

1995-96 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

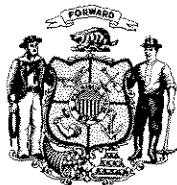
➤ Miscellaneous ... Misc

➤ 95hrJC-Fi_Misc_pt96

➤ Record of Comm. Proceedings ... RCP

➤ **

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin



Mailing address:
Post Office Box 7864
Madison, WI 53707-7864

TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY

August 14, 1996

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
100 North Hamilton Rm 302
Madison, WI 53702

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance
LL2
119 Martin Luther King, Jr Blvd
Madison, WI 53702

Dear Senator Burke and Representative Brancel:

This report is required by sec. 18.16(7), Stats., and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issuance of debt. On August 7, 1996 the Building Commission awarded the sale of \$5,000,000 State of Wisconsin General Obligation Bonds of 1996, Series A. This was a private sale of bonds to the Clean Water Fund pursuant to 18.06 (9) of the statutes.

Since the bonds were sold at private sale directly to the Clean Water Fund, and without the participation of underwriters, compliance with subsections (2) to (5) of s. 18.16 is not relevant. The bonds will be held by the Clean Water Fund as investments.

Sincerely,

A handwritten signature in cursive script, appearing to read "George F. Lightbourn".

George F. Lightbourn,
Deputy Secretary

cc: Members, Joint Committee on Finance

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin



Mailing address:
Post Office Box 7864
Madison, WI 53707-7864

TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY

January 27, 1995

The Honorable Joseph Leean, Co-Chair
The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance
115 South, State Capitol
Madison, WI 53702

Dear Senator Leean, Representative Brancel and Members:

This report is required by subsection (7) of 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt. On January 18, 1995 the Building Commission awarded the sale of \$231,315,000 State of Wisconsin General Obligation Bonds of 1995, Series A. This was a public sale conducted pursuant to Subchapter I of Chapter 18. The Official Notice of Sale dated January 11, 1995, attached, set the terms and conditions of the sale and was available to all potential bidders. The State received four bids for the bonds.

The award was based on the lowest true interest cost rate to the State. The successful underwriters were a syndicate managed by CS First Boston Corporation. A list of the syndicate members is attached. The syndicate does not include any firms which have been certified by the Department of Development as minority owned.

Underwriting participation by minority owned firms is encouraged. There is a section "Minority Participation" in the Official Notice of Sale and a list of the certified firms including address, phone number and contact person was included in the bidding materials sent to each prospective bidder.

Sincerely,

A handwritten signature in cursive script that reads "James R. Klauser".

James R. Klauser
Secretary

Enc.

OFFICIAL NOTICE OF SALE

\$231,315,000

STATE OF WISCONSIN

GENERAL OBLIGATION BONDS OF 1995, SERIES A

SEALED PROPOSALS AND ELECTRONIC PROPOSALS will be received by the State of Wisconsin Building Commission (the "Commission") until 10:00 A.M. (C.S.T.) on January 18, 1995 for the purchase of \$231,315,000 State of Wisconsin General Obligation Bonds of 1995, Series A (the "Bonds") on the terms and conditions stated below. Sealed proposals must be delivered to Reception Area - 10th floor, Administration Building, 101 East Wilson Street, Madison, Wisconsin. Electronic proposals must be submitted through the PARITY electronic bidding network, in accordance with PARITY's Rules of Participation, within a one-hour period before the deadline for proposals. Sealed proposals will be opened and all proposals publicly announced in the Reception Area shortly after the deadline for proposals.

If any provisions in this Official Notice of Sale conflict with PARITY's Rules of Participation, this Official Notice of Sale shall control. Further information about the PARITY electronic bidding network, including any fee charged, may be obtained from PARITY, 100-116th Avenue S.E., Suite 100, Bellevue, Washington 98004, telephone (206) 635-3545. The Commission assumes no responsibility or liability for the PARITY electronic bidding network.

Terms of Bonds. The Bonds will be dated January 15, 1995, and will be payable as to principal either through serial maturities or redemption from mandatory sinking fund payments (as specified by the successful bidder) on May 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1996	\$ 6,410,000	2006	\$ 9,220,000
1997	10,160,000	2007	9,780,000
1998	1,060,000	2008	10,380,000
1999	20,800,000	2009	11,030,000
2000	11,795,000	2010	11,730,000
2001	10,325,000	2011	12,485,000
2002	10,900,000	2012	13,300,000
2003	11,515,000	2013	14,170,000
2004	12,175,000	2014	15,095,000
2005	12,890,000	2015	16,095,000

Each bid must specify whether the principal amount of the Bonds payable on a particular date will be a payment at maturity (a serial bond) or a mandatory sinking fund payment of a term bond. The mandatory sinking fund payments of each term bond shall be on one or more consecutive annual payment dates immediately preceding the maturity date of such term bond, provided that no term bond designated to mature on and after May 1, 2006 may contain any sinking fund payments prior to May 1, 2006. The mandatory sinking fund payment (if any) so specified for any year must be equal to the full principal amount of Bonds listed in the table above as payable in that year. The same interest rate specified for the nominal maturity of a term bond must also be specified for all mandatory sinking fund payments of such term bond.

The Bonds will bear interest, payable on November 1, 1995 and semiannually thereafter on the first day of May and November, at such rate or rates per annum as designated by the successful bidder in its official bid. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Optional Redemption. The Bonds maturing in the years 1996 to 2005, inclusive, shall not be redeemable prior to their stated dates of maturity. The Bonds maturing on or after May 1, 2006 are subject to redemption at the option of the Commission on May 1, 2005 or any date thereafter, in whole or in part, in integral multiples of \$5,000. In the event of partial redemption, the Commission shall direct the maturity or maturities and the amount thereof so to be redeemed. Bonds redeemed prior to their stated dates of maturity shall be redeemable at 100% of principal amount plus accrued interest to the date of redemption.

Mandatory Redemption. The Bonds of certain maturities will be subject to mandatory redemption prior to their respective stated maturity dates, in part, from sinking fund payments, to the extent the successful bidder specifies, in its bid, that the principal amount of the Bonds payable on certain dates shall constitute mandatory sinking fund payments of term bonds.

Book-Entry. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. A single bond certificate for each separate maturity will be issued to DTC and immobilized in its custody. Individual purchases will be made in book-entry-only form pursuant to the rules and procedures established between the securities depository and its direct and indirect participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The State of Wisconsin (the "State") will deposit the bond certificates with DTC and will release them upon closing. The State will make payments of principal and interest on the Bonds on the dates set forth above, to the securities depository or its nominee as registered owner of the Bonds. Transfer of said payments to beneficial owners will be the responsibility of the securities depository and its direct and indirect participants, all as required by rules and procedures of the securities depository and its direct and indirect participants. No assurance can be given by the State that the securities depository and its direct and indirect participants will make prompt transfer of said payments. The State assumes no liability for failures of the securities depository or its direct and indirect participants to promptly transfer said payments to beneficial owners of the Bonds.

Notice to Securities Depository. Notices, if any, given by the State to the securities depository are redistributed in the same manner as are payments. The State assumes no liability for the failure of the securities depository or its direct and indirect participants to promptly transfer said notices to the beneficial owners of the Bonds. The State is not responsible for supervising the activities or reviewing the records of the securities depository or its direct and indirect participants.

Successor to Securities Depository. In the event that the relationship with the securities depository is terminated and the Commission does not appoint a successor securities depository, the Commission will prepare, authenticate and deliver, at its expense, fully registered certificated Bonds in the denominations of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and interest rates then outstanding to the beneficial owners of the Bonds as identified to the Commission by the securities depository and its participants.

Purpose and Pledge. The Bonds will be issued to finance the cost of various public improvements and grants to local units of government, pursuant to Chapter 18 of the Wisconsin Statutes, as amended (the "Act") and an authorizing resolution adopted by the Commission on December 20, 1994, as the same will be amended and supplemented on January 18, 1995 (the "Authorizing Resolution"). The Bonds will be direct and general obligations of the State. The full faith, credit and taxing power of the State will be irrevocably pledged to the payment of the principal of and interest on the Bonds, and there will be irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for the payment of the principal of and interest on the Bonds.

Minority Participation. It is the policy of the Commission to endeavor to have at least 6% of the Bonds underwritten by firms that are certified by the State as being minority owned. The Commission urges prospective bidders to obtain from the Commission a list of firms so certified and to include such firms in their bidding group. The Commission further encourages certified minority-owned firms to submit bids directly and to assemble bidding groups for the submission of bids. Minority-owned firms that are not yet certified by the State and wish to be, may contact the Commission.

Official Bid Form and Award. All sealed proposals must be made using the Official Bid Form, and all electronic proposals shall be deemed to incorporate the provisions of the Official Bid Form. The Bonds will be awarded at the lowest true interest cost rate to the State. The true interest cost rate for each bid will be determined on the basis of present value by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to January 15, 1995 and to the price bid. In the event two or more bids specify the same lowest true interest cost rate, then the award will be made to the bidder with the lowest true interest cost rate and the largest minority-owned firm participation, or if such bidders have an equal amount of minority-owned participation, then selection for award among such bidders will be made by the Secretary of the Commission by lot.

Each bid shall indicate an interest rate for each maturity and a purchase price for the Bonds. Each interest rate bid must be a multiple of 0.05%. A bid must be for all the Bonds and may be for any purchase price not less than 99.0% of the par amount of the Bonds (\$229,001,850.00). There shall be only one interest rate per maturity. For Bonds maturing in the years 1996 through 2005, there are no interest rate limitations or restrictions. For Bonds maturing in the years 2006 through 2015, no interest rate bid for any maturity shall be lower than any interest rate bid for any prior maturity and the difference between the interest rates for the years 2006 through 2015 cannot exceed one percent (1%). The Commission reserves the right to waive any informality or irregularity in any bid and to reject any or all bids.

