

# Manistee County Board of Commissioners

Manistee County Courthouse • 415 Third Street • Manistee, Michigan 49660

CHAIRPERSON  
Jeffrey Dontz  
VICE-CHAIRPERSON  
Brook Shafer

Mark Bergstrom  
Karen Goodman  
Ken Hilliard  
Alan Marshall  
Richard Schmidt

CLERK  
Jill Nowak  
(231) 723-3331  
CONTROLLER/ADMINISTRATOR  
Thomas Kaminski  
(231)398-3504

## WAYS & MEANS COMMITTEE

Wednesday, July 6, 2016  
10:00 a.m.

Manistee County Courthouse & Government Center  
Board of Commissioners Meeting Room

### MINUTES

Members Present: Mark Bergstrom, Chairperson, Ken Hilliard and Richard Schmidt  
Members Absent: None  
Others Present: Tom Kaminski, County Administrator/Controller; Lisa Sagala, Human Resources Manager, Assistant Administrator; Russ Pomeroy, County Treasurer; Roger Elbers, Equalization Director; Bruce Schimke, Maintenance Supervisor; Pat Heins, Circuit Court Administrator; Jill M. Nowak, Manistee County Clerk.

The meeting was called to Order at 10:00 a.m.

**NOTE - Items requiring Board Action are indicated in BOLD**

### FINANCE REPORT

Mr. Kaminski presented the Committee with Claiming Summaries for June 1, 2016 through July 6, 2016, and a summary of the On-Demand checks for their review and approval. The totals are as follows:

101 General Fund.....	\$187,207.96
201 County Road Fund.....	0.00
215 Friend of the Court Fund.....	0.00
216 Department Contingency Fund.....	0.00

225 Recycling Fund .....	7,289.25
234 Judicial Technology Fund.....	0.00
235 District Court Services Fund.....	0.00
236 Maintenance of Effort Fund.....	10,998.66
241 AIS Grant Fund.....	1,905.00
242 Bear Lake Improvement Fund .....	3,125.00
243 Brownfield Redevelopment Authority Fund .....	0.00
244 Brownfield Redevelopment-Joslin Cove .....	0.00
245 Public Improvement Fund.....	0.00
246 Township Improvement Revolving Fund .....	0.00
251 Capital Improvement Fund .....	0.00
252 PRE Audit Fund.....	0.00
253 Remonumentation Fund .....	0.00
254 Medical Care Depreciation Fund .....	0.00
255 Brownfield Site Assessment Fund .....	0.00
256 Register of Deeds Automation Fund.....	9,992.51
257 Budget Stabilization Fund.....	0.00
258 Mounted Search and Rescue.....	0.00
259 Legal Defense Fund .....	0.00
260 Health Insurance Fund .....	142,533.12
261 9-1-1 Service Fund.....	0.00
262 Dive Equipment Fund.....	0.00
263 Sheriff's Office Forfeited Assets Fund.....	0.00
264 Family Counseling Services Fund .....	0.00
265 Juvenile Drug Court Fund.....	0.00
266 Law Enforcement Training Fund.....	622.50
267 Concealed Pistol Licensing Fund.....	0.00
268 Homeland Security Grant Fund .....	915.40
269 Law Library Fund .....	1,233.00
270 Corrections Officer Training Fund .....	1,211.47
271 County Library Fund.....	0.00
272 County Library Trust Fund .....	0.00
274 OHSP Grant Funds .....	0.00
275 Dial-A-Ride Fund .....	0.00
276 Forestry Fund .....	0.00
277 Air Photo Fund.....	0.00
278 LEPC Grant Fund .....	0.00
279 Economic Development - Housing Fund.....	0.00
280 MSHDA Grant Fund.....	0.00
281 Law Enforcement Technology Fund .....	0.00
282 Community Wildfire Grant Fund.....	1,348.86
283 F.I.A. Benzie County .....	0.00
284 Community Corrections Fund .....	1,000.00
285 Drunk Driving Case Flow Fund.....	0.00
286 Juvenile Intervention Fund .....	0.00
287 JABGN Grant Fund .....	0.00

290 Department of Human Services Fund.....	0.00
292 Child Care Fund.....	11,290.43
293 Soldiers & Sailors Relief Fund .....	0.00
294 Veterans Trust Fund.....	1,500.00
295 Airport Authority Fund.....	29,425.85
296 Juvenile Justice Fund .....	0.00
297 Compensated Services Fund.....	88,591.01
298 County Employee Separation Fund .....	0.00
299 Unemployment Fund .....	0.00
356 Fair Board Debt Fund .....	0.00
360 9-1-1 Expansion Construction Fund.....	0.00
361 Jail Expansion Construction Fund.....	0.00
362 Jail Building Bond .....	0.00
368 Library Loan Fund .....	0.00
369 Building Authority Debt Fund.....	425.00
370 County Road Building Debt Fund.....	0.00
461 Building Authority Construction Fund.....	0.00
462 County Road Construction Fund .....	0.00
512 Medical Care Facility Fund .....	0.00
606 Tax Revolving Fund .....	0.00
609 2009 Tax Revolving Fund .....	0.00
610 2010 Tax Revolving Fund .....	0.00
611 2011 Tax Revolving Fund .....	0.00
612 Delinquent Taxes .....	0.00
613 2013 Tax Revolving Fund .....	0.00
614 2014 Tax Revolving Fund .....	0.00
615 2015 Tax Revolving Fund .....	2,782,857.33
620 Tax Revolving - State Sales.....	348.02
701 Trust and Agency.....	0.00
702 OPEB Trust Fund.....	0.00
801 Drain Fund .....	17,589.60
Total:	<u>\$3,301,409.97</u>
On Demand checks total (included in total amount above):	\$87,712.16
Payroll for the period of June 1, 2016, through July 6, 2016 (Includes 3 payrolls)	+ \$658,889.32
Total to be Claimed and allowed July 19, 2016	<u>\$3,960,299.29</u>

**Moved by Hilliard, seconded by Schmidt to recommend the approval of the on demand checks, bills and payroll, be accepted in the amount of \$3,960,299.29, and that the same be placed on file. Ayes: All. Motion Carried.**

## **PAYMENT OF UNUSED ACCUMULATED VACATION AND PERSONAL HOURS**

Payment of unused accumulated vacation and personal hours to Jill Tooley, employee of the Friend of the Court in Benzie County, who resigned from employment with the Court effective May 31, 2016 in the amount of \$5,061.14 (Appendix A).

Payment of unused accumulated vacation and personal hours to Lisa Nickelson, former employee of the Friend of the Court in Manistee County, who terminated employment with the Court effective June 9, 2016 in the amount of \$1,138.84. (Appendix B).

**Moved by Schmidt, seconded by Hilliard to recommend the approval of the payment of unused vacation and personal hours to Jill Tooley in the amount of \$5,061.14 which is to be reimbursed by Benzie County; and the payment of unused vacation and personal hours to Lisa Nickelson in the amount of \$1,138.84; to be paid from the Employees Separation Fund Ayes: All. Motion Carried.**

## **MERS OFFICER DELEGATE AND ALTERNATE**

Consideration of request from County Administration to select an officer delegate and alternate, who will receive voting privileges at the Municipal Employees Retirement System Annual Conference which will be held September 28 and 29, 2016 at the Grand Traverse Resort in Acme, Michigan. The officer delegate and employee delegate are budgeted to attend this annual meeting. An election among County employees takes place each year to select the employee delegate and alternate. The officer delegate and alternate are chosen by the Manistee County Board of Commissioners and must be an Officer of the County.

**Moved by Bergstrom, seconded by Hilliard to recommend that Lisa Sagala be named as the Officer Delegate for the annual MERS meeting to be held on September 28 and 29, 2016, with Thomas Kaminski as the alternate. Ayes: All. Motion Carried.**

## **SOUTH MAIN ENTRANCE MAINTENANCE**

Bruce Schimke, Maintenance Supervisor appeared before the Committee to present bid proposals (Appendix C) to replace concrete at the south main entrance of the Courthouse/Government Center building. This project would also include the replacement of a drain that was improperly installed years ago that has caused the sand to wash out underneath the concrete.

**Moved by Hilliard, seconded by Schmidt to recommend approval of the bid from Absolute Concrete in the amount of \$4,022.00 to repair concrete and replace the drain at the south main entrance of the Courthouse/Government Center; to be paid from the Capital Improvement Fund. Ayes: All. Motion Carried.**

## REFUNDING OPPORTUNITY FOR THE 2006 BUILDING AUTHORITY BONDS

Tom Kaminski reviewed with the Committee a refunding opportunity for the 2006 Building Authority Bonds, which were used to renovate the County Courthouse and Government Center, these bond mature in 2024. (Appendix D) The County's Financial Advisor, Bendzinski & Co., has indicated that a savings of approximately \$83,000 over the life of the bonds could be realized. Russ Pomeroy, County Treasurer, recommended to refinance the bonds and explore other options as they become available.

