

**MINUTES  
SPECIAL COOK CITY COUNCIL MEETING  
REFINANCING OF OUTSTANDING BOND INDEBTEDNESS  
MAY 24, 2012 – CITY HALL – 4 PM**

---

PRESENT: Mayor Harold Johnston, Councilors Jody Bixby, Karen Hollanitsch and Elizabeth Storm  
ABSENT: Councilor Kim Brunner  
OTHERS PRESENT: Administrator-Clerk/Treasurer Theresa Martinson, Deputy Clerk/Treasurer Cindy Palm, Monte Eastvold-Northland Securities and Cook News Herald

Mayor Johnston called the Special Council Meeting to order at 4 PM to discuss options for refinancing outstanding bond indebtedness.

Monte Eastvold of Northland Securities presented information for refinancing of outstanding bond indebtedness as interest rates are at historical lows and contacted the city as a very good candidate for this opportunity. Mr. Eastvold has 25 years experience in bond refinancing with communities.

Present value savings to the city are approximately \$215,287 and future value savings are \$622,000 at the current rate of 3.53% which is not locked in. *Attached is the Refunding Summary provided by Northland Securities detailing refinancing options for the City of Cook.*

Mr. Eastvold presented the council with information regarding *Rule G-23, Dodd-Frank Wall Street Reform and Consumer Protection Act*. This requires Northland Securities to define its role to perform as an underwriter for bond refinancing. MSRB regulations allow the City of Cook to establish financial advisory or underwriting relationships with Northland Securities. Monte recommends acting as an underwriter versus a financial advisor due to the type of bond purchase. Any bonds over 1.2 million will get a second opinion from an outside source for the best interest of the city. A letter of intent from the City of Cook will need to be issued to choose Northland Securities as the underwriter for refinancing of outstanding bond indebtedness.

First, the City of Cook needs to establish a Standard and Poor's credit rating to lock interest rates. If the city decides to cancel the refinancing process, the liability for the cost to establish a credit score is in effect. The cost to refinance is figured into the overall savings. The city does not currently have a credit rating.

Second, a Trigger Resolution will be entered into allowing Northland Securities to monitor and lock interest rates and does not commit the city to refinancing at this time. The Trigger Resolution will expire on September 30, 2012.

Third, if the city accepts the Trigger Resolution and decides to lock rates, then an Issuing Resolution will be submitted from the legal bonding firm which then commits the city to refinance the outstanding bond indebtedness and reissues the bonds at the locked in rate.

Motion by Storm, second by Bixby to establish a credit rating and accept and sign a Trigger Resolution with Northland Securities to move forward with the process of refinancing outstanding bond indebtedness.

**MOTION CARRIED**

Motion by Storm, second by Hollanitsch to adjourn the meeting at 4:40 PM. **MOTION CARRIED**

**ADJOURNMENT**

Respectfully submitted,

Cindy Palm  
Deputy Clerk/Treasurer