

Minutes of Langlade County Finance/Information Services Committee Meeting

The Public Hearing, in the Law Library of the Langlade County Courthouse was called to order at 9:00 a.m., August 7, 2015 by Chairman Cahak.

Members Present: Vern Cahak, Doug Nonnenmacher, Ron Nye, Pete Pennington, and Don Scupien.

Members Absent: None

Others present: Gary Olsen, Carlene Nagel, Joe Novak, Tammy Wilhelm, Kathy Jacob, Debbie Bushman, Ann Meyer, and Judy Nagel

Agenda Item #1 At 9:00 a.m. call the public hearing to order regarding the proposed application for the 2014-2015 Community Development Block Grant (CDBG) Small Cities Housing Program funds: The Public Hearing on the proposed application for the 2014-2015 Community Development Block Grant (CDBG) was called to order by Chairman Cahak at 9:00 a.m. Gary Olsen reviewed the following information regarding the CDBG program:

- 1.) Olsen explained that the CDBG program is a program that allows low income families to rehabilitate their home. There are also funds available for first time home buyers. There is an application process that needs to be completed, but there are current funds available, and the new grant will allow for even more funding. This hearing is for the new application that should give the region around \$1.5 million in funds to borrow out. The eligible CDBG activities are for rehabilitation and home buyer assistance. The loans are no interest loans that are repaid when the property is sold. The application that is being completed is for a nine county region, with Langlade, Lincoln, Forest, Florence, Menominee, Shawano, Vilas, Oneida and Oconto. BG & Associates is our current grant administrator. They receive 13% for administration and the County receives 2% for administration. The County becomes the lien holder on the property.
- 2.) Olsen discussed the needs in the region for housing improvements.
- 3.) The public had not comments on the needs.
- 4.) The public was asked for their comments. One comment was asked regarding how much money the County puts towards this program. Olsen explained that the program is fully funded by the grant and the only County funds that are used is when the funds are paid out. The County has to upfront the payments and then the State reimburses the County within two weeks

Agenda Item #2 Close the public hearing: Motion by Nonnenmacher, second by Pennington to close the public hearing 9:12 a.m.

Agenda Item #3 Call the meeting to order: The Finance/Information Services Committee meeting was called to order at 9:12 a.m. by Chairman Cahak, and the Pledge of Allegiance was recited.

Agenda Item #5 Approve the minutes of the previous Finance meeting on July 10, 2015: A motion was made by Nonnenmacher, seconded by Scupien, to approve the minutes of the July 10, 2015 Finance Committee meeting, all ayes, motion carried.

Agenda Item #6 Recognition of others present and public comments on agenda items: The Committee recognized those in attendance.

Agenda Item #7 Request permission to refill the Deputy County Clerk and County Treasurer positions when they become vacant after September 1, 2015: At the July County Board meeting, the County Board appointed the Chief Deputies for the County Clerk and Treasurer to fill the soon to be vacant County Clerk and Treasurer positions. Tammy and Judy are now requesting permission to refill the soon to be vacant Chief Deputy positions. Per County Board Rules, the approval of the oversight and Executive Committees are needed to refill existing budgeted positions. The Finance Committee is the oversight committee for both of these departments. Motion by Nye, second by Pennington, to approve refilling the Deputy County Clerk and County Treasurer positions when they become vacant after September 1, 2015, all ayes, motion carried.

Agenda Item #8 Review and approval of 2016 proposed budget and 2017 budget plan for the County Clerk, Treasurer, Finance and Information Services Departments: Kathy Jacob distributed the 2016 County Clerk budget. Motion by Nye, second by Cahak, to approve the proposed 2016 County Clerk budget and the 2017 County Clerk budget plan, all ayes, motion carried. Ann Meyer distributed the 2016 Treasurer budget. Motion by Nye, second by Scupien, to approve the proposed 2016 Treasurer's budget and the 2017 Treasurer's budget plan, all ayes, motion carried. Gary Olsen distributed the 2016 Finance and Information Services budgets. Motion by Scupien, second by Cahak, to approve the proposed 2016 Finance and Information Services budget and the 2017 Finance and Information Services budget plan, all ayes, motion carried.