Bid Deposit. A certified, official or cashier's check must be provided, or a financial surety bond submitted, for each bid, payable to the order of the State of Wisconsin, in the amount of \$4,626,300.00. If a check is used, it must accompany the bid. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin and acceptable to the Commission, and such bond must be submitted to the Capital Finance Office prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is guaranteed by such bond. Each bidder submitting a financial surety bond should determine for itself that the financial surety bond is submitted prior to the bidding deadline. If the bid is awarded to a bidder that has submitted a financial surety bond, the bidder is required to provide the good-faith deposit in immediately available funds not later than 4:30 p.m. CST on January 19, 1995. If the good-faith deposit is not timely, the Commission may draw on the financial surety bond. All bids, other than electronic bids, shall be enclosed in a sealed envelope marked on the outside, in substance, *Bid for State of Wisconsin General Obligation Bonds of 1995, Series A.*

Good-Faith Deposit. The good-faith deposit of the successful bidder will be cashed. All checks of unsuccessful bidders will be returned immediately upon award of the Bonds. No interest will be allowed on the amount of the good-faith deposit. The proceeds of the good-faith deposit of the successful bidder will be applied to the purchase price of the Bonds, or in the event of the failure of the successful bidder to take up and pay for the Bonds in compliance with the terms of the bid, at the option of the Commission, the bidder's good-faith deposit may be retained by the Commission as liquidated damages or, at the further option of the Commission, may be retained as partial payment of actual damages or as security for any other remedy available to the Commission. The amount of the good-faith deposit is to be returned to the successful bidder on the failure of the Commission to perform in accordance with the terms of this Official Notice of Sale and the bid. All bids shall remain firm for five hours after the time specified for the opening

of bids, and an award of the Bonds, or rejection of all bids, will be made by the Commission within said period of time.

Certification of Price. The successful bidder shall certify to the Commission, prior to delivery of the Bonds, the initial offering price to the public of the Bonds awarded to the bidder, together with such other information as may be required by the Commission to enable it to determine the "issue price" of the Bonds awarded to such bidder as defined in Section 1274 of the Internal Revenue Code of 1986, as amended.

Closing and Delivery. The Bonds will be delivered to DTC no later than February 7, 1995. The closing will be at State Street Bank and Trust Company, N.A., 65 Broadway-15th Floor, New York, New York, at or about 9:30 A.M. (EST), or at another mutually agreeable location, on or about February 8, 1995. Payment for the Bonds must be by wire in immediately available funds for credit at Firststar Bank Milwaukee, N.A. at said date and time. Should delivery be delayed beyond 45 days from the date of sale for any reason beyond the control of the State except failure of performance by the successful bidder, the State may cancel the award or the successful bidder may demand return of its good-faith deposit and thereafter its interest in and liability for the Bonds will cease.

Bond Opinion. The legality of the Bonds will be approved by Foley & Lardner, bond counsel, whose unqualified approving opinion will be furnished to the successful bidder without cost upon the delivery of the Bonds. There will also be furnished upon the delivery of the Bonds the usual closing papers, including a certificate stating that there is no litigation pending or threatened affecting the validity of or security for the Bonds, and a certificate to the effect that the Official Statement prepared in connection with the sale of the Bonds, as of the date of the Official Statement and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Tax Exemption. Under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes.

CUSIP Numbers. CUSIP identification numbers will be specified on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds, and any error or omission with respect thereto shall not constitute cause for refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of its bid.

Bidding Documents. The Preliminary Official Statement is in a form which the Commission "deems final" as of January 5, 1995 for purposes of Section (b)(1) of Securities and Exchange Commission Rule 15c2-12, but is subject to revision, amendment and completion in a final official statement as defined in Section (e)(3) of such rule. Copies of the Preliminary Official Statement and the Official Bid Form may be obtained from the Capital Finance Office, Department of Administration, State of Wisconsin Building Commission, Administration Building, 10th Floor, 101 East Wilson Street, Madison, Wisconsin 53703, (608) 266-2305, (608) 267-7399 or (608) 266-5355.

Final Official Statements. The Commission will furnish to the successful bidder, without cost, up to 1,000 copies of the final Official Statement.

Dated: January 11, 1995

Robert Brandherm, Secretary
State of Wisconsin Building Commission

\$231,315,000 State of Wisconsin
General Obligation Bonds of 1995, Series A
Underwriting Syndicate

Underwriters:

Book Running Manager:
CS First Boston Corporation

Members
State Street Bank and Trust Company
ABN-Amro Securities
Glickenhous & Co.

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT**

January 1, 1995

Note: The following list of minority-owned underwriting firms is provided for the information of potential bidders on the Bonds and does not constitute a part of the Official Notice of Sale. Minority participation in bids is strongly encouraged by the State but is not a requirement for submitting a bid.

Mr. Wifredo Gort
AIBC Investment Services Corp
80 S W 8th St Ste 2120
Miami FL 33130-0000
305-372-8000

Mr. Elton Johnson, Jr.
Amerivet Securities Inc
5743 Corsa Avenue #112
Westlake Village CA 91362-0000
818-706-7618

Mr. Manuel P. Asensio
Asensio & Company, Inc.
100 Wall Street, #1400
New York, NY 10005-0000
212-504-5500

Ms. Benita Pierce
B. Pierce & Co. Inc.
12 Greene Street #3
New York NY 10013-0000
212-219-1114

Mr. Rafael Carmona
Carmona Motley & Co., Inc.
19 West 44th Street #1510
New York NY 10036
212-827-0610

Mr. Stephen R. Goodwin
Cartwright & Goodwin, Inc.
67 Wall Street 2nd Flr
New York NY 10005
212-809-0877

Mr. Bernard Joel
Cathay Financial Corp.
450 Park Avenue #1100
New York NY 10022-0000
212-371-7896

Mr. Jack A. Brookner
CC&Q Capital Management Group Inc.
500 Northridge #600
Atlanta GA 30350
404-993-9009

Mr. Kenneth McGhee
CEREAS
2821 North 4th Street
Milwaukee WI 53206-0000
414-264-7777

Mr. Thomas L. Burke
Clark Melvin Securities Corp.
170 Jennifer Rd. #300
Annapolis MD 21401-0000
410-266-5250

Ms. Baunita Greer
Cromwell Miller & Greer, Inc.
301 Cathedral Pkwy, #6S
New York, NY 10026-0000
212-866-5520

Mr. Troy L. Simon
Doley Securities, Inc.
616 Baronne Street Ste 300
New Orleans LA 70113
504-561-1128

Mr. Samuel D. Ewing, Jr.
Ewing Capital, Inc.
727 15th Street NW Ste 700
Washington DC 20005-0000
202-737-1500

Mr. Sherlin Lee
First Honolulu Securities, Inc.
900 Fort Street #950
Honolulu HI 96813-0000
808-523-9422

Mr. Christopher Gardner
Gardner Rich & Company
311 S Wacker Dr. Ste 4045
Chicago IL 60606-0000
312-922-3333

Ms. Katherine Wilson
Grigsby Brandford & Co. Inc.
230 California Street Ste 601
San Francisco CA 94111
415-392-4800

Mr. Leopoldo E. Guzman
Guzman & Company
701 Brickell Avenue 11th Flr
Miami FL 33131-0000
305-374-3600

Mr. Brian C. Harris
Harris Capital Corp.
15 Lewis St. #401
Hartford, CT 06103-0000
203-522-6700

Ms. Catherine Lavery
HCM Investments, Inc.
35 West Wacker Drive #3260
Chicago IL 60601-0000
312-553-1000

Mr. Kishor M. Parekh
Howard Gary & Company
3050 Biscayne Blvd #603
Miami FL 33137-4163
305-571-1380

Ms. Joyce Green
I C Rideau Lyons & Co., Inc.
911 Wilshire Blvd #2030
Los Angeles CA 90017-0000
213-895-5900

Ms. Marjorie Kelly
Innova Securities, Inc.
200 State St. 11th Flr
Boston MA 02109-0000
617-330-8520

Mr. Ronald Jackson
Jackson Partners Assoc., Inc.
Two Rector St 15th Flr
New York NY 10006-0000
212-635-0130

Ms. Marissa Sequeira
Jackson Securities, Inc.
55 Marietta St. #1870
Atlanta GA 30303-0000
404-522-5766

Ms. Suzanne J. Currie
John Hsu Capital Group, Inc.
767 Third Avenue 11th Flr
New York NY 10017
212-223-7515

Mr. Daniel Lamaute
Lamaute Financial Group, Inc.
4727 Wilshire Blvd #500
Los Angeles CA 90010
213-930-2208

Mr. Larry R. Hammond
LRH Associates, Inc.
61 Broadway #2212
New York NY 10006-0000
212-785-2121

Mr. John Small, Jr.
Luther Smith & Small, Inc.
1110 N Old World 3rd St
Milwaukee WI 53203-0000
414-347-7822

Mr. Bernard Beal
M R Beal & Company
366 Madison Avenue 5th Flr
New York NY 10017
212-983-3900

Mr. Donald R. Davidson, Jr.
Metro Equities Corporation
220 S. State St., Ste 1202
Chicago IL 60604-2199
312-939-5155

Mr. Marquette Chester
NCM Capital Management Group Inc.
103 West Main Street #400
Durham NC 27701-3638
919-688-0620

Mr. James Jackson
North Milwaukee Bankshares, Inc.
5630 West Fond du Lac Ave.
Milwaukee WI 53126-0000
414-466-2344

Mr. Randolph T. Myricks
North Milwaukee State Bank
5630 West Fond du Lac Ave.
Milwaukee WI 53216
414-466-2344

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT
January 1, 1995 Continued**

Mr. David Ormes
Ormes Capital Markets, Inc.
1 Liberty Plaza, 31st Flr
New York, NY 10006-0000
212-346-5334

Mr. Miguel Uria
Oro Financial Inc.
4037 Tulane Avenue #100
New Orleans LA 70119-6829
504-482-4116

Mr. Malcomn Pryor
Pryor McClendon Counts & Co.
1515 Market St. Ste. 819
Philadelphia PA 19102
215-569-0274

Mr. Richard Helmbrecht
Reinoso & Company, Inc.
30 Broad Street, 39th Floor
New York NY 10004-0000
212-344-5100

