

**CITY OF NEENAH
SPECIAL FINANCE AND PERSONNEL COMMITTEE MEETING
Wednesday, March 18, 2020 – 6:00 p.m.
Hauser Room, Neenah City Administration Building
211 Walnut Street, Neenah, Wisconsin**

MINUTES

Present: Chairman Erickson; Aldermen Boyette (via phone), Stevenson, Kunz (via phone) and Steele; Mayor Kaufert; City Attorney Godlewski, Director of Finance Easker

Others Present: Aldermen Bates and Lendrum, Deputy City Attorney VandenHeuvel, Robert W. Baird Public Finance Managing Director Brad Viegut (via phone).

Public Appearances: None

Excused/Absent: None

Resolution No. 2020-08 Authorizing the Issuance and Sale of \$9,895,000 General Obligation Promissory Notes: Committee reviewed Resolution 2020-08 Authorizing the Issuance and Sale of \$9,895,000 General Obligation Promissory Notes. The note would fund all items included in the City's 2020 Capital Improvement Plan. Robert W. Baird financial advisor Brad Viegut presented the Final Pricing Summary. The City received four bids on the notes, with the winning bid from Northland Securities at a True Interest Cost (TIC) of 2.6746%.

Committee and staff discussed various aspects of the proposed resolution and bid approval. Advisor Viegut indicated that the municipal bond market has been experiencing significant volatility with an overall increase in interest rates driven by the COVID-19 pandemic, but that the financial markets are functioning and high credit quality issues such as this issue are in demand. He said that, while it is unfortunate that interest rates have increased from the levels used for the presentation to Finance and Council last month, it is important to evaluate the bid results in a broader context. He reiterated that last month, municipal interest rates hit historically low levels, and that even today, interest rates are only slightly higher than 2019 levels, when the City issued G.O. Notes with an interest rate of 2.46%. Additionally, he said, there is no reason to believe interest rates will be lower one or two months from now, and that, in fact, interest rates could continue to increase. Other issues discussed included that the Notes were issued as non-bank qualified to take advantage of current market conditions.

Motion/Second/Carried Stevenson/Steele recommending Council approve Resolution No. 2020-08 Authorizing the Issuance and Sale of \$9,895,000 General Obligation Promissory Notes. All voting aye.

Motion/Second/Carried Stevenson/Steele to adjourn the meeting at 6:21 p.m. All voting aye.

RESOLUTION

Respectfully submitted,

A handwritten signature in green ink, appearing to read "M.K. Easker".

Michael K. Easker, CPA
Director of Finance