**Moved by Schmidt, seconded by Hilliard to recommend the adoption of Resolution #2016-22 to Authorize the Issuance of Refunding Bonds Not to Exceed \$1,300,000. Ayes: All. Motion Carried.**

## MISCELLANEOUS INFORMATION/DISCUSSION ITEMS

Mr. Kaminski reviewed correspondence (Appendix E) from Charles Haemker, Executive Director of the Manistee County Library, requesting \$400,000 of the \$500,000 non-interest loan previously approved by the Manistee County Board of Commissioners. This correspondence is for informational purposes only as no action is needed on the previously approved loan.

The County Budget Process for FY 2016/2017 is continuing. Administration has met with 44 North, the Insurance Carrier, as well as the Sheriff's Department to analyze proposed budgets. The next Budget Study Session is scheduled for Friday, July 15, 2016 at 10:00 a.m.

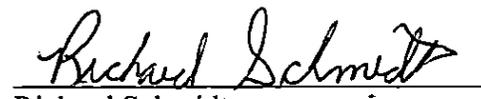
Mr. Pomeroy reported on the PRE case, Hardenburgh v Manistee County Tax Tribunal. The Hardenburghs had filed an Application for Leave to Appeal at the Michigan Supreme Court. The Supreme Court recently issued an order denying the Application for Leave to Appeal and the case is now closed. However, the Hardenburghs have until July 19, 2016 to file a Motion for Reconsideration on the Application for Leave. This is a precedent setting case that affects every County in Michigan.

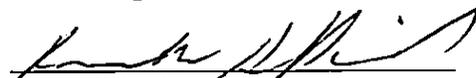
## OTHER ITEMS FROM COMMITTEE MEMBERS

None.

The meeting was adjourned at the Call of the Chair at 11:06 a.m.

  
Mark Bergstrom

  
Richard Schmidt

  
Ken Hilliard

(APPENDIX A)



OFFICE OF  
CONTROLLER/  
ADMINISTRATOR  
231-398-3500 • Fax 231-723-1795  
www.manisteecountymi.gov

Manistee County Courthouse • 415 Third Street • Manistee, Michigan 49660

MEMORANDUM

TO: Manistee County Board of Commissioners  
FROM: Lisa Sagala, HR Manager/Assistant Administrator *LS*  
DATE: June 14, 2016  
RE: Unused Accumulated Vacation, Sick Time and Personal Day Payment

Employee Name: Jill M. Tooley  
Department: Friend of the Court Benzie  
Employee #: 1373  
Hourly Rate: \$17.65  
Resignation Date: May 31, 2016

2016 Unused Vacation Hours:	187.5
2017 Earned Vacation Hours:	80.8
2016 Unused Accumulated Sick Hours:	0.0
2016 Unused Personal Day Hours:	18.5
2016 Unused Vacation Hours:	\$3,309.38
2017 Earned Vacation Payment:	\$1,425.24
2016 Unused Sick Time Payment:	\$0.00
2016 Unused Personal Day Payment:	\$326.53
2016 Unused Cleaning Allowance Due County:	\$0.00
2016 Shift Differential Due Employee:	\$0.00
Total Amount Due:	<u>\$5,061.14</u>

Payment to be made from the "Employee Separations" Account #298 000 701.001.

Approved for payment by the Manistee County Board of Commissioners on Tuesday,

\_\_\_\_\_  
Jeffrey Dontz, County Board Chairperson

(APPENDIX B)



OFFICE OF  
CONTROLLER/  
ADMINISTRATOR  
231-398-3500 • Fax 231-723-1795  
www.manisteecountymi.gov

Manistee County Courthouse • 415 Third Street • Manistee, Michigan 49660

MEMORANDUM

TO: Manistee County Board of Commissioners  
FROM: Lisa Sagala, HR Manager/Assistant Administrator *LS*  
DATE: June 13, 2016  
RE: Unused Accumulated Vacation, Sick Time and Personal Day Payment

Employee Name: Lisa Nickleson  
Department: Friend of the Court  
Employee #: 1358  
Hourly Rate: \$17.19  
Termination Date: June 9, 2016

2016 Unused Vacation Hours: 0.0  
2017 Earned Vacation Hours: 61.75  
2016 Unused Accumulated Sick Hours: 0.0  
2016 Unused Personal Day Hours: 4.5

2016 Unused Vacation Hours: \$0.00  
2017 Earned Vacation Payment: \$1,061.48  
2016 Unused Sick Time Payment: \$0.00  
2016 Unused Personal Day Payment: \$77.36

2016 Unused Cleaning Allowance Due County: \$0.00  
2016 Shift Differential Due Employee: \$0.00

Total Amount Due: \$1,138.84

Payment to be made from the "Employee Separations" Account #298 000 701.001.

Approved for payment by the Manistee County Board of Commissioners on Tuesday,  
July 19, 2016

Jeffrey Dontz, County Board Chairperson

(APPENDIX C-1)

Absolute Concrete  
8393 N. LaSalle Rd  
Fresno, MI 49411



# Estimate

050816

**To:** Manistee County Courthouse  
**From:** B.Schimke  
**Phone:** 398-3552  
**Email:** bschimke@manisteecountymi.gov  
**Address:** Manistee, MI  
**Date:** June 10, 2016

Manistee County Courthouse – front approach pad	
Concrete – 23x19, 437 square feet, 4" thick, Broom finish	\$1420.00
Trough drain – 10 feet	\$610.00
Demo of existing pad	\$1100.00
Saw cut – lines, approx. 15 each at 12 ft	\$310.00
Saturday deliver charge of concrete	\$107.00
Weekend sur charge	\$275.00
<b>Total</b>	<b>\$3822.00</b>

If you have any questions, please feel free to contact me at @ 231-425-7260, or at [Tdonnbonzheim@gmail.com](mailto:Tdonnbonzheim@gmail.com).

Licensed and Insured

F .

Absolute Concrete  
8393 N. LaSalle Rd  
Freesoil, MI 49411

(C-2)



# Estimate

050716

**To:** Manistee County Courthouse  
**From:** B.Schimke  
**Phone:** 398-3552  
**Email:** bschimke@manisteecountymi.gov  
**Address:** Manistee, MI  
**Date:** June 10, 2016

Manistee County Courthouse – employee entrance

Concrete – 4x5 entrance pad \$200.00

Note – if you chose to do this with the Court house entrance, the small load fee would be removed

**Total** **\$200.00**

If you have any questions, please feel free to contact me at @ 231-425-7260, or at [Tdonnbonzheim@gmail.com](mailto:Tdonnbonzheim@gmail.com).

Licensed and Insured

(1-3)

### Jason Thompson Landscape & Design LLC

570 E. Hoague Rd Free Soil MI 49411 Office: 231.464.5908 Fax: 231.464.5906

Manistee County Court House 2016

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We here proposed to furnish the material and perform the labor necessary for the completion of drain work at the Manistee County Court House at 415 3<sup>rd</sup> St per Bruce Schimke. (231.398.3552)

Remove existing concrete at main entrance (400sf).  
 Remove existing drain.  
 Install new commercial trench drain, model Z886, 12'x6" deep.  
 Regrade grounds & remove any clay and sand.  
 Pour new concrete using 6sack exterior concrete.

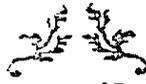
Drain material:	\$1,040.00
Labor & Equipment to remove concrete and dispose and prep the area:	\$1,800.00
Labor to install drain:	\$450.00
Pour new concrete entrance:	\$2,750.00

All material is guaranteed to be as specified and the above labor will be performed and completed in a substantial workmanlike manner for the sum of:

**Six thousand and forty dollars** (\$6,040.00)

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With payment due upon completion.



*Acceptance of Proposal*

*The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.*

Date: \_\_\_\_\_

Signature: \_\_\_\_\_



Any alteration or deviation from the above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control. Owner to carry fire, tornado, and other necessary insurance upon above work. Workman's Compensation and Public Liability Insurance on above work to be taken out by Jason Thompson Landscape & Design LLC.

(APPENDIX D-1)

Subject: Fw: Manistee County (2006 BA Bonds)

Tom:

Hope all is well. Hope here is a refunding opportunity for the 2006 building Authority bonds. The savings are \$83,000 gross savings and \$77,000 Net Present Value (Page 5). Please review and let me know your thoughts. Thanks.