Mr. Eric VanStandifer
Robert Van Securities, Inc.
1980 Mountain Blvd #214
Oakland CA 94611-0000
510-339-7400

Mr. Eric L. Small
SBK-Brooks Investment Corp.
25 Prospect Ave. W. Ste 700
Cleveland, OH 44115
216-861-6950

Mr. George W. Graham
Samuel A. Ramirez & Co., Inc.
61 Broadway #2924
New York, NY 10006-0000
212-248-0500

Mr. Lawrence Cisneros
San Juan Asset Research.
7034 Ivy St.
Carlsbad CA 92009
619-929-8275

Mr. Albert Sturdivant
Sturdivant & Co., Inc.
223 Gibbsboro Road
Clementon NJ 08021-0000
609-627-4500

Ms. Lynn Ballard
The Chapman Co.
401 East Pratt St., 28th flr
Baltimore, MD 21202-0000
410-625-9656

Ms. Melissa McWilliams
The Washington Hackett Co
909 Poydras Street #1580
New Orleans LA 70112-0000
504-524-1101

Mr. Lehong Tran
Tran Financial Network
5618 Independence Rd.
Racine, WI 53406-0000
414-886-0237

Mr. Willie L. Daniels
United Daniels Securities, Inc.
170 Broadway 14th flr
New York NY 10038
212-227-7723

Ms. Phyllis M. Hollis
Utendahl Capital & Management
30 Broad Street 31st Flr
New York NY 10004-0000
212-233-0241

Mr. Vernon A. Reid, Jr.
V. A. Reid & Associates
8 East Hamilton Street
Baltimore MD 21202-2232
410-332-0893

Ms. Betty Lazard
W. R. Lazard & Co., Inc.
14 Wall Street
New York NY 10005-1705
212-406-2700

Ms. Zera J. Harris
Walton Johnson & Co.
2911 Turtle Creek Blvd, #1280
Dallas, TX 75219-0000
214-522-6770

Mr. Ennis Hudson
Weldon Sullivan Carmichael & Co
1999 Broadway #3100
Denver CO 80202
303-296-6553

(7) **RECORD OF INSTRUMENTS.** The state treasurer or the treasurer's agent shall maintain records containing a full and correct description of each evidence of indebtedness issued, identifying it and showing its date, issue, amount, interest rate, payment dates, payments made, registration, destruction and every other relevant transaction.

(8) **TRUSTEES AND FISCAL AGENTS.** The commission may appoint one or more trustees and fiscal agents for each issue of bonds or notes. The state treasurer may be denominated the trustee and the sole fiscal agent or a cofiscal agent for any issue of bonds or notes. Every other such fiscal agent shall be an incorporated bank or trust company authorized by the laws of the United States or of the state in which it is located to do a banking or trust company business. The commission shall periodically require competitive proposals, under procedures established by the commission, for fiscal agent services and, in so doing, shall consult the state treasurer. There may be deposited with a trustee, in a special account administered as provided in this chapter, moneys to be used only for the purposes expressly provided in a resolution authorizing the issuance of debt or an agreement between the commission and the trustee. There may be deposited with a fiscal agent, in a special account for such purpose only, a sum estimated to be sufficient to enable such fiscal agent to pay the principal and interest on public debt which will come due not more than 15 days after the date of such deposit. The commission may make such other provisions respecting trustees and fiscal agents as it deems necessary or useful and may enter into a contract with any trustee or fiscal agent containing such terms, including compensation, and conditions in regard to the trustee or fiscal agent as it deems necessary or useful.

(9) **PREPAYMENT.** The commission may authorize debt having any provisions for prepayment deemed necessary or useful, including the payment of any premium.

(10) **DEBT RETIREMENT.** Interest shall cease to accrue on public debt on the date that such debt becomes due for payment if said payment is made or duly provided for. On that date, that public debt is no longer outstanding. If any holder of any public debt, including any interest pertaining to public debt and any premium, fails to present that public debt for payment, the unpaid unclaimed moneys provided for the payment of that public debt shall be administered under ch. 177.

(11) **CANCELLATION OF INSTRUMENTS.** Unless otherwise directed by the commission, every evidence of indebtedness and interest coupon paid or otherwise retired shall forthwith be marked "canceled" and shall be delivered by the state treasurer or fiscal agent accepting the surrender thereof, through the state treasurer to the state auditor who shall destroy them and shall forthwith deliver to the state treasurer a certificate to that effect.

(12) **PROCUREMENT OF SERVICES.** The commission may enter into a contract with any firm or individual engaged in financial services for the performance of any of its duties under this chapter, using selection and procurement procedures established by the commission. That contract is not subject to s. 16.705 or 16.75.

History: 1973 c. 90 s. 555m(2); 1979 c. 34; 1979 c. 110 s. 60(13); 1981 c. 20; 1983 a. 368; 1987 a. 27, 403; 1989 a. 31; 1991 a. 299, 316.

See note to 13.48, citing 68 Atty. Gen. 320.

18.12 Pledge of full faith. The full faith, credit and taxing power of this state are irrevocably pledged to the payment of the principal, interest and premium due, if any, on all public debt. There is irrevocably appropriated through s. 20.866, as a first charge upon all revenues of this state, a sum sufficient for the payment of the instalments of principal, interest and premium due, if any, on all public debt as the same falls due.

18.13 Suits against the state. (1) IN GENERAL. This section and ss. 18.14 and 18.15 shall govern all civil claims, suits, proceedings and actions respecting public debt notwithstanding any contrary provision of the statutes.

(2) **TO RECOVER A DEBT.** If the state fails to pay any public debt in accordance with its terms, an action to compel such payment

may be commenced against the state in accordance with s. 801.02. The plaintiff shall serve an authenticated copy of the summons and complaint on the attorney general by leaving the copies at the attorney general's office in the capitol with an assistant or clerk. The place of trial of such an action shall be as provided in s. 801.50.

(3) **JUDGMENT.** Sections 16.53 and 775.01 shall not apply to such claims for payment of a public debt. If there is final judgment against the state in such action, it shall be paid as provided in s. 775.04 together with interest thereon at the rate of 10% per year from the date such payment was judged to have been due until the date of payment of such judgment.

(4) **PUBLIC INTERVENOR.** Notwithstanding s. 165.075, the public intervenor does not have authority to initiate any action or proceeding concerning the issuance of obligations by the building commission under this chapter.

History: Sup. Ct. Order, 67 W (2d) 575, 749 (1975); 1975 c. 218; 1979 c. 32 s. 92 (5); 1979 c. 110 s. 60(13); 1983 a. 228 s. 16; 1983 a. 410.

18.14 Validation of debt. (1) Notwithstanding any defects, irregularities, lack of power or failure to comply with any statute or any act of the commission, all public debt contracted or attempted to be contracted after December 7, 1969 is declared to be valid and entitled to the pledge made by s. 18.12; all instruments given after December 7, 1969 to evidence such debt are declared to be binding, legal, valid, enforceable and incontestable in accordance with their terms; and all proceedings taken and certifications and determinations made after December 7, 1969 to authorize, issue, sell, execute, deliver or enter into such debt or such instruments are validated, ratified, approved and confirmed.

(2) A determination, legislative, judicial or administrative, for any reason, that the state may not spend the proceeds of contracted public debt, or that it has spent such proceeds for a purpose other than the stated purpose for which such public debt was contracted or for a purpose for which the state may not spend money, shall not affect the validity of such public debt nor the evidence of indebtedness therefor.

History: 1973 c. 90 s. 555m(2).

18.15 Diversion of funds, liability of officers for. Any public officer or public employe, as defined in s. 939.22(30), and the surety on the official bond of the officer or employe, or any other person participating in any direct or indirect impairment of the capital improvement fund or bond security and redemption fund, shall be liable in an action brought by the attorney general in the name of the state, or by any taxpayer of the state, or by the holder of any evidence of indebtedness payable in whole or in part, directly or indirectly, out of such fund, to restore to such fund all diversions therefrom.

History: 1991 a. 316.

18.16 Minority financial advisers and investment firms. (1) In this section, "minority financial adviser" and "minority investment firm" mean a financial adviser and investment firm, respectively, certified by the department of development under s. 560.036(2).

(2) Except as provided under sub. (7), in contracting public debt by competitive sale, the commission shall ensure that at least 6% of total public indebtedness contracted in each fiscal year is underwritten by minority investment firms.

(3) Except as provided under sub. (7), in contracting public debt by negotiated sale, the commission shall ensure that at least 6% of total public indebtedness contracted in each fiscal year is underwritten by minority investment firms.

(4) Except as provided under sub. (7), in contracting public debt by competitive sale or negotiated sale, the commission shall ensure that at least 6% of the total moneys expended in each fiscal year for the services of financial advisers are expended for the services of minority financial advisers.

(5) Except as provided under s. 18.06(9) and sub. (7), an individual underwriter or syndicate of underwriters shall ensure that

each bid or proposal, submitted by that individual or syndicate in a competitive or negotiated sale of public debt, provides for a portion of sales to minority investment firms.

(6) The commission shall annually report to the department of administration the total amount of public indebtedness contracted with the underwriting services of minority investment firms and the total amount of moneys expended for the services of minority financial advisers during the preceding fiscal year.

(7) The requirements of any of subs. (2) to (5) do not apply to a contracting of public debt, if the secretary of administration submits a report in writing to the joint committee on finance specifying the building commission's reasons for not complying with the requirements of any of subs. (2) to (5) for that contracting of public debt.

History: 1987 a. 27; 1989 a. 366; 1991 a. 32.

18.17 Full authority. This chapter shall constitute full authority for the accomplishment of all acts authorized in this chapter to be done. No other law restricting the carrying out of such acts shall be construed as applying to proceedings had or acts done pursuant to this chapter.

SUBCHAPTER II

REVENUE OBLIGATIONS

18.51 Provisions applicable. The following sections apply to this subchapter, except that all references to "public debt" or "debt" are deemed to refer to a "revenue obligation": ss. 18.02, 18.03, 18.06 (8), 18.07, 18.10 (1), (2), (4) to (9) and (11) and 18.17.

