2021
- Existing Finance Plan has first debt service payment for the Highway Department Building in 2022 to wrap around existing debt of the County (Assumes Bond Issue in 2021)



### 30 YEAR TREND IN MUNICIPAL BOND INDICES



# Bond Buyer Index

The Bond Buyer **20** Bond Index™ (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: *The Bond Buyer*





## Bank Solicitation Option

- Prepare a “Request for Proposals (RFP)” and solicit responses from interested Banks
  - Preliminary Provisions of RFP
    1. Draw Feature during construction period
    2. Fixed interest rate for a period of up to 20 years
    3. No payments until 2022 (Consistent with Tax Impact Plan)
    4. Prepayment flexibility
    5. Potential elimination of Bond Rating requirement
    6. Potential reduction or elimination of disclosure requirements
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## Next Steps and Questions

- Board Approval of Initial Resolution
- Complete terms of the Request for Proposals & Send to interested parties
- Review responses:
  - Proceed with “Best” proposal or,
  - Maintain original plan of finance with expected sale of securities in 2021
- Questions?