Bobby

Robert J. Bendzinski, CIPMA  
Bendzinski & Co.  
A Michigan Firm, Working for Michigan  
313-961-8222 x1

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SUMMARY OF BONDS REFUNDED

County of Manistee, Michigan  
Building Authority Refunding Bonds, Series 2016  
Advance Refunding of Building Authority Refunding Bonds, Series 2006  
Preliminary, Hypothetical Interest Rates as of June 22, 2016

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Building Authority Refunding Bonds, Series 2006, 2006:					
2006	05/01/2017	4.000%	125,000.00	08/31/2016	100.000
	05/01/2018	4.150%	130,000.00	08/31/2016	100.000
	05/01/2019	4.150%	135,000.00	08/31/2016	100.000
	05/01/2020	4.150%	135,000.00	08/31/2016	100.000
	05/01/2021	4.250%	140,000.00	08/31/2016	100.000
	05/01/2022	4.250%	155,000.00	08/31/2016	100.000
	05/01/2023	4.300%	155,000.00	08/31/2016	100.000
	05/01/2024	4.300%	165,000.00	08/31/2016	100.000
			1,140,000.00		

Notes:

Robert W. Baird & Co. Incorporated ("Baird") is not recommending any action to you. Baird is not acting as an advisor to you and does not owe you a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934. Baird is acting for its own interests. You should discuss the information contained herein with any and all internal or external advisors and experts you deem appropriate before acting on the information. Baird seeks to serve as an underwriter (or placement agent) on a future transaction and not as a financial advisor or municipal advisor. The primary role of an underwriter (or placement agent) is to purchase, or arrange for the placement of, securities in an arm's length commercial transaction with the issuer, and it has financial and other interests that differ from those of the issuer. The information provided is for discussion purposes only, in seeking to serve as underwriter (or placement agent). See 'Important Disclosures' contained herein.

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PRIOR BOND DEBT SERVICE

County of Manistee, Michigan  
Building Authority Refunding Bonds, Series 2016  
Advance Refunding of Building Authority Refunding Bonds, Series 2006  
Preliminary, Hypothetical Interest Rates as of June 22, 2016

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2016			11,974.38	11,974.38	
05/01/2017	125,000	4.000%	23,948.75	148,948.75	160,923.13
11/01/2017			21,448.75	21,448.75	
05/01/2018	130,000	4.150%	21,448.75	151,448.75	172,897.50
11/01/2018			18,751.25	18,751.25	
05/01/2019	135,000	4.150%	18,751.25	153,751.25	172,502.50
11/01/2019			15,950.00	15,950.00	
05/01/2020	135,000	4.150%	15,950.00	150,950.00	166,900.00
11/01/2020			13,148.75	13,148.75	
05/01/2021	140,000	4.250%	13,148.75	153,148.75	166,297.50
11/01/2021			10,173.75	10,173.75	
05/01/2022	155,000	4.250%	10,173.75	165,173.75	175,347.50
11/01/2022			6,880.00	6,880.00	
05/01/2023	155,000	4.300%	6,880.00	161,880.00	168,760.00
11/01/2023			3,547.50	3,547.50	
05/01/2024	165,000	4.300%	3,547.50	168,547.50	172,095.00
	1,140,000		215,723.13	1,355,723.13	1,355,723.13

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**BOND PRICING**

County of Manistee, Michigan  
 Building Authority Refunding Bonds, Series 2016  
 Advance Refunding of Building Authority Refunding Bonds, Series 2006  
 Preliminary, Hypothetical Interest Rates as of June 22, 2016

Bond Component	Maturity Date	Amount	Rate	Yield	Price
<b>2016 Refunding Bonds:</b>					
	05/01/2017	135,000	1.800%	1.800%	100.000
	05/01/2018	145,000	1.800%	1.800%	100.000
	05/01/2019	145,000	1.800%	1.800%	100.000
	05/01/2020	145,000	1.800%	1.800%	100.000
	05/01/2021	145,000	1.800%	1.800%	100.000
	05/01/2022	155,000	1.800%	1.800%	100.000
	05/01/2023	150,000	1.800%	1.800%	100.000
	05/01/2024	160,000	1.800%	1.800%	100.000
		<b>1,180,000</b>			

Assumed Dated Date	08/01/2016	
Assumed Delivery Date	08/01/2016	
First Coupon	11/01/2016	
Par Amount	1,180,000.00	
Original Issue Discount		
Production	1,180,000.00	100.000000%
Underwriter's Discount		
Purchase Price	1,180,000.00	100.000000%
Accrued Interest		
Net Proceeds	1,180,000.00	

**Notes:**

**Hypothetical Underwriter's Discount.** Preliminary, estimated, subject to change.

This illustration represents a mathematical calculation of potential interest cost savings, assuming hypothetical interest rates based on current rates for municipal bonds as of June 22, 2016. Actual rates may vary. If actual rates are higher than those assumed, the interest cost savings would be lower. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a refinancing or otherwise considered as advice.

BOND SUMMARY STATISTICS

County of Manistee, Michigan  
Building Authority Refunding Bonds, Series 2016  
Advance Refunding of Building Authority Refunding Bonds, Series 2006  
Preliminary, Hypothetical Interest Rates as of June 22, 2016

Assumed Dated Date	08/01/2016
Assumed Delivery Date	08/01/2016
Last Maturity	05/01/2024
Arbitrage Yield	1.800244%
Potential True Interest Cost (TIC)	1.800244%
Potential Net Interest Cost (NIC)	1.800000%
Potential All-In TIC	2.535821%
Average Coupon	1.800000%
Average Life (years)	4.347
Duration of Issue (years)	4.157
Par Amount	1,180,000.00
Bond Proceeds	1,180,000.00
Total Interest	92,340.00
Net Interest	92,340.00
Total Debt Service	1,272,340.00
Maximum Annual Debt Service	163,810.00
Average Annual Debt Service	164,172.90
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
2016 Refunding Bonds	1,180,000.00	100.000	1.800%	4.347
	1,180,000.00			4.347

	TIC	All-In TIC	Arbitrage Yield
Par Value	1,180,000.00	1,180,000.00	1,180,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-35,000.00	
- Other Amounts			
Target Value	1,180,000.00	1,145,000.00	1,180,000.00
Target Date	08/01/2016	08/01/2016	08/01/2016
Yield	1.800244%	2.535821%	1.800244%

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SAVINGS

County of Manistee, Michigan  
Building Authority Refunding Bonds, Series 2016  
Advance Refunding of Building Authority Refunding Bonds, Series 2006  
Preliminary, Hypothetical Interest Rates as of June 22, 2016

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 08/01/2016 @ 1.8002436%
11/01/2016	11,974.38	5,310.00	6,664.38		6,634.59
05/01/2017	148,948.75	145,620.00	3,328.75	9,993.13	3,284.31
11/01/2017	21,448.75	9,405.00	12,043.75		11,776.94
05/01/2018	151,448.75	154,405.00	-2,956.25	9,087.50	-2,864.97
11/01/2018	18,751.25	8,100.00	10,651.25		10,230.29
05/01/2019	153,751.25	153,100.00	651.25	11,302.50	619.93
11/01/2019	15,950.00	6,795.00	9,155.00		8,636.99
05/01/2020	150,950.00	151,795.00	-845.00	8,310.00	-790.08
11/01/2020	13,148.75	5,490.00	7,658.75		7,097.06
05/01/2021	153,148.75	150,490.00	2,658.75	10,317.50	2,441.78
11/01/2021	10,173.75	4,185.00	5,988.75		5,450.97
05/01/2022	165,173.75	159,185.00	5,988.75	11,977.50	5,402.34
11/01/2022	6,880.00	2,790.00	4,090.00		3,656.60
05/01/2023	161,880.00	152,790.00	9,090.00	13,180.00	8,054.27
11/01/2023	3,547.50	1,440.00	2,107.50		1,850.71
05/01/2024	168,547.50	161,440.00	7,107.50	9,215.00	6,185.80
	1,355,723.13	1,272,340.00	83,383.13	83,383.13	77,667.51

Savings Summary

PV of savings from cash flow	77,667.51
Plus: Refunding funds on hand	1,234.16
Potential Net PV Savings	<u>78,901.67</u>

Note: Present Value savings are net of hypothetical costs of issuance, assumed to equal approximately 2.85%.

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**SUMMARY OF REFUNDING RESULTS**

County of Manistee, Michigan  
Building Authority Refunding Bonds, Series 2016  
Advance Refunding of Building Authority Refunding Bonds, Series 2006  
Preliminary, Hypothetical Interest Rates as of June 22, 2016

Assumed Dated Date	08/01/2016
Assumed Delivery Date	08/01/2016
Arbitrage yield	1.800244%
Escrow yield	0.236830%
Value of Negative Arbitrage	1,481.64
Bond Par Amount	1,180,000.00
Potential True Interest Cost	1.800244%
Potential Net Interest Cost	1.800000%
Average Coupon	1.800000%
Average Life	4.347
Par amount of refunded bonds	1,140,000.00
Average coupon of refunded bonds	4.246518%
Average life of refunded bonds	4.456
PV of prior debt to 08/01/2016 @ 1.800244%	1,257,667.51
Potential Net PV Savings	78,901.67
Percentage savings of refunded bonds	6.921199%
Percentage savings of refunding bonds	6.686582%

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**IMPORTANT DISCLOSURES**

County of Manistee, Michigan  
Building Authority Refunding Bonds, Series 2016  
Advance Refunding of Building Authority Refunding Bonds, Series 2006  
Preliminary, Hypothetical Interest Rates as of June 22, 2016

Robert W. Baird & Co. Incorporated ("Baird") is not recommending that you take or not take any action. Baird is not acting as financial advisor or municipal advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the information contained herein and/or accompanying materials (collectively, the "Materials"). Baird is acting for its own interests. You should discuss the Materials with any and all internal or external advisors and experts that you deem appropriate before acting on the Materials.