History: 1977 c. 29; 1991 a. 39.

18.52 Definitions. In this subchapter, unless the context requires otherwise:

(1) "Authorizing resolution" means any resolution adopted by the commission under this subchapter which authorizes the contracting of a revenue obligation.

(2) "Commission" means the building commission.

(3) "Evidence of revenue obligation" means a written promise to pay a revenue obligation.

(4) "Public debt" means every voluntary, unconditional undertaking by the state to repay a certain amount of borrowed money:

(a) Out of the state treasury, except a loan or advance by any state agency or fund to any other state agency or fund; or

(b) For which any existing asset of the state is pledged, except the pledge of an outstanding evidence of indebtedness without recourse.

(5) "Revenue obligation" means every undertaking by the state to repay a certain amount of borrowed money which is:

(a) Created for the purpose of purchasing, acquiring, leasing, constructing, extending, expanding, adding to, improving, conducting, controlling, operating or managing a revenue-producing enterprise or program;

(b) Payable solely from and secured solely by the property or income or both of the enterprise or program; and

(c) Not public debt under s. 18.01 (4).

(6) "Revenue-producing enterprise" or "program" means every state enterprise or program deemed by the legislature to be likely to produce sufficient net income to pay when due the principal and interest of revenue obligations to be issued in connection therewith.

History: 1977 c. 29; 1979 c. 107; 1981 c. 336; 1983 a. 36 s. 96 (4).

18.53 Purposes of revenue obligations and amounts. (1) The commission may authorize money to be borrowed and evidences of revenue obligation to be issued therefor

in an amount sufficient to fund or refund, as provided in s. 18.60, the whole or any part of:

(a) Any revenue obligation issued under this subchapter.

(b) Any public debt or indebtedness described in s. 18.04.

(2) The commission may authorize money to be borrowed and evidences of revenue obligation to be issued therefor, in an amount sufficient, as provided in s. 18.59:

(a) To anticipate the sale of revenue-obligation bonds.

(b) To renew the whole or any part of any revenue-bond anticipation notes then outstanding.

(3) The commission shall authorize money to be borrowed and evidences of revenue obligation to be issued therefor up to the amounts specified by the legislature to purchase, acquire, lease, construct, extend, expand, add to, improve, conduct, control, operate or manage such revenue-producing enterprises or programs as are specified by the legislature as the funds are required. The requirements for funds shall be established by the state department or agency head carrying out program responsibilities for which the revenue obligations have been authorized by the legislature.

(4) Each purpose specified in sub. (3) shall include the expenses of issuance of the revenue obligations.

History: 1977 c. 29.

18.54 Limitations on revenue obligations. (1) The amount of evidences of revenue obligation issued or outstanding for the purposes specified in s. 18.53 (1) and (2) are subject only to the limits provided in this subchapter.

(2) The amount of evidences of revenue obligation issued or outstanding for purposes specified by the legislature under s. 18.53 (3) are subject only to the limits provided in the legislation which authorizes that revenue obligation. No refunding obligation is subject to any limitation specified by that legislation.

History: 1977 c. 29; 1987 a. 27.

18.55 Procedures. (1) **AUTHORIZING RESOLUTION.** No money may be borrowed under this subchapter nor any evidence of revenue obligation issued by the state except pursuant to an authorizing resolution. Each authorizing resolution shall state each purpose of the revenue obligation it authorizes, which need not be more specific but shall not be more general than those purposes provided in or pursuant to law, and the maximum principal amount of revenue obligations authorized for each such purpose.

(2) **BOND ANTICIPATION NOTES.** Revenue-obligation bond anticipation notes may be sold at public or private sale or, in the case of renewal notes, exchanged privately for and in payment and discharge of any of the outstanding notes being renewed, as provided in the authorizing resolution.

(3) **REVENUE-OBLIGATION BONDS.** Revenue-obligation bonds may be sold at either public or private sale. The commission may provide in the authorizing resolution for refunding bonds that they be exchanged privately in payment and discharge of any of the outstanding bonds or notes being refunded. All revenue-obligation bonds sold at public sale shall be noticed as provided in the authorizing resolution. Any or all bids received at public sale may be rejected.

(4) **NO MINIMUM ISSUANCE PRICE.** Revenue obligation bonds may be sold at any price or percentage of par value.

(5) **EXERCISE OF AUTHORITY.** Money may be borrowed and evidences of revenue obligation issued therefor pursuant to one or more authorizing resolutions, unless otherwise provided in the resolution or in this subchapter, at any time and from time to time, for any combination of purposes, in any specific amounts, at any rates of interest, for any term, payable at any intervals, at any place, in any manner and having any other terms or conditions deemed necessary or useful. Revenue obligation bonds may bear interest at variable or fixed rates, bear no interest or bear interest payable only at maturity or upon redemption prior to maturity. Unless sooner exercised or unless a shorter period is provided in



TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY

October 5, 1994

The Honorable Joseph Leean, Co-Chair
The Honorable Barbara Linton, Co-Chair
Joint Committee on Finance
115 South, State Capitol
Madison, WI 53702

Dear Senator Leean, Representative Linton and Members:

This report is required by subsection (7) of 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt. On September 21, 1994 the Building Commission awarded the sale of \$45,000,000 State of Wisconsin General Obligation Bonds of 1994, Series C. This was a public sale conducted pursuant to Subchapter I of Chapter 18. The Official Notice of Sale dated September 14, 1994, attached, set the terms and conditions of the sale and was available to all potential bidders. The State received five bids for the bonds.

The award was based on the lowest true interest cost rate to the State. The successful underwriters were a syndicate managed by Goldman, Sachs & Co. A list of the syndicate members is attached. The syndicate includes one firm which has been certified by the Department of Development as minority owned. The minority firm's participation is approximately 1% of the total bond issue.

Underwriting participation by minority owned firms is encouraged. There is a section "Minority Participation" in the Official Notice of Sale and a list of the certified firms including address, phone number and contact person was included in the bidding materials sent to each prospective bidder.

Sincerely,

A handwritten signature in cursive script, appearing to read "James R. Klauser".

James R. Klauser
Secretary

Enc.

OFFICIAL NOTICE OF SALE

\$45,000,000

STATE OF WISCONSIN

GENERAL OBLIGATION BONDS OF 1994, SERIES C

Subject to Alternative Minimum Tax (AMT)

SEALED PROPOSALS will be received by the State of Wisconsin Building Commission (the "Commission") at the Executive Office, Room 115 East, in the State Capitol, Madison, Wisconsin, until 10:00 A.M. (CDT) on September 21, 1994, when they will be publicly opened and read, for the purchase of \$45,000,000 State of Wisconsin General Obligation Bonds of 1994, Series C (the "Bonds") on the terms and conditions for bidding stated below.

Terms of Bonds. The Bonds will be dated September 15, 1994, and will be payable as to principal either through serial maturities or redemption from mandatory sinking fund payments (as specified by the successful bidder) in the years and principal amounts as shown below:

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
1996	\$ 575,000	2011	\$ 1,335,000
1997	610,000	2012	1,415,000
1998	635,000	2013	1,510,000
1999	670,000	2014	1,605,000
2000	700,000	2015	1,710,000
2001	740,000	2016	1,820,000
2002	780,000	2017	1,935,000
2003	825,000	2018	2,065,000
2004	870,000	2019	2,195,000
2005	915,000	2020	2,340,000
2006	980,000	2021	2,495,000
2007	1,040,000	2022	2,655,000
2008	1,105,000	2023	2,825,000
2009	1,175,000	2024	3,010,000
2010	1,255,000	2025	3,210,000

Each bid must specify whether the principal amount of the Bonds payable on a particular date will be a payment at maturity (a serial bond) or a mandatory sinking fund payment of a term bond. The mandatory sinking fund payments of each term bond shall be on one or more consecutive annual payment dates immediately preceding the maturity date of such term bond, provided that no term bond designated to mature on and after May 1, 2005 may contain any sinking fund payments prior to May 1, 2005. The mandatory sinking fund payment (if any) so specified for any year must be equal to the full principal amount of Bonds listed in the table above as payable in that year. The same interest rate specified for the nominal maturity of a term bond must also be specified for all mandatory sinking fund payments of such term bond.

The Bonds will bear interest, payable on May 1, 1995 and semiannually thereafter on the first day of May and November, at such rate or rates per annum as designated by the successful bidder in its official bid. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Optional Redemption. The Bonds maturing on or after May 1, 2005 are subject to redemption at the option of the Commission on May 1, 2004 or any date thereafter, in whole or in part, at a redemption price of par plus accrued interest. In the event of partial redemption, the Commission shall direct the maturity or maturities and the amount thereof so to be redeemed.

Mandatory Sinking Fund Redemption. The Bonds of certain maturities will be subject to mandatory redemption prior to their respective stated maturity dates, in part, from mandatory sinking fund payments, to the extent the successful bidder specifies, in its bid, that the principal amount of the Bonds payable on certain dates shall constitute mandatory sinking fund payments of term bonds.

Special Redemption. All Bonds are subject to special redemption at the direction of the Commission, in whole or in part, on any date, at a redemption price of par plus accrued interest from (i) unexpended proceeds of the Bonds, (ii) payments on veterans housing loans, or interest or income on investments in certain accounts, including money available from the Insurance Reserve Account in excess of amounts required to meet the scheduled debt service on general obligation bonds issued for the purposes of funding veterans housing loans ("Veterans Mortgage Bonds"), and costs associated with the veterans housing loan program and (iii) prepayments of veterans-housing loans funded from or attributed to any series of Veterans Mortgage Bonds.

Book-Entry. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. A single Bond certificate for each separate maturity will be issued to DTC and immobilized in its custody. Individual purchases will be made in book-entry-only form pursuant to the rules and procedures established between DTC and its participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The Bond certificates will be deposited with DTC as a condition of the closing. The State of Wisconsin (the "State") will make payments of principal and interest on the Bonds on the dates set forth above, to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of said payments to participants of DTC will be the responsibility of DTC; transfer of said payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by rules and procedures of DTC and the participants. No assurance can be given by the State that DTC, its participants and other nominees of beneficial owners will make prompt transfer of said payments. The State assumes no liability for failures of DTC, its participants or other nominees to promptly transfer said payments to beneficial owners of the Bonds.