Agenda Item #9 Approve Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Obligation and Continuing Disclosure: There are new regulations regarding Tax-Exempt and Tax-Advantaged obligations. Since the County just incurred new Tax-Exempt bonds, the County needs to have a policy relate to continuing disclosure of these obligations. Olsen distributed a draft policy that the Finance Committee could adopt to handle the continuing disclosure of these obligations. Motion by Nonnenmacher, second by Pennington, to approve the Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantages Obligation and Continuing Disclosure, all ayes, motion carried. See policy attached.

Agenda Item #10 Permission to purchase a replacement Hypercache Server: The Hypercache server for images on the AS400 needs to be replaced. This is the backup server for Register of Deeds and the server for any department that scans in documents. The cost is \$5,390. The funding would need to come from the Computer Replacement Fund for this purchase. Motion by Nonnenmacher, second by Nye, to purchase a replacement Hypercache Server from the Computer Replacement Fund, all ayes, motion carried.

Agenda Item #11 Request to refill the Payroll Benefit Specialist position: Pam Resch has accepted a position as the Human Resource Director for the City of Oshkosh. Pam's last day with Langlade County will be August 14th. Gary Olsen looked at the different options for refilling this position, including contracting payroll out with ADP. Because this position had so many HR duties included in the job description, Olsen is looking at restructuring his department and redoing the job description. If we were to contract payroll with ADP, Olsen is planning to still need a part time employee. Olsen recommends contracting payroll with ADP and waiting on hiring the part time employee and instead hiring a casual employee until we are set up with ADP and see what job duties would remain for the part time employee. By contracting with ADP and hiring a part-time employee, the County would save approximately \$18,000. Motion by Nye, second by Nonnenmacher, for Olsen to move forward with contracting with ADP in lieu of refilling the Payroll Benefit Specialist position, as long as employees will be trained on any

changes that will impact them before they receive their first paycheck through the new system, all ayes, motion carried. Motion by Nonnenmacher, second by Pennington for Olsen to utilize casual employees in his department during this transition while the position is evaluated; all ayes, motion carried.

Agenda Item #12 Discuss funding for the Human Resources position: Due to the vacancy in the Payroll Benefit Specialist position, and the amount of Human Resource work this position did, The Personnel and Executive Committee will be considering filling this position in 2015. The Finance Committee would need to approve the funding for the position. Olsen estimates the earliest a Human Resource position could be filled would be October 1, 2015. The cost of filling the Human Resources position in 2015 would be about \$24,000. Any funding available from the Finance Department vacancy could go towards funding the Human Resources position for three months in 2015. Any additional funding needed would need to come from the General Fund. Motion by Nonnenmacher, second by Scupien to fund the Human Resources position in 2015 with up to \$24,000 from the General Fund and any remaining 2015 funding in the Finance Department budget will be used to reimburse the General Fund, all ayes, motion carried.

Agenda Item #13 Request to not require the reimbursement of Educational Expense Reimbursement from an employee who will be leaving employment with the County: Pam Resch received \$1,000 in 2014 for educational expense reimbursement. Per County policy, employees are suppose to stay two years after receiving this reimbursement or pay back a pro-rated share. Pam would owe \$583.38 for her pro-rated share. Gary Olsen feels that the money the County spent on this training for Pam was very beneficial to the County, since we did not have someone who could handle the Human Resource duties. Pam was able to help fill some of the roles because of this training. Therefore, Olsen is requesting that the County not require Pam to repay this amount. Motion by Pennington, second by Scupien to not require Pam to repay the County \$583.38 for Educational Expenses, 4 ayes, 1 no (Nonnenmacher) motion carried.

Agenda Item #14 Budget update: Gary Olsen updated the Committee regarding the 2016 budget process. This is for information only.

Agenda Item #15 Finance Director's report regarding the finances of the county, and an update regarding the Information Services section of the department: The Committee has requested that Olsen reports back to the Committee next month on his staffing plan for his department. Olsen reviewed the budget to actual listing with the Committee. Olsen also distributed a copy of the Balance Sheet to the Committee. The current balance in the Self Funded Health Insurance account is \$1,317,721.45.

Agenda Item #16 Line item transfers: None at this time.