Baird seeks to serve as underwriter in connection with a possible issuance of municipal securities you may be considering and not as financial advisor or municipal advisor. Baird is providing the Materials for discussion purposes only, in anticipation of being engaged to serve as underwriter (or placement agent).

The role of an underwriter includes the following: Municipal Securities Rulemaking Board Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors. An underwriter's primary role is to purchase the proposed securities to be issued with a view to distribution in an arm's length commercial transaction with the issuer. An underwriter has financial and other interests that differ from those of the issuer. An underwriter may provide advice to the issuer concerning the structure, timing, terms, and other similar matters for an issuance of municipal securities. Any such advice, however, would be provided in the context of serving as an underwriter and not as municipal advisor, financial advisor or fiduciary. Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the issuer under the federal securities laws and is therefore not required by federal law to act in the best interests of the issuer without regard to its own financial or other interests. An underwriter has a duty to purchase securities from the issuer at a fair and reasonable price but must balance that duty with its duty to sell those securities to investors at prices that are fair and reasonable. An underwriter will review the official statement (if any) applicable to the proposed issuance in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the proposed issuance.

The Materials do not include any proposals, recommendations or suggestions that you take or refrain from taking any action with regard to an issuance of municipal securities and are not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 or Rule 15Ba1-1 thereunder. The Materials are intended to provide information of a factual, objective or educational nature, as well as general information about Baird (including its Public Finance unit) and its experience, qualifications and capabilities.

Any information or estimates contained in the Materials are based on publicly available data, including information about recent transactions believed to be comparable, and Baird's experience, and are subject to change without notice. Baird has not independently verified the accuracy of such data. Interested parties are advised to contact Baird for more information.

If you have any questions or concerns about the above disclosures, please contact Baird Public Finance.

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that the Materials do not constitute tax advice and shall not be used for the purpose of (i) avoiding tax penalties or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

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**Bendzinski & Co.**  
  
**municipal finance advisors**

June 23, 2016

Via E-mail

Mr. Paul Wyzgoski  
Dickinson Wright PLLC  
2600 W. Big Beaver Rd., Suite 300  
Troy, MI 48084-3312

RE: Not to Exceed \$1,200,000 County of Manistee, State of Michigan, Building Authority Refunding Bonds, Series 2016

Dear Paul:

We are requesting that you prepare a parameters resolution for the County so that they may adopt the same. The resolution shall provide the following:

1. Bendzinski & Co. Municipal Finance Advisors, shall be named as the registered municipal advisor;
2. Dickinson Wright, PLLC, shall be named as bond counsel;
3. Robert W. Baird shall be named as placement agent;
4. Please provide that the County wishes to sell the bonds through a negotiated sale because it is the most efficient and expeditious process, and will result in the lowest interest cost to the County;
5. The Refunding Bonds shall be sold at a price not less than 98.00% of the par value of the Refunding Bonds;
6. The bond issue shall be fully-registered in \$5,000 denominations or multiples thereof, and the par amount shall not exceed \$1,200,000;
7. The bonds will be dated as of the date of delivery;
8. Interest payments will be May 1 and November 1 of each year, and the first interest payment will be determined at the date of pricing, based on market conditions;
9. The bonds will mature May 1, annually through and including 2024, and the first principal payment date will be determined on the date of pricing, based on market conditions;
10. The maximum interest rate on the bonds shall not exceed 4.00% per annum;
11. Bond maturity amounts, call features and term bond option shall be determined at the date of pricing, based on market conditions;

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Bendzinski & Co.  
Mr. Paul Wyzgoski  
Dickinson Wright PLLC  
June 23, 2016

(D-11)

12. The Bonds will be designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Code;
13. Provided that CUSIP identification numbers are printed on the bonds, the purchaser agrees to pay the amount printed on the CUSIP invoice for the assignment of such numbers to the CUSIP Service Bureau;
14. The County will furnish Bonds for delivery through DTC in New York, New York, or any other place mutually agreeable. Delivery of the Bonds shall be within 45 days from the date of sale of the Bonds;
15. The County Administrator or County Treasurer, each individually, shall be authorized to adjust the final bond details as set forth by the resolution to the extent necessary or convenient to complete the sale of the Bonds, and in pursuance of the forgoing is each authorized to exercise the authority and make the determinations, including but not limited to, determinations regarding interest rates, prices, discounts, maturity dates, principal amounts, denominations, date of issuance, interest payment dates, redemption rights, designation as qualified tax-exempt obligations, transfer agent fees, escrow agent fees, verification agent fees, financial advisor fees, bond counsel fees, rating agency fees, purchase of a policy or policies of municipal bond insurance with respect to the Bonds, costs of printing the bonds, continuing disclosure requirements, the preliminary and final official statements, publication of notices and any other costs necessary and other matters within the parameters established by the resolution; and
16. The County Administrator or Treasurer shall have the authority to complete this financing without having to go back to County Board.

We believe this provides you with the information required to begin preparing the necessary resolution and documents to be considered by the County Ways and Means Committee at their meeting scheduled for July 6, 2016.

In the meantime, should you have any questions or require any additional information, please do not hesitate to call.

Sincerely,

BENDZINSKI & CO.  
Municipal Finance Advisors



Robert J. Bendzinski, CIPMA  
Registered Municipal Advisor

RJB/jll

cc: Thomas Kaminski, Controller/Administrator  
Russell A. Pomeroy, Treasurer  
Warren M. Creamer III, Baird

**Bendzinski & Co.**



**municipal finance advisors**

(D-12)

June 23, 2016

Mr. Thomas Kaminski, Controller/Administrator  
County of Manistee  
415 Third St.  
Manistee, MI 49660

RE: County of Manistee, State of Michigan, Building Authority Refunding Bonds, Series  
2016

Dear Mr. Kaminski:

Bendzinski & Co. Municipal Finance Advisors would like to thank you for the opportunity to serve as the Registered Municipal Advisor to County of Manistee, State of Michigan (the "Issuer"), for the issuance of the above referenced issue. This letter will confirm the terms of our engagement.

- Act on behalf of the Issuer with a fiduciary duty, which shall include a duty of loyalty and a duty of care in accordance with the rules and regulations set forth by the Municipal Securities Rulemaking Board ("Board" or "MSRB") and the Securities and Exchange Commission ("SEC");
- If necessary, prepare with officials of the Issuer, the forms required by the Municipal Finance Division of the Michigan Department of Treasury;
- Prepare complete financial information in cooperation with officials, in order to arrive at the amount of the issue to be sold;
- Prepare a time schedule, illustrating the steps necessary to issue the bonds for the project;
- If necessary assist with the selection of registrar/transfer/paying agent;
- Assist the Placement Agent in preparing a Request for Proposals ("RFP"), outlining all the details of the proposed financing;
- A representative of Bendzinski & Co. shall review the proposals for compliance with the terms set forth by the Placement Agent in the RFP;
- After the proposals are received, Bendzinski & Co. will calculate and verify the True Interest Cost on the proposals submitted. This representative will be prepared to submit detailed information on the current status of the general market and provide a list of comparable issues recently sold. This information will aid in determining the action to be taken with respect to the proposals submitted;
- Prepare settlement statement and final schedule of principal and interest requirements, based on selected purchaser, and closing memo;
- Plan and arrange for the closing and settlement of the delivery of the Bonds; and

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**Bendzinski & Co.**  
Mr. Thomas Kaminski, Controller/Administrator  
County of Manistee  
June 23, 2016

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- Usual and customary Registered Municipal Advisor services as may be requested by the Issuer.

Bendzinski & Co. proposes a fee of \$10,000.00.

In addition to the above professional fee, the Issuer will be charged for all travel and out-of-pocket expenses including, but not limited to: postage, telephone, mileage, airfare, meals and lodging for attendance of meetings requested by the Issuer.

We believe this provides you with the outline of the services we provide. The Registered Municipal Advisor fee is contingent upon the closing and delivery of the bonds. Although this form of compensation may be customary, it presents a conflict because Bendzinski & Co. may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the Issuer. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, Bendzinski & Co. may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Bendzinski & Co. manages and mitigates this conflict primarily by adherence to the fiduciary duty which it owes to municipal entities such as the Issuer which require it to put the interests of the Issuer ahead of its own.

Bendzinski & Co. is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the SEC and the MSRB. As part of this registration Bendzinski & Co. is required to disclose to the SEC information regarding any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Bendzinski & Co. Pursuant to MSRB Rule G-42, Bendzinski & Co. is required to disclose any legal or disciplinary event that is material to the Issuer's evaluation of Bendzinski & Co. or the integrity of its management or advisory personnel. Bendzinski & Co. has determined that no such event exists as there are no criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations or civil litigation involving Bendzinski & Co. that were required to be reported to the SEC.