Notice to Securities Depository. Notices, if any, given by the State to the securities depository are redistributed in the same manner as are payments. The State assumes no liability for the failure of the securities depository, its participants or other nominees to promptly transfer said notices to the beneficial owners of the Bonds. The State is not responsible for supervising the activities or reviewing the records of the securities depository or its direct and indirect participants.

Successor to Securities Depository. In the event that the securities depository relationship with the securities depository is terminated and the Commission does not appoint a successor securities depository, the Commission will prepare, authenticate and deliver, at its expense, fully registered certificated Bonds in the denominations of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and interest rates then outstanding to the beneficial owners of the Bonds as identified to the Commission by the securities depository and its participants.

Purpose and Pledge. The Bonds will be issued, to make funds available for veterans housing loans, pursuant to Chapter 18 of the Wisconsin Statutes, as amended (the "Act") and an authorizing resolution adopted by the Commission on August 3, 1994, as amended and supplemented on September 21, 1994 (the "Authorizing Resolution"). The Bonds will be direct and general obligations of the State. The full faith, credit and taxing power of the State will be irrevocably pledged to the payment of the principal of and interest on the Bonds, and there will be irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for the payment of the principal of and interest on the Bonds.

Minority Participation. It is the policy of the Commission to endeavor to ensure that 6% of the Bonds are underwritten by firms which are certified by the State as being minority owned. The Commission urges prospective bidders to obtain from the Commission a list of firms so certified and to include such firms in their bidding group. The Commission further encourages certified minority-owned firms to submit bids directly and to assemble bidding groups for the submission of bids. Minority-owned firms which are not yet certified by the State and wish to be, may contact the Commission.

Official Bid Form and Award. All bids must be on the Official Bid Form. The Bonds will be awarded at the lowest true interest cost rate to the State. The true interest cost rate for each bid will be determined on the basis of present value by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to September 15, 1994 and to the price bid. In the event two or more bids specify the same lowest true interest cost rate, then the award will be made to the bidder with the lowest true interest cost rate and the largest minority-owned firm participation, or, if such bidders have an equal amount of minority-owned participation, then selection for award will be made among such bidders by the Secretary of the Commission by lot.

Each bid shall indicate one interest rate for each maturity and a purchase price for the Bonds. Each interest rate bid must be a multiple of 0.05%. A bid must be for all of the Bonds and may be for any purchase price not less than 98.5% of the par amount of the Bonds (\$44,325,000.00) or greater than 104% of the par amount of the Bonds (\$46,800,000.00). For Bonds subject to optional redemption (those maturing May 1, 2005 and later), no interest rate bid for any maturity shall be lower than any interest rate bid for any prior Bond subject to optional redemption and the difference between the the interest rates for Bonds subject to optional redemption cannot exceed one percent (1%). No interest rate on any maturity may exceed ten percent (10%). The Commission reserves the right to waive any informality or irregularity in any bid and to reject any or all bids.

Bid Deposit. There must be submitted for each bid a certified, official or cashier's check, or a financial surety bond, payable to the order of the State of Wisconsin, in the amount of \$900,000. If a check is provided it must accompany the bid. If a financial surety bond is submitted, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin and acceptable to the Commission. It is the responsibility of the bidder to determine that the Capital Finance Office has received such bond prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is guaranteed by such bond. If the bid is awarded to a bidder that has submitted a financial surety bond, the bidder is required to provide the good-faith deposit in immediately available funds not later than 4:30 p.m. CDT on September 22, 1994. If the good-faith deposit is not timely, the Commission may draw on the financial surety bond. Each bid shall be enclosed in a sealed envelope marked on the outside, in substance, *Bid for State of Wisconsin General Obligation Bonds of 1994, Series C*.

Good-Faith Deposit. The good-faith deposit of the successful bidder will be cashed. All checks of unsuccessful bidders will be returned immediately upon award of the Bonds. No interest will be allowed on the amount of the good-faith deposit. The proceeds of the good-faith deposit of the successful bidder will be applied to the purchase price of the Bonds, or in the event of the failure of the successful bidder to take up and pay for the Bonds in compliance with the terms of the bid, at the option of the Commission, its good-faith deposit may be retained as liquidated damages or, at the further option of the Commission, may be retained as partial payment of actual damages or as security for any other remedy available to the Commission. The amount of the good-faith deposit is to be returned to the successful bidder on the failure of the Commission to perform in accordance with the terms of this Official Notice of Sale and the bid. All bids shall remain firm for five hours after the time specified for the opening of bids and an award of the Bonds, or rejection of all bids, will be made by the Commission within said period of time.

Certification of Price. The successful bidder shall certify to the Commission, prior to delivery of the Bonds, the initial offering price to the public of the Bonds awarded to the bidder, together with such other information as may be required by the Commission to enable it to determine the "issue price" of the Bonds awarded to such bidder as defined in Section 1274 of the Internal Revenue Code of 1986, as amended.

Closing and Delivery. The Bonds will be delivered to DTC no later than October 11, 1994. The closing will be at State Street Bank and Trust Company, N.A., 65 Broadway, New York, New York, at or about 9:30 A.M. (EDT), or at another mutually agreeable location, on or about October 12, 1994. Payment for the Bonds must be by wire in immediately available funds for credit at Firststar Bank Milwaukee, N.A. at said date and time. Should delivery be delayed beyond 45 days from date of sale for any reason beyond the control of the State except failure of performance by the purchaser, the State may cancel the award or the purchaser may demand return of its good-faith deposit and thereafter its interest in and liability for the Bonds will cease.

Bond Opinion. The legality of the Bonds will be approved by Foley & Lardner, bond counsel, whose unqualified approving opinion will be furnished to the successful bidder without cost upon the delivery of the Bonds. There will also be furnished upon the delivery of the Bonds the usual closing papers, including a certificate stating that there is no litigation pending or threatened affecting the validity of or security for the Bonds, and a certificate to the effect that the Official Statement prepared in connection with the sale of the Bonds, as of the date of the Official Statement and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Tax Exemption. Under existing law interest on the Bonds is excluded from gross income for federal income tax purposes. Interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax.

CUSIP Numbers. CUSIP identification numbers will be specified on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal by the purchaser to accept delivery of and pay for the Bonds in accordance with the terms of the purchaser's bid.

Bidding Documents. The Preliminary Official Statement is in a form which the Commission "deems final" as of September 9, 1994 for purposes of Section (b)(1) of Securities and Exchange Commission Rule 15c2-12, but is subject to revision, amendment and completion in a final official statement as defined in Section (e)(3) of such rule. Copies of the Preliminary Official Statement and the Official Bid Form may be obtained from the Capital Finance Office, Department of Administration, Administration Building, 10th Floor, 101 East Wilson Street, Madison, Wisconsin 53702, (608) 266-2305, (608) 267-7399 or (608) 266-5355.

Final Official Statements. The Commission will furnish to the successful bidder, without cost, up to 750 copies of the final Official Statement within seven business days after the award of the Bonds.

Dated: September 14, 1994

Robert Brandherm, Secretary
State of Wisconsin Building Commission

\$45,000,000 State of Wisconsin
General Obligation Bonds of 1994, Series C
Underwriting Syndicate

Underwriters:

Book Running Manager:
Goldman, Sachs & Co.

Members:
Howard Gary & Company
Janney Montgomery Scott Inc.
Kirkpatrick, Pettis Smith, Polian, Inc.
Prager McCarthy & Sealy

In Association With
CS First Boston
Glickenhous & Co.

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT**

September 1, 1994

Note: The following list of minority-owned underwriting firms is provided for the information of potential bidders on the Bonds and does not constitute a part of the Official Notice of Sale. Minority participation in bids is strongly encouraged by the State but is not a requirement for submitting a bid.

Mr. Wifredo Gort
AIBC Investment Services Corp
80 S W 8th St Ste 2120
Miami FL 33130-0000
305-372-8000

Mr. Elton Johnson, Jr.
Amerivet Securities Inc
5743 Corsa Avenue #112
Westlake Village CA 91362-0000
818-706-7618

Mr. Manuel P. Asensio
Asensio & Company, Inc.
100 Wall Street, #1400
New York, NY 10005-0000
212-504-5500

Ms. Benita Pierce
B. Pierce & Co. Inc.
12 Greene Street #3
New York NY 10013-0000
212-219-1114

Mr. Rafael Carmona
Carmona Motley & Co., Inc.
19 West 44th Street #1510
New York NY 10036
212-827-0610

Mr. Stephen R. Goodwin
Cartwright & Goodwin, Inc.
67 Wall Street 2nd Flr
New York NY 10005
212-809-0877

Mr. Bernard Joel
Cathay Financial Corp.
450 Park Avenue #1100
New York NY 10022-0000
212-371-7896

Mr. Jack A. Brookner
CC&Q Capital Management Group Inc.
500 Northridge #600
Atlanta GA 30350
404-993-9009

Mr. Kenneth McGhee
CEREAS
2821 North 4th Street
Milwaukee WI 53206-0000
414-264-7777

Mr. Thomas L. Burke
Clark Melvin Securities Corp.
170 Jennifer Rd. #300
Annapolis MD 21401-0000
410-266-5250

Ms. Baunita Greer
Cromwell Miller & Greer, Inc.
301 Cathedral Pkwy, #6S
New York, NY 10026-0000
212-866-5520

Mr. Troy L. Simon
Doley Securities, Inc.
616 Baronne Street Ste 300
New Orleans LA 70113
504-561-1128

Mr. Samuel D. Ewing, Jr.
Ewing Capital, Inc.
727 15th Street NW Ste 700
Washington DC 20005-0000
202-737-1500