Agenda Item #17 Computer equipment purchases. None at this time.

Agenda Item #18 Approve Grant Requests: None at this time.

Agenda Item #19 Verify Date of Next Meeting: The next regular meeting will be September 4, 2015 at 8:30 a.m.

Motion to adjourn the meeting at 10:51 a.m. made by Nonnenmacher, second by Nye, all ayes, motion carried.

Respectfully submitted,
Carlene Nagel
Recording Secretary

Langlade County Financial Procedures Manual		
ISSUE DATE 8/7/15	PROCEDURE TITLE:	PROCEDURE NO.
REVISION DATE	Langlade County Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Obligations and Continuing Disclosure	

Statement of Purpose

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the County of Langlade, Wisconsin (the "Issuer") designed to monitor post-issuance compliance:

- (i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and
- (ii) with applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax-exempt / tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b)(5) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminated related reports and information and reporting "material events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with pertinent law is an on-going process, necessary during the entire term of the obligations, and is an integral component of the Issuer's debt management. Accordingly, the analysis of those facts and implementation of the Policy will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and advisors.

General Policies and Procedures

The following policies relate to procedures and systems for monitoring post-issuance compliance generally.

- A. The Finance Director ("Compliance Officer") shall be responsible for monitoring post-issuance compliance issues.
- B. The Compliance Officer will coordinate procedures for record retention and review of such records.
- C. All documents and other records relating to Obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer. In maintaining such documents and records, the Compliance Officer will comply with applicable Internal Revenue Service ("IRS") requirements, such as those contained in Revenue Procedure 97-22.
- D. The Compliance Officer shall be aware of options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Section 1.141-12 of the Regulations and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program) and take such corrective action when necessary and appropriate.
- E. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

Issuance of Obligations - Documents and Records

With respect to each issue of Obligations, the Compliance Officer will:

- A. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- B. Confirm that bond counsel has filed the applicable information report (e.g., Form 8038, Form 8038-G, Form 8038-CP) for such issue with the IRS on a timely basis.
- C. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Obligations with other applicable staff members of the Issuer.

Arbitrage

The following policies relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations.

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.
- B. Confirm that a computation of the yield on such issue from the Issuer's financial advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18 months after each project financed by the Obligations is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.
- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.

- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
- L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.
- M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

Private Activity Concerns

The following polices relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with the Obligations.

The Compliance Officer will:

- A. Maintain records determining and tracking facilities financed with specific Obligations and the amount of proceeds spent on each facility.
- B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.
- D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:
 - 1. Sale of the facilities, including sale of capacity rights;
 - 2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
 - 3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
 - 4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
 - 5. Joint-ventures, limited liability companies or partnership arrangements;

6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
7. Development agreements which provide for guaranteed payments or property values from a developer;
8. Grants or loans made to private entities, including special assessment agreements; and
9. Naming rights arrangements.

Monitoring of private use should include the following:

1. Procedures to review the amount of existing private use on a periodic basis; and
2. Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt or tax-advantaged debt, the Compliance Officer will consult with the Issuer's bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of the above potential private uses.

Qualified Tax-Exempt Obligations

If the Issuer issues "qualified tax-exempt obligations" in any year, the Compliance Officer shall monitor all tax-exempt financings (including lease purchase arrangements and other similar financing arrangements and conduit financings on behalf of 501(c)(3) organizations) to assure that the \$10,000,000 "small issuer" limit is not exceeded.

Federal Subsidy Payments

The Compliance Officer shall be responsible for the calculation of the amount of any federal subsidy payments and the timely preparation and submission of the applicable tax form and application for federal subsidy payments for tax-advantaged obligations such as Build America Bonds, New Clean Renewable Energy Bonds and Qualified School Construction Bonds.

Reissuance

The following policies relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes.

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Obligations which could potentially be treated as a reissuance for federal tax purposes.

Record Retention

The following polices relate to retention of records relating to the Obligations issued.