Copies of Bendzinski & Co.'s filings with the SEC can currently be found by accessing the SEC's EDGAR system Company Search Page, which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Bendzinski & Co. or for our CIK number which is 1614475.

It is understood and agreed that either party to this contract of employment may terminate the contract for any reason upon thirty (30) days prior written notice to the other party. If our employment on this basis is agreeable to you, please endorse your acceptance hereof on this letter which will constitute our contract of employment.

**Bendzinski & Co.**  
Mr. Thomas Kaminski, Controller/Administrator  
County of Manistee  
June 23, 2016

(D-14)

Should you have any questions or require any additional information, please do not hesitate to call.

Sincerely,

**BENDZINSKI & CO.**  
Municipal Finance Advisors



Robert J. Bendzinski, CIPMA  
President  
Registered Municipal Advisor

Accepted: \_\_\_\_\_, 2016

COUNTY OF MANISTEE, STATE OF MICHIGAN

By: \_\_\_\_\_  
Thomas Kaminski, Controller/Administrator

(D-15)



June 24, 2016

Mr. Thomas D. Kaminski  
Controller/Administrator  
County of Manistee  
415 Third Street  
Manistee, Michigan 49660

Re. Placement Agent Engagement Letter

Dear Mr. Kaminski,

On behalf of Robert W. Baird & Co. Incorporated ("Baird" or "we"), we wish to thank you for the opportunity to serve as placement agent for the County of Manistee (the "County" or "you") on its proposed placement and issuance of its approximately \$1,185,000 Limited Tax General Obligation Refunding Bonds, Series 2016 (the "Securities"). This letter will confirm the terms of our engagement as Placement Agent. It is anticipated that the Securities will be sold directly by the County to one investor in a direct placement.

1. Services to be Provided by Baird. Baird is hereby engaged to serve as placement agent for the proposed placement and issuance of the Securities, and in such capacity Baird agrees to provide the following services:

- Review and evaluate the proposed terms of the placement and the Securities
- Assist in the preparation of the private placement memorandum and/or other disclosure documents
- Identify and contact potential investors, provide them with offering-related information, respond to their inquiries and, if requested, coordinate their due diligence sessions
- If the Securities are to be rated, assist in preparing materials to be provided to securities ratings agency or agencies and in developing strategies for meetings with the ratings agency or agencies to obtain a rating for the Securities
- Negotiate the pricing, including the interest rate, and other terms of the Securities
- Obtain CUSIP number(s) for the Securities and arrange for their DTC book-entry eligibility
- Plan and arrange for the closing and settlement of the issuance and the delivery of the Securities
- Such other usual and customary placement agent services as may be requested by the County

2. Disclosures Concerning Baird's Role as Placement Agent as Required by MSRB Rule G-23 and G-17:  
At the County's request, Baird may provide incidental financial advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Securities. Please note that Baird would be providing such advisory services in its capacity as placement agent and not as a municipal advisor or financial advisor to the County. As placement agent, Baird's primary role is to arrange for the placement of the Securities in an arm's length commercial transaction between the County and Baird. Baird has financial and other interests that differ from those of the County. Unlike a municipal advisor, Baird as placement agent does not have a fiduciary duty to the County under the federal securities law and is therefore not required by federal law to act in the best interest of the County without regard to its own financial or other interests. As part of its services, Baird will review the private placement memorandum and/or other disclosure document (if any) applicable to the placement of the Securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the Securities.

(D-16)

As placement agent, Baird will not be required to purchase the Securities or to find one or more buyers of the Securities, but rather to use its reasonable best efforts to arrange for the sale of the Securities to one or more buyers. If all of the conditions to its obligations for the placement of any Securities have been satisfied, Baird as placement agent has a duty to arrange for the placement of the Securities at a fair and reasonable price to the County but must balance that duty with its duty to arrange for the sale of the Securities to investors at prices that are fair and reasonable.

The County will voluntarily submit information about the transaction through EMMA's continuing disclosure service, located in the voluntary continuing disclosure category of "Financial/Operating Data - Investment/Debt/Financial Policy," which information should (if applicable) provide details regarding the amount of debt being issued and its impact on the debt position, the purpose of the debt and use of proceeds, source of repayment, payment dates, interest rate, maturity and amortization of the debt, covenants, prepayment terms, events of default and remedies, acceleration events, other material terms, evidence of compliance with additional debt test, ratings, CUSIP number, transfer and redistribution rights and financial reporting requirements.

3. Fees and Expenses; Conflicts of Interest. Baird's placement agent fee shall be \$10,000 plus reimbursement for the CUSIP fee, if any. The placement agent fee will be contingent upon the closing of the placement of the Securities and the amount of the fee will be based on the principal or par amount of the Securities issued. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because the placement agent may have an incentive to recommend to the County a transaction that is unnecessary or to recommend that the size of the transaction be larger than necessary. Other firms who provide services in connection with the proposed placement may also have fees that are contingent on the closing of the placement of the Securities.

In addition to the placement agent fee, the County shall be responsible for paying all other costs of issuance, including without limitation, bond counsel, placement agent's counsel (if any) and rating agency fees and expenses, and all other expenses incident to the performance of the County's obligations under the proposed placement.

Baird is a full service securities firm and as such Baird and its affiliates may from time to time provide advisory, brokerage, consulting and other services and products to municipalities, other institutions, and individuals including the County, certain County officials or employees, and potential purchasers of the Securities for which Baird may receive customary compensation; however, such services are not related to the proposed offering. Baird has previously served as underwriter, placement agent or financial advisor on other bond offerings and financings for the County and expects to serve in such capacities in the future. Baird may also be engaged from time to time by the County to manage investments for the County (including the proceeds from the proposed offering) through a separate contract that sets forth the fees to be paid to Baird. Baird manages various mutual funds, and from time to time those funds may own bonds and other securities issued by the County (including the Securities). Additionally, clients of Baird may from time to time purchase, hold and sell bonds and other securities issued by the County (including the Securities).

In the ordinary course of fixed income trading business, Baird may purchase, sell, or hold a broad array of investments and may actively trade securities and other financial instruments, including the Securities and other municipal bonds, for its own account and for the accounts of customers, with respect to which Baird may receive a mark-up or mark-down, commission or other remuneration. Such investment and trading activities may involve or relate to the offering or other assets, securities and/or instruments of the County and/or persons and entities with relationships with the County. Spouses and other family members of Baird associates may be employed by the County.

Baird has not identified any additional potential or actual material conflicts that require disclosure. If potential or actual conflicts arise in the future, we will provide you with supplemental disclosures about them.

4. Term and Termination. The term of this engagement shall extend from the date of this letter to the closing of the placement of the Securities. Notwithstanding the forgoing, either party may terminate Baird's engagement at any time without liability of penalty upon at least 30 days' prior written notice to the other party.

5. Limitation of Liability. The County agrees that neither Baird nor its employees, officers, agents or affiliates shall have any liability to the County for the services provided hereunder except to the extent it is judicially determined that Baird engaged in gross negligence or willful misconduct.

(D-17)

6. Miscellaneous. This letter shall be governed and construed in accordance with the laws of the State of Michigan. This Engagement Letter may not be amended or modified except by means of a written instrument executed by both parties hereto. This Engagement Letter may not be assigned by either party without the prior written consent of the other party. The County acknowledges that Baird may, at its option and expense and after announcement of the offering, place announcements and advertisements or otherwise publicize a description of the offering and Baird's role in it on Baird's website and/or other marketing material and in such financial and other newspapers and journals as it may choose, stating that Baird has acted as underwriter for the offering. The County also agrees that Baird may use the County's name and logo or official seal for these purposes.

7. Disclosures of Material Financial Characteristics and Material Financial Risks. Accompanying this letter is a disclosure document describing the material financial characteristics and material financial risks of the Securities as required by MSRB Rule G-17.

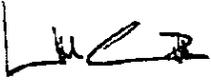
If there is any aspect of this Engagement Letter that you believe requires further clarification, please do not hesitate to contact us. In addition, please consult your own financial and/or municipal, legal, accounting, tax and other advisors as you deem appropriate. We understand that you have the authority to bind the County by contract with us, and that you are not a party to any conflict of interest relating to the proposed placement and issuance of the Securities. If our understanding is not correct, please let us know.

Please evidence your receipt and agreement to the foregoing by signing and returning this Engagement Letter.

Again, we thank you for the opportunity to assist you with your proposed placement and issuance of the Securities and the confidence you have placed in us.

