

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
Wednesday, April 12, 2000**

11:00 a.m. – Noon Authorization of Issuance and Sale on \$8,000,000 of Limited Tax General Obligation Bonds to Finance Capital Facility Projects.

1:30 p.m. – 3:00 p.m. Salmon Recovery Executive Team Meeting (Sauk Conference Room, 1111 Cleveland, Mount Vernon).

The Skagit County Board of Commissioners met in regular session on Wednesday, April 12, 2000, with Commissioners Robert Hart and Ted W. Anderson present. Commissioner Harvey Wolden's absence was excused.

AUTHORIZATION OF ISSUANCE AND SALE ON \$8,000,000 OF LIMITED TAX GENERAL OBLIGATION BONDS TO FINANCE CAPITAL FACILITY PROJECTS.

Alicia Huschka, Budget/Finance Director, introduced David Trageser of Dain Rauscher Investment Services, Susan Musselman of Susan Musselman, Inc., and Cynthia Weed from Preston Gates & Ellis, the County's bond counsel.

Ms. Huschka explained that in 1997 the State Legislature passed a law rebating a portion of the sales tax back to Skagit County to fund capital facilities improvements for economic development. The Board previously authorized the collection of this rebate, and formalized a procedure for reviewing applications for the use of such funds from various municipalities and other entities throughout the County. Eight projects were selected to be funded, totaling \$4.9 million. It was decided to issue \$8,000,000 of limited tax general obligation bonds to finance these capital facility projects.

Susan Musselman explained that she dealt with the credit side of the bond issue. She reviewed that Chairman Wolden, Ms. Huschka and County Administrator, Mike Woodmansee, traveled to San Francisco to make a presentation to Moody's of the County's financial worthiness and to obtain a bond rating. Ms. Musselman indicated that the meeting went well, and that the County was given an A-2 bond rating. She explained Moody's review process, which consisted of looking at "peer" counties to confirm Skagit County's rating. She stated that Skagit County is clearly among the strongest rural counties in the State, benefiting from the growth of the entire Puget Sound region, and that the purpose of the bonds is to increase that benefit even more. Ms. Musselman indicated that Moody's was happy with the financial management and fund balances of the County, and was pleased that the County is looking into policies for fund balances. Moody's also was impressed the management staff, noting the longevity and years of experience of such staff. She briefly outlined the procedure for obtaining bond insurance, and the resultant aggressive premium that was obtained.

Mr. Trageser advised that yesterday \$8,000,000 worth of bonds were issued, subject to the Board's approval. He discussed interest rates and the marketing of the bonds to a wide spectrum of financial institutions. He stated that the sale of the bonds would close on April 27 at Ms. Weed's office in Seattle.

Ms. Weed reviewed the bond resolution before the Board for their approval. She stated that the bond resolution is the final authorization for the issuance and sale of the bonds. She explained that fundamentally the bond resolution is an obligation on the County's behalf in exchange for receiving \$8,000,000, that the County promises to pay such monies back at the rates so stated. She discussed the federal time limits for distributing the funds.

After a brief discussion, Commissioner Hart moved to approve a Resolution of the County Commissioners of Skagit County, Washington, Authorizing the Issuance and Sale of Limited Tax General Obligation Bonds of the County in the Aggregate Principal Amount of \$8,000,000 to Finance Certain Public Facility

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Projects; providing the Date, Form, Terms, Maturities, and Redemption Provisions of the Bonds; providing for the Disposition of the Bond Proceeds; providing for the Annual Levy of Taxes to Pay the Principal of and Interest on the Bonds; and Authorizing the Sale of the Bonds. Commissioner Anderson seconded the motion, which passed unanimously. **(Resolution No. 17837)**

MISCELLANEOUS.

Chris Stamey, Budget/Finance Office, presented a Resolution transferring Surplus Computer Equipment to the Mount Vernon School District. He detailed the equipment to be transferred. Commissioner Hart moved to approve the Resolution as presented by Staff, and Commissioner Anderson seconded the motion. The motion passed unanimously. **(Resolution No. 17838)**

ADJOURNMENT.

Chairman Wolden made a motion to adjourn the proceedings. Commissioner Hart seconded the motion and it passed unanimously.

**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Harvey Wolden, Chairman

Robert Hart, Commissioner

Ted W. Anderson, Commissioner

ATTEST:

Patti J. Chambers, Clerk of the Board
Skagit County Board of Commissioners