Mr. Sherlin Lee
First Honolulu Securities, Inc.
900 Fort Street #950
Honolulu HI 96813-0000
808-523-9422

Mr. Christopher Gardner
Gardner Rich & Company
311 S Wacker Dr. Ste 4045
Chicago IL 60606-0000
312-922-3333

Ms. Katherine Wilson
Grigsby Brandford & Co. Inc.
230 California Street Ste 601
San Francisco CA 94111
415-392-4800

Mr. Leopoldo E. Guzman
Guzman & Company
701 Brickell Avenue 11th Flr
Miami FL 33131-0000
305-374-3600

Mr. Brian C. Harris
Harris Capital Corp.
15 Lewis St. #401
Hartford, CT 06103-0000
203-522-6700

Ms. Catherine Lavery
HCM Investments, Inc.
35 West Wacker Drive #3260
Chicago IL 60601-0000
312-553-1000

Mr. Kishor M. Parekh
Howard Gary & Company
3050 Biscayne Blvd #603
Miami FL 33137-4163
305-571-1380

Ms. Joyce Green
I C Rideau Lyons & Co., Inc.
911 Wilshire Blvd #2030
Los Angeles CA 90017-0000
213-895-5900

Ms. Marjorie Kelly
Innova Securities, Inc.
200 State St. 11th Flr
Boston MA 02109-0000
617-330-8520

Mr. Ronald Jackson
Jackson Partners Assoc., Inc.
Two Rector St 15th Flr
New York NY 10006-0000
212-635-0130

Ms. Marissa Sequeira
Jackson Securities, Inc.
55 Marietta St. #1870
Atlanta GA 30303-0000
404-522-5766

Ms. Suzanne J. Currie
John Hsu Capital Group, Inc.
767 Third Avenue 11th Flr
New York NY 10017
212-223-7515

Mr. Daniel Lamaute
Lamaute Financial Group, Inc.
4727 Wilshire Blvd #500
Los Angeles CA 90010
213-930-2208

Mr. Larry R. Hammond
LRH Associates, Inc.
61 Broadway #2212
New York NY 10006-0000
212-785-2121

Mr. John Small, Jr.
Luther Smith & Small, Inc.
1110 N Old World 3rd St
Milwaukee WI 53203-0000
414-347-7822

Mr. Bernard Beal
M R Beal & Company
366 Madison Avenue 5th Flr
New York NY 10017
212-983-3900

Mr. Donald R. Davidson, Jr.
Metro Equities Corporation
220 S. State St., Ste 1202
Chicago IL 60604-2199
312-939-5155

Mr. Marquette Chester
NCM Capital Management Group Inc.
103 West Main Street #400
Durham NC 27701-3638
919-688-0620

Mr. James Jackson
North Milwaukee Bankshares, Inc.
5630 West Fond du Lac Ave.
Milwaukee WI 53126-0000
414-466-2344

Mr. Randolph T. Myricks
North Milwaukee State Bank
5630 West Fond du Lac Ave.
Milwaukee WI 53216
414-466-2344

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT
September 1, 1994 Continued**

Mr. David Ormes
Ormes Capital Markets, Inc.
1 Liberty Plaza, 31st Flr
New York, NY 10006-0000
212-346-5334

Mr. Miguel Uria
Oro Financial Inc.
4037 Tulane Avenue #100
New Orleans LA 70119-6829
504-482-4116

Mr. Malcomn Pryor
Pryor McClendon Counts & Co.
1515 Market St. Ste. 819
Philadelphia PA 19102
215-569-0274

Mr. Richard Helmbrecht
Reinoso & Company, Inc.
30 Broad Street, 39th Floor
New York NY 10004-0000
212-344-5100

Mr. Eric VanStandifer
Robert Van Securities, Inc.
1980 Mountain Blvd #214
Oakland CA 94611-0000
510-339-7400

Mr. Eric L. Small
SBK-Brooks Investment Corp.
25 Prospect Ave. W. Ste 700
Cleveland, OH 44115
216-861-6950

Mr. George W. Graham
Samuel A. Ramirez & Co., Inc.
61 Broadway #2924
New York, NY 10006-0000
212-248-0500

Mr. Lawrence Cisneros
San Juan Asset Research.
7034 Ivy St.
Carlsbad CA 92009
619-929-8275

Mr. Albert Sturdivant
Sturdivant & Co., Inc.
223 Gibbsboro Road
Clementon NJ 08021-0000
609-627-4500

Ms. Lynn Ballard
The Chapman Co.
401 East Pratt St., 28th flr
Baltimore, MD 21202-0000
410-625-9656

Ms. Melissa McWilliams
The Washington Hackett Co
909 Poydras Street #1580
New Orleans LA 70112-0000
504-524-1101

Mr. Lehong Tran
Tran Financial Network
5618 Independence Rd.
Racine, WI 53406-0000
414-886-0237

Mr. Willie L. Daniels
United Daniels Securities, Inc.
170 Broadway 14th flr
New York NY 10038
212-227-7723

Ms. Phyllis M. Hollis
Utendahl Capital & Management
30 Broad Street 31st Flr
New York NY 10004-0000
212-233-0241

Mr. Vernon A. Reid, Jr.
V. A. Reid & Associates
8 East Hamilton Street
Baltimore MD 21202-2232
410-332-0893

Ms. Betty Lazard
W. R. Lazard & Co., Inc.
14 Wall Street
New York NY 10005-1705
212-406-2700

Ms. Zera J. Harris
Walton Johnson & Co.
2911 Turtle Creek Blvd, #1280
Dallas, TX 75219-0000
214-522-6770

Mr. Ennis Hudson
Weldon Sullivan Carmichael & Co
1999 Broadway #3100
Denver CO 80202
303-296-6553

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin



Mailing address:
Post Office Box 7864
Madison, WI 53707-7864

JUN 30 1994

TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY

June 30, 1994

The Honorable Joseph Llean, Co-Chair
The Honorable Barbara Linton, Co-Chair
Joint Committee on Finance
115 South, State Capitol
Madison, WI 53702

Dear Senator Llean, Representative Linton and Members:

This report is required by subsection (7) of 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of debt. On June 22, 1994 the Building Commission awarded the sale of \$100,000,000 State of Wisconsin Transportation Revenue Bonds, 1994 Series A. This was a public sale conducted pursuant to Subchapter I of Chapter 18. The Official Notice of Sale dated June 8, 1994, attached, set the terms and conditions of the sale and was available to all potential bidders. The State received seven bids for the bonds.

The award was based on the lowest true interest cost rate to the State. The successful underwriters were a syndicate managed by CS First Boston Corporation. A list of the syndicate members is attached. The syndicate did not include any firms that have been certified by the Department of Development as minority owned.

Underwriting participation by minority owned firms is encouraged. There is a section "Minority Participation" in the Official Notice of Sale and a list of the certified firms including address, phone number and contact person was included in the bidding materials sent to each prospective bidder.

Sincerely,

A handwritten signature in cursive script that reads "James R. Klauser".

James R. Klauser
Secretary

Enc.

\$100,000,000 State of Wisconsin
Transportation Revenue Bonds, 1994 Series A
Underwriting Syndicate

Underwriters:

Book Running Manager:
CS First Boston Corporataion

Joint Managers
First Chicago Capital Markets, Inc.
Lehman Brothers
Lazard Freres & Co.
Kemper Securities Inc.
Morgan Stanley & Co. Incorporated
George K. Baum & Company

Members:

Dain Bosworth Incorporated
Davenport & Co. of Virginia, Inc.
A. Webster Dougherty & Co., Incorporated
Furman Selz Inc.
Gabriele, Hueglin & Cashman
Griffin, Kubik, Stephens & Thompson, Inc.
Isaak Bond Investments, Inc.
Josephthal, Lyon & Ross, Inc.
John Nuveen & Co. Incorporated
J. Lee Peeler & Company, Inc.
Rauscher Pierce Refsnes, Inc.
Roosevelt & Cross, Inc.
U.S. Securities, Inc.

OFFICIAL NOTICE OF SALE

\$100,000,000

STATE OF WISCONSIN

TRANSPORTATION REVENUE BONDS, 1994 SERIES A

SEALED PROPOSALS will be received by the State of Wisconsin Building Commission (the "Commission") at the Governor's Conference Room, 115 East, in the State Capitol, Madison, Wisconsin, until 10:00 A.M. (CDT) on June 15, 1994 when they will be publicly opened and read, for the purchase of \$100,000,000 State of Wisconsin Transportation Revenue Bonds, 1994 Series A (the "Bonds") on the terms and conditions for bidding stated below.

Terms of Bonds. The Bonds will be dated July 1, 1994, and will be payable as to principal either through serial maturities or redemption from mandatory sinking fund payments (as specified by the successful bidder) on July 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
1995	\$ 3,005,000	2005	\$ 4,820,000
1996	3,115,000	2006	5,090,000
1997	3,250,000	2007	5,375,000
1998	3,400,000	2008	5,685,000
1999	3,560,000	2009	6,020,000
2000	3,735,000	2010	6,375,000
2001	3,920,000	2011	6,760,000
2002	4,125,000	2012	7,170,000
2003	4,340,000	2013	7,605,000
2004	4,575,000	2014	8,075,000

Each bid must specify whether the principal amount of the Bonds payable on a particular date will be a payment at maturity (a serial bond) or a mandatory sinking fund payment of a term bond. The mandatory sinking fund payments of each term bond shall be on one or more consecutive annual payment dates immediately preceding the maturity date of such term bond, provided that no term bond designated to mature on and after July 1, 2005 may contain any sinking fund payments prior to July 1, 2005. The mandatory sinking fund payment (if any) so specified for any year must be equal to the full principal amount of Bonds listed in the table above as payable in that year. The same interest rate specified for the nominal maturity of a term bond must also be specified for all mandatory sinking fund payments of such term bond.