Very truly yours,

**ROBERT W. BAIRD & CO. INCORPORATED**

By: 

Managing Director

Accepted this \_\_\_ day of June, 2016

**COUNTY OF MANISTEE**

By: \_\_\_\_\_

Title: Controller/Administrator

D-18

Resolution # 2016-22  
RESOLUTION TO AUTHORIZE THE ISSUANCE OF  
REFUNDING BONDS NOT TO EXCEED \$1,300,000

At a regular meeting of the Board of Commissioners of the County of Manistee, Michigan held on the 19<sup>th</sup> day of July, 2016.

PRESENT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ABSENT: \_\_\_\_\_

The following resolution was made by \_\_\_\_\_ and seconded by \_\_\_\_\_:

WHEREAS, the County of Manistee (the "County") issued its 2006 Building Authority Refunding Bonds, dated as of May 4, 2006, in the principal amount of \$1,935,000 (the "Prior Bonds") on May 4, 2006; and

WHEREAS, the Prior Bonds remain outstanding in various principal amounts, and the County has been advised that certain of the Prior Bonds could be redeemed and thereby secure savings for the County and benefit the taxpayers of the County; and

WHEREAS, Part VI of Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34"), authorizes the issuance of refunding bonds for the purpose of refunding all or part of the County's outstanding securities, including the Prior Bonds; and

WHEREAS, the Board of Commissioners of the County has determined that it is in the best interest of the County to secure savings for the County through the issuance of such refunding bonds.

NOW, THEREFORE, BE IT RESOLVED that:

1. AUTHORIZATION OF BONDS – PURPOSE. Bonds of the County aggregating the principal sum of not to exceed One Million Three Hundred Thousand Dollars (\$1,300,000) (the "Refunding Bonds") shall be issued and sold pursuant to the provisions of Act 34, and other applicable statutory provisions, for the purpose of refunding all or part of the Prior Bonds as determined by order of the Controller/Administrator or the County Treasurer.

2. BOND DETAILS. The Refunding Bonds shall be designated "Refunding Bonds, Series 2016"; shall be dated as of the date approved by order of the Controller/Administrator or the County Treasurer; shall be numbered from 1 upwards; shall be fully registered; shall be in the denominations and bear interest at a rate or rates not exceeding 5% per annum as shall be determined by order of the Controller/Administrator or the County Treasurer; shall be payable on such dates as shall be determined by order of the Controller/Administrator or the County Treasurer; and shall be serial bonds and/or term bonds and mature on such dates and in such years as shall be determined by order of the Controller/Administrator or the County Treasurer; provided, however, that the final maturity shall not be later than May 1, 2024. If requested by the original purchaser of the Refunding Bonds and determined by the Controller/Administrator or the County Treasurer, the Refunding Bonds may be issued in the form of a single bond with an exhibit containing the principal maturity amounts and applicable interest rates and due dates.

3. PAYMENT OF PRINCIPAL AND INTEREST. The principal of and interest on the Refunding Bonds shall be payable in lawful money of the United States. Principal shall be

payable upon presentation and surrender of the Refunding Bonds to the bond registrar and paying agent as they severally mature; provided, however, if the Refunding Bonds are issued in the form of a single bond, only the final principal payment shall be payable upon presentation and surrender of the bond to the bond registrar and paying agent and all other principal installments shall be paid to the registered owner of the bond as shown on the registration books. Interest shall be paid to the registered owner of each Refunding Bond as shown on the registration books at the close of business on the 15<sup>th</sup> day of the calendar month preceding the month in which the interest payment is due. Interest shall be paid when due by check or draft drawn upon and mailed by the bond registrar and paying agent to the registered owner at the registered address.

4. PRIOR REDEMPTION. The Refunding Bonds shall be subject to mandatory and/or optional redemption prior to maturity upon such terms and conditions as shall be determined by order of the Controller/Administrator or the County Treasurer.

5. BOOK-ENTRY SYSTEM. Initially, if requested by the original purchaser of the Refunding Bonds and determined by the Controller/Administrator or the County Treasurer, one fully-registered Refunding Bond for each maturity, in the aggregate amount of such maturity, shall be issued in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC") for the benefit of other parties (the "Participants") in the book-entry-only transfer system of DTC. In the event the County determines that it is in the best interest of the County not to continue the book-entry system of transfer or that the interests of the holders of the Refunding Bonds might be adversely affected if the book-entry system of transfer is continued, the County may notify DTC and the bond registrar and paying agent, whereupon DTC will notify the Participants of the availability through DTC of Refunding Bond certificates. In such event, the bond registrar and paying agent shall deliver, transfer and exchange Refunding Bond certificates as requested by DTC and any Participant or "beneficial owner" in appropriate

amounts in accordance with this resolution. DTC may determine to discontinue providing its services with respect to the Refunding Bonds at any time by giving notice to the County and the bond registrar and paying agent and discharging its responsibilities with respect thereto under applicable law or the County may determine that DTC is incapable of discharging its duties and may so advise DTC. In either such event, the County shall use reasonable efforts to locate another securities depository. Under such circumstances (if there is no successor securities depository), the County and the bond registrar and paying agent shall be obligated to deliver Refunding Bond certificates in accordance with the procedures established by this resolution. In the event Refunding Bond certificates are issued, the provisions of this resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the County and the bond registrar and paying agent to do so, the County and the bond registrar and paying agent shall cooperate with DTC in taking appropriate action after reasonable notice to make available one or more separate certificates evidencing the Refunding Bonds to any Participant having Refunding Bonds credited to its DTC account or to arrange for another securities depository to maintain custody of certificates evidencing the Refunding Bonds.

Notwithstanding any other provision of this resolution to the contrary, so long as any Refunding Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, interest on and redemption premium, if any, on such Refunding Bonds and all notices with respect to the Refunding Bonds shall be made and given, respectively, to DTC. The Controller/Administrator and the County Treasurer are each authorized to sign the Blanket Issuer Letter of Representations on behalf of the County in such form as such official signing the Blanket Issuer Letter of Representations deems necessary or appropriate in order to accomplish the issuance of the Refunding Bonds in accordance with law and this resolution.

Notwithstanding any other provision of this section to the contrary, if the Controller/Administrator or the County Treasurer deems it to be in the best interest of the County, the Refunding Bonds shall not initially be issued through the book-entry-only transfer system of DTC.

6. BOND REGISTRAR AND PAYING AGENT. The Controller/Administrator or the County Treasurer shall designate, and may enter into an agreement with, a bond registrar and paying agent for the Refunding Bonds which shall be a bank or trust company located in the State of Michigan that is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The Controller/Administrator or the County Treasurer from time to time as required may designate a similarly qualified successor bond registrar and paying agent. Notwithstanding any provision of this section to the contrary, if the Controller/Administrator or the County Treasurer deems it to be in the best interest of the County, the County Treasurer or other person or entity as determined by the Controller/Administrator or the County Treasurer shall serve as bond registrar and paying agent for the Refunding Bonds.

7. EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS. The Refunding Bonds shall be executed in the name of the County by the manual or facsimile signatures of the Chairperson of the Board of Commissioners and the County Clerk and authenticated by the manual signature of the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent, and the seal of the County (or a facsimile thereof) shall be impressed or imprinted on the Refunding Bonds. After the Refunding Bonds have been executed and authenticated for delivery to the original purchaser thereof, they shall be delivered by the Controller/Administrator or the County Treasurer to the purchaser of the Refunding Bonds upon receipt of the purchase price. Additional Refunding Bonds bearing the manual or facsimile signatures of the Chairperson of the Board of Commissioners and the

County Clerk may be delivered to the bond registrar and paying agent for authentication and delivery in connection with the exchange or transfer of the Refunding Bonds. The bond registrar and paying agent shall indicate on each Refunding Bond the date of its authentication.

8. EXCHANGE AND TRANSFER OF BONDS. Any Refunding Bond, upon surrender thereof to the bond registrar and paying agent with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney, at the option of the registered owner thereof, may be exchanged for Refunding Bonds of any other authorized denominations of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Refunding Bond.

Each Refunding Bond shall be transferable only upon the books of the County, which shall be kept for that purpose by the bond registrar and paying agent, upon surrender of such Refunding Bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney.

Upon the exchange or transfer of any Refunding Bond, the bond registrar and paying agent on behalf of the County shall cancel the surrendered Refunding Bond and shall authenticate and deliver to the transferee a new Refunding Bond or Bonds of any authorized denomination of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Refunding Bond. If, at the time the bond registrar and paying agent authenticates and delivers a new Refunding Bond pursuant to this section, payment of interest on the Refunding Bonds is in default, the bond registrar and paying agent shall endorse upon the new Refunding Bond the following: "Payment of interest on this bond is in default. The last date to which interest has been paid is \_\_\_\_\_, \_\_\_\_."

The County and the bond registrar and paying agent may deem and treat the person in whose name any Refunding Bond shall be registered upon the books of the County as the absolute owner of such Refunding Bond, whether such Refunding Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Refunding Bond and for all other purposes, and all payments made to any such registered owner, or upon his order, in accordance with the provisions of section 3 of this resolution shall be valid and effectual to satisfy and discharge the liability upon such Refunding Bond to the extent of the sum or sums so paid, and neither the County nor the bond registrar and paying agent shall be affected by any notice to the contrary. The County agrees to indemnify and save the bond registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of Refunding Bonds, the County or the bond registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The bond registrar and paying agent shall not be required to transfer or exchange Refunding Bonds or portions of Refunding Bonds that have been selected for redemption.