The Compliance Officer will:

- A. Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- B. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.
- C. Coordinate with staff to generally maintain the following:
 - 1. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);
 - 2. Documentation evidencing expenditure of proceeds of the issue;
 - 3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
 - 4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);
 - 5. Documentation evidencing all sources of payment or security for the issue; and
 - 6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

Conduit Bond Financings

In conduit bond financings, such as industrial revenue bonds or Midwestern Disaster Area Bonds, the Issuer is not in a position to directly monitor compliance with arbitrage requirements and qualified use requirements because information concerning and control of those activities lies with the private borrower. The Issuer's policy in connection with conduit financings is to require that the bond documents in such financings impose on the borrower (and trustee or other applicable party) responsibility to monitor compliance with qualified use rules and arbitrage and other federal tax requirements and to take necessary action if remediation of nonqualified bonds is required.

Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will take the actions listed below, if and as required by such Continuing Disclosure Agreements. The Compliance Officer may coordinate with staff, and may engage a dissemination agent, counsel, and/or other professionals to assist in discharging the Compliance Officer's duties under these Procedures as the Compliance Officer deems necessary.

A. Compilation of Currently Effective Continuing Disclosure Agreements

The Compliance Officer shall compile and maintain a set of all currently effective Continuing Disclosure Agreements of the Issuer. Such agreements are included in the transcript of proceedings for the Issuer's respective bond or note issue. Continuing Disclosure Agreements are "Currently Effective" for purposes of these Procedures (and hence shall be included in the set of Currently Effective Continuing Disclosure Agreements) for so long as the bonds or notes to which they relate are outstanding. As bonds or notes are completely repaid or redeemed, the Compliance Officer shall remove the related continuing disclosure agreements from the set of Currently Effective Continuing Disclosure Agreements.

B. Annual Review and Annual Reporting Requirements

The Compliance Officer shall ensure that all necessary financial statements, financial information and operating data is filed in the manner and by the filing dates set forth in the Currently Effective Continuing Disclosure Agreements. The Compliance Officer shall review the set of Currently Effective Continuing Disclosure Agreements annually, prior to each annual filing, keeping in mind:

- The financial information and operating data required to be reported under a particular Continuing Disclosure Agreement may differ from the financial information and operating data required to be reported under another Continuing Disclosure Agreement; and
- The timing requirements for reporting under a particular Continuing Disclosure Agreement may differ from the timing requirements for filing under another Continuing Disclosure Agreement.

C. Calendar; EMMA Notification System

The Compliance Officer shall keep a calendar of all pertinent filing dates required under the Issuer's Currently Effective Continuing Disclosure Agreements. The Compliance Officer shall also subscribe to notification services made available through the EMMA system.

D. Annual Review of Prior Filings

As part of the annual review process, the Compliance Officer shall also review prior filings made within the past five years subsequent to the last such review of prior filings. If the Compliance Officer discovers any late or missing filings, the Compliance Officer (after discussing the circumstances with the Issuer's dissemination agent, counsel or other agents as necessary) shall "remedy" such prior failures by ensuring that the missing information is filed.

E. Monitoring of Material Events

The Compliance Officer shall monitor the occurrence of any of the following events and/or other events set forth in the Currently Effective Continuing Disclosure Agreements and shall provide notice of the same in the required manner and by the relevant reporting deadline (likely within 10 days of the occurrence):

- Principal and interest payment delinquencies;
- Non-payment related defaults, if material;
- Unscheduled draws on debt service reserves reflecting financial difficulties;
- Unscheduled draws on credit enhancements reflecting financial difficulties;
- Substitution of credit or liquidity providers, or their failure to perform;
- Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Issuer's bonds or notes, or other material events affecting the tax status of the Issuer's bonds or notes;

- Modification to rights of holders of the Issuer's bonds or notes, if material;
- Calls of the Issuer's bonds or notes, if material, and tender offers;
- Defeasances of the Issuer's bonds or notes;
- Release, substitution or sale of property securing repayment of the Issuer's bonds or notes, if material;
- Rating changes;
- Bankruptcy, insolvency, receivership or similar event of the Issuer;
- The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- Appointment of a successor or additional trustee or the change of name of a trustee, if material.

F. Review of Official Statements

The Compliance Officer shall review drafts of any Official Statement for a new offering or bonds or notes, with assistance from its dissemination agent, counsel or other agents of the Issuer as necessary, and shall determine that the Official Statement accurately and completely describes the Issuer's continuing disclosure compliance history within the five years prior to the date of the respective Official Statement. This compliance review is not meant to limit the Issuer's other reviews of or diligence procedures relating to its Official Statements.