The Bonds will bear interest, payable on January 1, 1995 and semiannually thereafter on the first day of January and July, at such rate or rates per annum as designated by the successful bidder in its official bid. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Optional Redemption. The Bonds maturing in the years 1995 to 2004, inclusive, shall not be redeemable prior to their stated dates of maturity. The Bonds maturing on or after July 1, 2005 are subject to redemption at the option of the Commission on July 1, 2004 or any date thereafter, in whole or in part, in integral multiples of \$5,000. In the event of partial redemption, the Commission shall direct the maturity or maturities and the amount thereof so to be redeemed. Bonds redeemed prior to their stated dates of maturity shall be redeemable at 100% of principal amount plus accrued interest to the date of redemption.

Mandatory Redemption. The Bonds of certain maturities will be subject to mandatory redemption prior to their respective stated maturity dates, in part, from sinking fund payments, to the extent the successful bidder specifies, in its bid, that the principal amount of the Bonds payable on certain dates shall constitute mandatory sinking fund payments of term bonds.

Book-Entry. The Bonds will be issued as fully registered bonds without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. A single bond certificate for each separate maturity will be issued to DTC and immobilized in its custody. Individual purchases will be made in book-entry form pursuant to the rules and procedures established between the securities depository and its direct and indirect participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The State of Wisconsin (the "State") will deposit the bond certificates with DTC and will release them upon closing. The State will make payments of principal and interest on the Bonds on the dates set forth above, to the securities depository or its nominee as registered owner of the Bonds in same-day funds. Transfer of said payments to beneficial owners will be the responsibility of the securities depository and its direct and indirect participants, all as required by rules and procedures of the securities depository and its direct and indirect participants. No assurance can be given by the State that the securities depository and its direct and indirect participants will make prompt transfer of said payments. The State assumes no liability for failures of the securities depository or its direct and indirect participants to promptly transfer said payments to beneficial owners of the Bonds.

Notice to Securities Depository. Notices, if any, given by the State to the securities depository are redistributed in the same manner as are payments. The State assumes no liability for the failure of the securities depository or its direct and indirect participants to promptly transfer said notices to the beneficial owners of the Bonds. The State is not responsible for supervising the activities or reviewing the records of the securities depository or its direct and indirect participants.

Successor to Securities Depository. In the event that the relationship with the securities depository is terminated and the Commission does not appoint a successor securities depository, the Commission will prepare, authenticate and deliver, at its expense, fully registered certificated Bonds in the denominations of \$5,000 or any integral multiple thereof in the aggregate principal amount of Bonds of the same maturities and interest rates then outstanding to the beneficial owners of the Bonds as identified to the Commission by the securities depository and its participants.

Purpose and Pledge. The State has previously issued transportation revenue bonds of which \$496,620,000 are currently outstanding. The Bonds will be issued on a parity with the Outstanding Bonds. The Bonds will be issued pursuant to Subchapter II of Chapter 18 of the Wisconsin Statutes and pursuant to a General Resolution, a Series Resolution, and an Award Resolution adopted by the Commission on June 26, 1986, May 18, 1994 and June 15, 1994, respectively. The Award Resolution will amend the Series Resolution and award the sale of the Bonds. The Bonds will be issued to finance the cost of certain State transportation facilities and highway projects.

Security for the Bonds. The Bonds will be revenue obligations of the State payable solely from amounts in the Redemption Fund created by the General Resolution. The Bonds are secured by a first lien pledge of the Program Income, which includes vehicle registration fees authorized under Section 341.25 of the Wisconsin Statutes on a parity with the Outstanding Bonds. The Bonds are not general obligations of the State, its agencies, and do not constitute "public debt" of the State as used in the Constitution and Statutes of the State.

Minority Participation. It is the policy of the Commission to endeavor to have at least 6% of the Bonds underwritten by firms that are certified by the State as being minority owned. The Commission urges prospective bidders to obtain from the Commission a list of firms so certified and to include such firms in their bidding group. The Commission further encourages certified minority-owned firms to submit bids directly and to assemble bidding groups for the submission of bids. Minority-owned firms that are not yet certified by the State and wish to be, may contact the Commission.

Interest Rate and Purchase Price. Each bid shall indicate an interest rate for each maturity or sinking fund payment and a purchase price for the Bonds. Each interest rate must be a multiple of 0.05%. A bid must be for all the Bonds and may not be less than 98.50% of the par amount of the Bonds (\$98,500,000.00) or greater than 104% of the par amount of the Bonds (\$104,000,000.00). There shall be only one interest rate per maturity or sinking fund payment provided that no rate shall exceed ten percent (10%). For Bonds maturing in the years 1995 through 2005 the interest rate may be bid in any order. For Bonds maturing in the years 2005 through 2014, no interest rate bid shall be lower than any interest rate bid for any prior maturity or sinking fund payment and the difference between the interest rates for the years 2005 through 2014 cannot exceed one percent (1%). The Commission reserves the right to waive any informality or irregularity in any bid and to reject any or all bids.

Official Bid Form and Award. All bids must be on the Official Bid Form. The Bonds will be awarded at the lowest true interest cost rate to the State. The true interest cost rate for each bid will be determined on the basis of present value by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments to July 1, 1994 and to the price bid. In the event two or more bids specify the same lowest true interest cost rate, then the award will be made to the bidder with the lowest true interest cost rate and the largest minority-owned firm participation, or if such bidders have an equal amount of minority-owned participation, then selection for award among such bidders will be made by the Secretary of the Commission by lot. All bids shall remain firm for five hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of all bids, will be made by the Commission within said period of time.

Bid Deposit. Each bid must be accompanied by a certified, official or cashier's check, or by a financial surety bond, payable to the order of the State of Wisconsin, in the amount of \$2,000,000.00. If a check is used, it must accompany the bid. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin and acceptable to the Commission, and such bond must be submitted to the Capital Finance Office prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is guaranteed by such bond. If the Bonds are awarded to a bidder utilizing a financial surety bond, that bidder is required to submit its bid deposit to the Trustee, in the form of a wire transfer not later than 3:30 P.M. (CDT) on June 16, 1994. If such bid deposit is not received by that time, the financial surety bond may be drawn on by the State to satisfy the bid deposit requirement. Each bid shall be enclosed in a sealed envelope marked on the outside, in substance, *Bid for State of Wisconsin Transportation Revenue Bonds, 1994 Series A.*

Treatment of Bid Deposit. The good-faith deposit of the successful bidder will be cashed by the Trustee. All checks of unsuccessful bidders will be returned immediately upon award of the Bonds. No interest will be allowed on the amount of the good-faith deposit. The proceeds of the good-faith deposit of the successful bidder will be applied to the purchase price of the Bonds, or in the event of the failure of the successful bidder to take up and pay for the Bonds in compliance with the terms of the bid, at the option of the Commission, the bidder's good-faith deposit may be retained by the Commission as liquidated damages or, at the further option of the Commission, may be retained as partial payment of actual damages or as security for any other remedy available to the Commission. The good-faith deposit is to be returned to the successful bidder on

the failure of the Commission to perform in accordance with the terms of this Official Notice of Sale and the bid, but no interest shall be allowed thereon.

Certification of Price. The successful bidder shall certify to the Commission, prior to delivery of the Bonds, the initial offering price to the public of the Bonds awarded to the bidder, together with such other information as may be required by the Commission to enable it to determine the "issue price" of the Bonds awarded to such bidder as defined in Section 1274 of the Internal Revenue Code of 1986, as amended.

Closing and Delivery. The Bonds will be delivered to DTC no later than July 13, 1994. The closing will be at State Street Bank and Trust Company, N.A., 61 Broadway-15th Floor, New York, New York, at or about 9:30 A.M. (EDT), or at another mutually agreeable location, on or about July 14, 1994. Payment for the Bonds must be by wire in immediately available funds for credit at Bank One Wisconsin Trust Company, National Association, Milwaukee, Wisconsin at said date and time. Should delivery be delayed beyond 45 days from the date of sale for any reason beyond the control of the State except failure of performance by the successful bidder, the State may cancel the award or the successful bidder may demand return of its good-faith deposit and thereafter its interest in and liability for the Bonds will cease.

Bond Opinion. The legality of the Bonds will be approved by Quarles & Brady, Milwaukee, Wisconsin, bond counsel, whose unqualified approving opinion will be furnished to the successful bidder without cost upon the delivery of the Bonds. There will also be furnished upon the delivery of the Bonds a transcript of proceedings, including a certificate stating that there is no litigation pending or threatened affecting the validity of or security for the Bonds, and a certificate to the effect that the Official Statement prepared in connection with the sale of the Bonds, as of the date of the Official Statement and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

Tax Exemption. Under existing law interest on the Bonds is excluded from gross income for federal income tax purposes. See the section "Tax Exemption" in the Preliminary Official Statement for a more detailed discussion of some of the federal income tax consequences. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

CUSIP Numbers. CUSIP identification numbers will be included on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds, and any error or omission with respect thereto shall not constitute cause for refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of its bid.

Bidding Documents. The Preliminary Official Statement is in a form which the Commission "deems final" as of June 3, 1994 for purposes of Section (b)(1) of Securities and Exchange Commission Rule 15c2-12, but is subject to revision, amendment and completion in a final official statement as defined in Section (e)(3) of such rule. Copies of the Preliminary Official Statement and the Official Bid Form may be obtained from the Capital Finance Office, Department of Administration, State of Wisconsin Building Commission, Administration Building, 10th Floor, 101 East Wilson Street, Madison, Wisconsin 53702, (608) 266-2305, (608) 267-7399 or (608) 266-5355.

Final Official Statements. The Commission will furnish to the successful bidder, without cost, up to 750 copies of the final Official Statement.

Dated: June 8, 1994

Robert Brandherm, Secretary
State of Wisconsin Building Commission

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT**

June 1, 1994

Note: The following list of minority-owned underwriting firms is provided for the information of potential bidders on the Bonds. Minority participation in bids is strongly encouraged by the State but is not a requirement for submitting a bid.