9. FORM OF BONDS. The Refunding Bonds shall be in substantially the following form, with such changes thereto as approved by the Controller/Administrator or the County Treasurer within the parameters of this resolution:

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UNITED STATES OF AMERICA  
STATE OF MICHIGAN

COUNTY OF MANISTEE  
REFUNDING BOND, SERIES 2016

INTEREST RATE      MATURITY DATE      DATE OF ORIGINAL ISSUE      CUSIP

Registered Owner:

Principal Amount:

The County of Manistee, State of Michigan (the "County"), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this bond at \_\_\_\_\_, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution (as hereinafter defined), and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15<sup>th</sup> day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest on such Principal Amount from \_\_\_\_\_, \_\_\_\_\_, or such later date through which interest has been paid until the County's obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest is payable on the first day of \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing on \_\_\_\_\_, 20\_\_\_. Principal and interest are payable in lawful money of the United States of America. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This bond is one of a series of bonds aggregating the principal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) issued by the County under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 34, Public Acts of 2001, as amended) and a resolution adopted by the Board of Commissioners of the County on July 19, 2016 and an order of the \_\_\_\_\_ (collectively, the "Resolution"), for the purpose of refunding the County's outstanding 2006 Building Authority Refunding Bonds, dated as of May 4, 2006, maturing in the years \_\_\_\_\_ through \_\_\_\_\_. The full faith and credit of the County have been pledged for the prompt payment

of the principal of and interest on this bond. The County is required to levy annually ad valorem taxes to pay such principal and interest as the same shall become due. Taxes imposed by the County are subject to constitutional and statutory tax limitations.

This bond is transferable, as provided in the Resolution, only upon the books of the County kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges, if any, therein provided. Bonds so authenticated and delivered shall be in the denomination of \$ \_\_\_\_\_ or any integral multiple of \$ \_\_\_\_\_ not exceeding the aggregate principal amount for each maturity.

The bond registrar and paying agent shall not be required to transfer or exchange bonds or portions of bonds that have been selected for redemption.

MANDATORY PRIOR REDEMPTION

Bonds maturing in the year \_\_\_\_ are subject to mandatory prior redemption at par and accrued interest as follows:

<u>Redemption Date</u>	<u>Principal Amount of Bonds to be Redeemed</u>
------------------------	---

Bonds or portions of bonds to be redeemed by mandatory redemption shall be selected by lot.

(REPEAT IF MORE THAN ONE TERM BOND)

OPTIONAL PRIOR REDEMPTION

Bonds maturing prior to \_\_\_\_\_, \_\_\_\_, are not subject to redemption prior to maturity. Bonds maturing on and after \_\_\_\_\_, \_\_\_\_, are subject to redemption prior to maturity at the option of the County, in such order as shall be determined by the County, on any date on and after \_\_\_\_\_, \_\_\_\_. Bonds of a denomination greater than \$ \_\_\_\_\_ may be partially redeemed in the amount of \$ \_\_\_\_\_ or any integral multiple thereof. If less than all of the bonds maturing in any year are to be redeemed, the bonds or portions of bonds to be redeemed shall be selected by lot. The redemption price shall be the par value of the bond or portion of the bond called to be redeemed plus interest to the date fixed for redemption and a premium as follows:

- % of the par value if called for redemption on or after \_\_\_\_\_, \_\_\_\_, but prior to \_\_\_\_\_, \_\_\_\_;
- % of the par value if called for redemption on or after \_\_\_\_\_, \_\_\_\_, but prior to \_\_\_\_\_, \_\_\_\_;
- % of the par value if called for redemption on or after \_\_\_\_\_, \_\_\_\_, but prior to \_\_\_\_\_, \_\_\_\_.

Not less than thirty but not more than sixty days' notice of redemption shall be given to the Registered Owner of bonds called to be redeemed by mail to each Registered Owner at the registered address. Bonds or portions of bonds called for redemption shall not bear interest on and after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the County, including the series of bonds of which this bond is one, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County of Manistee, State of Michigan, by its Board of Commissioners, has caused this bond to be executed in its name by the manual or facsimile signatures of the Chairperson of the Board of Commissioners and the County Clerk and its corporate seal (or a facsimile thereof) to be impressed or imprinted thereon. This bond shall not be valid unless the Certificate of Authentication has been manually executed by the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent.

COUNTY OF MANISTEE

By: \_\_\_\_\_

Its: Chairperson, Board of Commissioners

And: \_\_\_\_\_

Its: Clerk

D-28

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Resolution.

\_\_\_\_\_  
Bond Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Representative

AUTHENTICATION DATE:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
(please print or type name, address and taxpayer identification number of transferee) the within  
bond and all rights thereunder and hereby irrevocably constitutes and appoints  
\_\_\_\_\_  
attorney to transfer the within bond on the books kept for registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

10. SECURITY. There shall be levied upon all taxable property in the County upon the tax roll for each year while any of the Refunding Bonds shall be outstanding an amount such that the estimated collections therefrom will be sufficient to pay promptly at maturity the principal and interest maturing on the Refunding Bonds prior to the time of the following year's tax collections. Taxes required to be levied to pay principal of and interest on the Refunding Bonds shall be subject to constitutional and statutory tax limitations. The proceeds of such taxes (both current and delinquent) shall be deposited as collected into a debt retirement fund that shall be established and maintained for the Refunding Bonds as either a separate or a common fund as permitted by law, and until the principal of and the interest on the Refunding Bonds are paid in full, such proceeds shall be used only for payment of such principal and interest or for other authorized purposes of the fund.

11. DEBT RETIREMENT FUND. There is hereby established for the Refunding Bonds a debt retirement fund (the "Debt Retirement Fund") that shall be either a separate or a common fund as permitted by law. From the proceeds of the sale of the Refunding Bonds, there shall be set aside in the Debt Retirement Fund any accrued interest received from the purchaser at the time of delivery of the same and such portion of any premium received from the purchaser on the Refunding Bonds as determined by the Controller/Administrator or the County Treasurer. All proceeds from taxes levied for the payment of the principal of and interest on the Refunding Bonds shall be deposited into the Debt Retirement Fund. If a separate debt retirement fund is established the moneys deposited in the Debt Retirement Fund shall be used solely for the purpose of paying the principal of and interest on the Refunding Bonds. If a common debt retirement fund is established, the moneys deposited in the Debt Retirement Fund shall be used solely for the payment of the principal of an interest on the Refunding Bonds and other bonds of like character of the County payable from such common debt retirement fund.

12. PAYMENT OF COSTS OF ISSUANCE - ESCROW FUND. The remainder of the proceeds of the Refunding Bonds shall be used to pay the costs of issuance of the Refunding Bonds and to refund the Prior Bonds maturing in the years determined by order of the Controller/Administrator or the County Treasurer (the "Prior Bonds To Be Refunded"). After the costs of issuance have been paid or provided for the remaining proceeds shall be used, together with any moneys transferred from the debt retirement fund for the Prior Bonds or other available funds of the County in such amounts as determined by the Controller/Administrator or the County Treasurer, to establish an escrow fund (the "Escrow Fund") consisting of cash and investments in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing and used to pay the principal of, interest on and redemption premiums, if any, on the Prior Bonds To Be Refunded. The Escrow Fund shall be held by an escrow agent (the "Escrow Agent") pursuant to an Escrow Agreement (the "Escrow Agreement"), which irrevocably shall direct the Escrow Agent to take all necessary steps to pay the principal of and interest on the Prior Bonds To Be Refunded when due and to call such Prior Bonds To Be Refunded for redemption at such time as shall be determined in the Escrow Agreement. The Controller/Administrator or the County Treasurer is authorized to select the Escrow Agent and enter into the Escrow Agreement on behalf of the County. The amounts held in the Escrow Fund shall be such that the cash and the investments and the income received on the investments will be sufficient without reinvestment to pay the principal of, interest on and redemption premiums, if any, on the Prior Bonds To Be Refunded when due at maturity or call for redemption as required by the Escrow Agreement.

13. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay, at maturity or irrevocable call for earlier optional

redemption, the principal of, redemption premium, if any, and interest on all or any portion of the Refunding Bonds, shall have been deposited in trust, this resolution shall be defeased and the owners of the Refunding Bonds shall have no further rights under this resolution except to receive payment of the principal of, redemption premium, if any, and interest on the Refunding Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Refunding Bonds as provided herein.