G. Municipalities Continuing Disclosure Cooperative Initiative

If the Issuer has previously reported to the Division of Enforcement (the "Division") of the U.S. Securities and Exchange Commission (the "Commission") under the *Municipalities Continuing Disclosure Cooperative Initiative* (the "MCDC Initiative") and if the Division recommended enforcement proceedings and settlement terms in that connection, then the Compliance Officer shall also be responsible, with assistance from its dissemination agent, counsel, and/or other agents of the Issuer, for implementing the undertakings required by such settlement. A list of these "undertakings" is set forth in the Division's announcement describing the MCDC Initiative: <http://www.sec.gov/divisions/enforce/municipalities-continuing-disclosure-cooperation-initiative.shtml>.

H. Record Retention

The Compliance Officer shall retain documentation evidencing the Issuer's annual reviews and its reviews of Official Statements in connection with new offerings as set forth above. This Issuer shall retain this documentation, for each Continuing Disclosure Agreement, for the period that the related bonds or notes are outstanding.

I. Annual Review Checklist

The Compliance Officer may (or may not) choose to use and retain the attached Annual Review Checklist to assist in implementing these Procedures.

CONTINUING DISCLOSURE ANNUAL REVIEW CHECKLIST

1. Fiscal Year Ending: _____

2. Compliance Officer: _____

3. Checklist Completion Date: _____

**4. Bonds/Notes for which there are Currently Effective Continuing Disclosure Agreements
- Attach Agreements:**

\$ _____, _____, dated _____, 20__

5. Have any new Bonds or Notes subject to Continuing Disclosure Been Issued this Year?

_____ No

_____ Yes (Add Agreement to Set of Currently Effective Continuing Disclosure Agreements)

If Yes, did the Compliance Officer review the Official Statement's Description of the Issuer's Continuing Disclosure Compliance History within the Prior 5 Years? **Circle: Y / N** (If N, review and discuss any issues with counsel.)

6. Have any Bonds or Notes subject to Continuing Disclosure Been Completely Paid or Redeemed this Year?

_____ No

_____ Yes (Remove Agreement from Set of Currently Effective Continuing Disclosure Agreements)

7. (a) Has the Compliance Officer Review the Annual Continuing Disclosure Filing to Ensure that all Necessary Financial Statements, Financial Information and Operating Data is Included?

_____ Yes

_____ No (Compliance Officer must review the Annual Continuing Disclosure Filing)

(b) For purposes of this review, please keep in mind:

	Checked?
Different Continuing Disclosure Agreements may require different information to be file (so check each one)	Y / N
Different Continuing Disclosure Agreements may have different filing timing requirements (so check each one).	Y / N

Have any of the Following Events Occurred this Year?

Event	Circle
1. Principal and interest payment delinquencies	Y / N
2. Non-payment related defaults, if material	Y / N
3. Unscheduled draws on debt service reserves reflecting financial difficulties	Y / N
4. Unscheduled draws on credit enhancements reflecting financial difficulties	Y / N
5. Substitution of credit or liquidity providers, or their failure to perform	Y / N
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Issuer's bonds or notes, or other material events affecting the tax status of the Issuer's bonds or notes	Y / N
7. Modification to rights of holders of the Issuer's bonds or notes, if material	Y / N
8. Calls of the Issuer's bonds or notes, if material, and tender offers	Y / N
9. Defeasances of the Issuer's bonds or notes	Y / N
10. Release, substitution or sale of property securing repayment of the Issuer's bonds or notes, if material	Y / N
11. Rating changes	Y / N

12. Bankruptcy, insolvency, receivership or similar event of the Issuer Y / N
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material Y / N
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material Y / N

If any such Event Occurred, was Proper Notice Provided?

_____ Yes

_____ No (Call your dissemination agent or counsel immediately to discuss)

_____ N/A

Has the Issuer Retained a Dissemination Agent? (i.e., a Paid Third Party that Assists with Filings)

_____ Yes: Name/Contact: _____

_____ No