14. APPROVAL OF DEPARTMENT OF TREASURY. The issuance and sale of the Refunding Bonds shall be subject to the County obtaining qualified status or prior approval from the Department of Treasury of the State of Michigan pursuant to Act 34 and, if necessary, the Controller/Administrator or the County Treasurer is hereby authorized and directed to make application to the Department of Treasury for approval to issue and sell the Refunding Bonds as provided by the terms of this resolution and by Act 34. The Controller/Administrator or the County Treasurer is authorized to pay any filing fees required in connection with obtaining qualified status or prior approval from the Department of Treasury. The Controller/Administrator or the County Treasurer is further authorized to request such waivers of the requirements of the Department of Treasury or Act 34 as the Controller/Administrator or the County Treasurer shall determine to be necessary or desirable in connection with the sale of the Refunding Bonds.

15. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF BONDS. The Refunding Bonds shall be sold pursuant to a negotiated sale as hereinafter provided, and it is hereby determined that such negotiated sale is in the best interests of the County and is calculated to provide the maximum flexibility in pricing the Refunding Bonds so as to achieve sufficient debt service savings with respect to the Prior Bonds. The Refunding Bonds shall be sold to a purchaser (the "Purchaser") in connection with a private placement by the placement agent identified in section 22 of this resolution (the "Placement Agent"), at a price not less than

98% of the par value of the Refunding Bonds as determined by the Controller/Administrator or County Treasurer, following consultation with the County's registered municipal advisor, to be in the best interests of the County. The sale may be made pursuant to a request for proposals as approved by order of the Controller/Administrator or the County Treasurer.

The Chairperson of the Board of Commissioners, the County Clerk, the County Treasurer, the Controller/Administrator, the County Treasurer and other appropriate officials of the County are hereby authorized to do all other things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Refunding Bonds and to provide for the redemption of the Prior Bonds in accordance with the provisions of this resolution.

16. OFFICIAL STATEMENT. The Controller/Administrator or the County Treasurer is authorized to cause the preparation of an official statement for the Refunding Bonds for purposes of compliance with Rule 15c2 12 issued under the Securities Exchange Act of 1934, as amended (the "Rule") and to do all other things necessary to comply with the Rule. After the award of the Refunding Bonds, the County will provide copies of a "final official statement" (as defined in paragraph (e)(3) of the Rule) on a timely basis and in reasonable quantity as requested by the purchasers to enable the purchasers to comply with paragraphs (b)(3) and (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. The Controller/Administrator or the County Treasurer is authorized to enter into such agreements as may be required to enable the purchasers to comply with the Rule.

17. CONTINUING DISCLOSURE. The Controller/Administrator or the County Treasurer is authorized to execute and deliver in the name and on behalf of the County a continuing disclosure certificate to comply with the requirements for a continuing disclosure undertaking of the County pursuant to paragraph (b)(5) of the Rule, and amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure

Certificate"). The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate.

18. REPLACEMENT OF BONDS. Upon receipt by the County Treasurer of proof of ownership of an unmatured Refunding Bond, of satisfactory evidence that the Refunding Bond has been lost, apparently destroyed or wrongfully taken and of security or indemnity that complies with applicable law and is satisfactory to the County Treasurer, the County Treasurer may authorize the bond registrar and paying agent to deliver a new executed Refunding Bond to replace the Refunding Bond lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured Refunding Bond is lost, apparently destroyed or wrongfully taken, the County Treasurer may authorize the bond registrar and paying agent to pay the Refunding Bond without presentation upon the receipt of the same documentation required for the delivery of a replacement Refunding Bond. The bond registrar and paying agent, for each new Refunding Bond delivered or paid without presentation as provided above, shall require the payment of expenses, including counsel fees, which may be incurred by the bond registrar and paying agent and the County in the premises. Any Refunding Bond delivered pursuant to the provisions of this Section in lieu of any Refunding Bond lost, apparently destroyed or wrongfully taken shall be of the same form and tenor and be secured in the same manner as the Refunding Bond in substitution for which such Refunding Bond was delivered.

19. TAX COVENANT. The County covenants to comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to assure that the interest on the Refunding Bonds will be and will remain excludable from gross income for federal income tax purposes. The Chairperson of the Board of Commissioners, the County Clerk, the County Treasurer, Controller/Administrator, the County Treasurer and other appropriate officials of the County are authorized to do all things necessary (including the

making of such covenants of the County as shall be appropriate) to assure that the interest on the Refunding Bonds will be and will remain excludable from gross income for federal income tax purposes.

20. QUALIFIED TAX-EXEMPT OBLIGATIONS. The Refunding Bonds are hereby designated as "Qualified Tax-Exempt Obligations" as described in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code").

21. BOND INSURANCE. The Controller/Administrator or the County Treasurer is authorized and directed to take any actions that may be necessary or appropriate to purchase a policy or policies of municipal bond insurance with respect to the Refunding Bonds to the extent that the Controller/Administrator or the County Treasurer determines in the order approving the sale of the Refunding Bonds that the purchase of such municipal bond insurance is in the best interests of the County. If the Controller/Administrator or the County Treasurer makes such a determination, the purchase of a policy or policies and the payment of premiums therefor and the execution by the Controller/Administrator or the County Treasurer of any necessary commitments or other documents with respect thereto are hereby authorized.

22. APPOINTMENTS. Dickinson Wright PLLC is hereby appointed to act as bond counsel, Bendzinski & Co., Municipal Finance Advisors is hereby appointed to act as registered municipal advisor and Robert W. Baird & Co. is hereby appointed to act as placement agent with respect to the Refunding Bonds.

23. CONFLICTING RESOLUTIONS. All resolutions and parts of resolutions insofar as they may be in conflict herewith are rescinded.

RESOLUTION DECLARED ADOPTED.

YEAS:

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NAYS:

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ABSTENTIONS:

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D-37

STATE OF MICHIGAN     )  
  )ss  
COUNTY OF MANISTEE    )

I, the undersigned, the duly qualified and acting Clerk of the County of Manistee, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Board of Commissioners of the County of Manistee, Michigan, held on the 19<sup>th</sup> day of July, 2016, the original of which resolution is on file in my office and is available to the public. Public notice of said meeting was given in accordance with the provisions of the open meeting act.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this \_\_\_\_ day of July, 2016.

\_\_\_\_\_  
Clerk, County of Manistee



# Manistee County Library

*opens the door to information, imagination, and inspiration*

95 Maple Street • Manistee MI 49660 • Phone (231) 723-2519 • FAX: (231) 723-8270

(APPENDIX E-1)

June 29, 2016

Thomas D. Kaminski  
Manistee County Controller/Administrator  
Manistee County Courthouse  
415 Third Street  
Manistee, MI 49660

Dear Mr. Kaminski,

The HVAC and lighting project at the Manistee Carnegie Library is well underway. Up to this point, the project's monthly invoices have been paid from the Library's Capital Improvement Fund—HVAC budget line. The project is now receiving major components of the new system and invoices for these components will soon follow. The Manistee County Library Board took action at the Regular Monthly Meeting held June 28, 2016, to authorize the Manistee County Library Executive Director to request from Manistee County the proceeds from the previous approved non-interest loan.

At this time, there have not been any unexpected problems and the cost of the project as submitted by D&W Mechanical is on target. Therefore, the Library Board is requesting \$400,000.00 of the \$500,000.00 non-interest loan approved by the Manistee County Board of Commissioners. In the event of any major unforeseen issues, the Library Board may consider requesting additional funds up to the original \$500,000.00 loan limit. The motion and record of the roll call vote is attached for your information.

Please let me know if this letter is sufficient to generate a check from the Treasurer's Office for \$400,000.00 or if additional documentation is needed.

Sincerely,

Charles Haemker  
Executive Director

cc: Russell Pomeroy, County Treasurer

RECEIVED

(APPENDIX E-2)

**Motion to Authorize Request of Manistee County Loan Proceeds for the  
HVAC Project**

**June 28, 2016**

The HVAC Project will soon be receiving major components of new system within the next couple of weeks and payment for these components will soon follow. It is necessary to set the amount of the loan that the Manistee County Library Board determines is needed from the previously approved loan agreement with the County.

In the documents prepared for the Board's Tentative Budget Discussion, a loan request of \$400,000.00 was included in determining the loan re-payment amount. That amount is used as the basis of the request.

I am recommending the following motion for your consideration and approval:

**Motion by Purdom, supported by Valentine  
Moved, that the Manistee County Library Board authorize the Executive Director  
to request from Manistee County proceeds from the previous approved non-interest  
loan.**

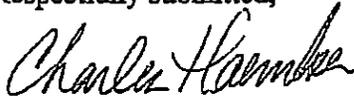
**Also moved, that the amount of this request is to be \$400,000.00.**

**Further moved that under the terms of the loan, \$40,000.00 is forgiven by the  
County and the twelve annual payments will be based on the repayment amount of  
\$360,000.00.**

Roll call:

Valentine - yes, Faher - yes, Lind -no, Purdom - yes, Urban - yes  
Thank you for your consideration of this motion.

Respectfully submitted,



Charles Haemker

Executive Director