Mr. Wifredo Gort
AIBC Investment Services Corp.
80 S.W. 8th Street, Suite 1970
Miami, FL 33130
(305) 372-8000

Mr. Elton Johnson, Jr.
Amerivet Securities, Inc.
5743 Corsa Avenue, #112
Westlake Village, CA 91362-0000
(818) 706-7618

Mr. Bernard Beal
M. R. Beal & Company
366 Madison Avenue, 5th Floor
New York, NY 10017
(212) 983-3900

Mr. Cleveland C. Brooks
Brooks Securities, Inc.
25 Prospect Ave. W., Suite 700
Cleveland, OH 44115
(216) 861-6050

Mr. Jack A. Brookner
CC&O Capital Management Grp, Inc.
500 Northridge, #600
Atlanta, GA 30350
(404) 993-9009

Mr. Rafael Carmona
Carmona, Motley & Co., Inc.
19 West 44th Street, #1510
New York, NY 10036
(212) 827-0610

Mr. Stephen R. Goodwin
Cartwright & Goodwin, Inc.
67 Wall Street, 2nd Floor
New York, NY 10005
(212) 809-0877

Mr. Bernard Joel
Cathay Financial Corp.
450 Park Avenue, #1100
New York, NY 10022-0000
(212) 371-7896

Mr. Kenneth McGhee
CEREAS
2821 North 4th Street
Milwaukee, WI 53206-0000
(414) 264-7777

Mr. Thomas L. Burke
Clark Melvin Securities Corp.
170 Jennifer Rd., #300
Annapolis, MD 21401-0000
(301) 266-5250

Mr. Troy L. Simon
Doley Securities, Inc.
616 Baronne Street, Suite 300
New Orleans, LA 70113
(504) 561-1128

Mr. Samuel D. Ewing, Jr.
Ewing Capital, Inc.
727 15th Street, N.W. STE 700
Washington, DC 20005
(202) 737-1500

Mr. Sherlin Lee
First Honolulu Securities, Inc.
900 Fort Street, #950
Honolulu, HI 96813-0000
(808) 523-9422

Mr. Christopher Gardner
Gardner Rich & Company
311 S. Wacker Dr., Suite 4045
Chicago, IL 60606-0000
(312) 922-3333

Ms. Katherine Wilson
Grigsby, Brandford & Co., Inc.
230 California Street, Suite 601
San Francisco, CA 94111
(415) 392-4800

Mr. Leopoldo E. Guzman
Guzman & Company
701 Brickell Avenue, 11th Floor
Miami, FL 33131
(305) 374-3600

Mr. Kishor M. Parekh
Howard Gary & Company
3050 Biscayne Boulevard, #603
Miami, FL 33137-4163
(305) 571-1380

Ms. Catherine Lavery
HCM Investments, Inc.
35 West Wacker Drive, #3260
Chicago, IL 60601-0000
(312) 553-1000

Ms. Marjorie Kelly
Innova Securities, Inc.
200 State St., 11th Floor
Boston, MA 02109-0000
(617) 330-8520

Ms. Marissa Sequeira
Jackson Securities, Inc.
55 Marietta St., #1870
Atlanta, GA 30303-0000
(404) 522-5766

Mr. Ronald Jackson
Jackson-Pittsburg Associates, Inc.
Two Rector St., 15th Flr.
New York, NY 10006-0000
(212) 635-0130

Ms. Suzanne J. Currie
John Hsu Capital Group, Inc.
767 Third Avenue, 11th Flr.
New York, NY 10017
(212) 223-7515

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT
June 1, 1994 Continued**

Mr. Larry R. Hammond
LRH Associates, Inc.
61 Broadway, #1901
New York, NY 10004-0000
(212) 785-2121

Mr. Daniel Lamaute
Lamaute Financial Group, Inc.
4727 Wilshire Blvd., #500
Los Angeles, CA 90010
(213) 930-2208

Mr. Melvin L. Eubanks
W.R. Lazard, Laidlaw & Mead
14 Wall Street, 18th Floor
New York, NY 10005-1705
(212) 406-2700

Mr. John Small, Jr.
Luther, Smith & Small, Inc.
1110 N. Old World 3 St., #378
Milwaukee, WI 53203
(414) 347-7822

Mr. Donald R. Davidson, Jr.
Metro Equities Corporation
220 S. State St., Suite 2014
Chicago, IL 60604-2199
(312) 939-5155

Mr. Marquette Chester
NCM Capital Management Group, Inc.
103 West Main Street, #400
Durham, NC 27701-3638
(919) 688-0620

Mr. James Jackson
North Milwaukee Bancshares, Inc.
5630 West Fond du Lac Avenue
Milwaukee, WI 53126-0000
(414) 466-2344

Mr. Randolph T. Myricks
North Milwaukee State Bank
5630 West Fond du Lac Avenue
Milwaukee, WI 53216
(414) 466-2344

Mr. Miguel Uria
Oro Financial, Inc.
4037 Tulane Avenue, #100
New Orleans, LA 70119
(504) 482-4116

Ms. Benita Pierce
B. Pierce & Co., Inc.
12 Greene Street, #3
New York, NY 10013-0000

Mr. Malcolm Pryor
Pryor McClendon Counts & Co.
1515 Market St., Suite 819
Philadelphia, PA 19102
(215) 569-0274

Mr. Vernon A. Reid, Jr.
V.A. Reid & Associates
8 East Hamilton Street
Baltimore, MD 21202
(301) 332-0893

Mr. Richard Helmbrecht
Reinoso & Company, Inc.
30 Broad Street, 32nd Floor
New York, NY 10004
(212) 344-5100

Ms. Joyce Green
I. C. Rideau Securities, Inc.
5601 W. Slauson Ave., Suite 250
Culver City, CA 90230
(213) 642-1933

Mr. Eric Van Standifer
Robert Van Securities, Inc.
1980 Mountain Boulevard, #214
Oakland, CA 94611-0000
(510) 339-7400

Mr. Lawrence Cisneros
San Juan Asset Management, Inc.
16521 Grunion Ln., Suite 304
Huntington Beach, CA 92649
(714) 840-0220

Mr. Albert Sturdivant
Sturdivant & Co., Inc.
223 Gibbsboro Road
Clementon, NJ 08021-0000
(609) 627-4500

Mr. Willie L. Daniels
United Daniels Securities, Inc.
170 Broadway, Suite 610
New York, NY 10038
(212) 227-7723

Ms. Phyllis M. Hollis
Utendahl Capital & Management
30 Broad Street, 31st Flr.
New York, NY 10004-0000
(212) 233-0241

Ms. Melissa McWilliams
The Washington Hackett Company
909 Poydras Street, #1580
New Orleans, LA 70112-0000
(504) 524-1101

Mr. Ennis Hudson
Weldon Sullivan Hudson & Company
1999 Broadway, #3100
Denver, CO 80202
(303) 296-6553

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin



Mailing address:
Post Office Box 7864
Madison, WI 53707-7864

JUN 30 1994

TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY

June 30, 1994

The Honorable Joseph Leean, Co-Chair
The Honorable Barbara Linton, Co-Chair
Joint Committee on Finance
115 South, State Capitol
Madison, WI 53702

Dear Senator Leean, Representative Linton and Members:

This report is required by subsection (7) of 18.16 of the Wisconsin Statutes and specifies the reason for not complying with subsections (2) to (5) of the same section for a specific issue of obligations. On June 22, 1994 the Building Commission awarded the sale of \$350,000,000 State of Wisconsin Operating Notes of 1994. This was a public sale conducted pursuant to Subchapter I of Chapter 18. The Official Notice of Sale dated June 15, 1994, attached, set the terms and conditions of the sale and was available to all potential bidders. The State received bids from twelve for the notes.

The awards were based on the lowest net interest cost rates to the State. There were three successful underwriters as follows:

<u>Underwriter</u>	<u>Par Amount Awarded</u>
Merrill Lynch & Co.	\$250,000,000
Goldman, Sachs & Co. and Carmona, Motley & Co., Inc.	75,000,000
J.P. Morgan Securities Inc.	25,000,000

None of the firms have been certified by the Department of Development as minority owned.

Underwriting participation by minority owned firms is encouraged. There is a section "Minority Participation" in the Official Notice of Sale and a list of the certified firms including address, phone number and contact person was included in the bidding materials sent to each prospective bidder.

Sincerely,

James R. Klauser
Secretary

Enc.

OFFICIAL NOTICE OF SALE
\$350,000,000
STATE OF WISCONSIN
OPERATING NOTES OF 1994

SEALED PROPOSALS will be received by the State of Wisconsin Building Commission (the "Commission") at the Governor's Office, Room 115 East, in the State Capitol, Madison, Wisconsin, until 10:00 A.M. (CDT) on June 22, 1994, when they will be publicly opened and read, for the purchase of \$350,000,000 State of Wisconsin Operating Notes of 1994 (the "Notes") on the terms and conditions for bidding stated below.

Terms of Notes. The Notes will be dated July 7, 1994, will mature on June 15, 1995 and will bear interest (payable at maturity) at the rate established by the State and made available through Munifacts wire service no later than noon (EDT) on June 20, 1994. The rate may also be obtained after that time by calling (608) 266-2305. Bidders must acknowledge the interest rate in the Official Bid Form. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months (a 338-day term on a 360-day basis).

Book-Entry. The Notes will be issued as fully registered notes without coupons and, when issued, will be registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Notes. Note certificates will be issued to DTC and immobilized in its custody. Individual purchases will be made in book-entry-only form pursuant to the rules and procedures established between DTC and its participants, in the principal amount of \$25,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Notes purchased. The State of Wisconsin (the "State") shall deposit the Note certificates with DTC and will release them upon closing. Firststar Trust Company, Milwaukee, Wisconsin (the "Trustee") will make payment of the principal and interest on the Notes at maturity on behalf of the State to DTC or its nominee as registered owner of the Notes in same-day funds. Transfer of said payments to participants of DTC will be the responsibility of DTC; transfer of said payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by rules and procedures of DTC and the participants. The State assumes no liability for failures of DTC, its participants or other nominees to promptly transfer said payments to beneficial owners of the Notes.

Notices to DTC. Notices, if any, given by the State to DTC are redistributed in the same manner as are payments. The State assumes no liability for the failure of DTC, its participants or other nominees to promptly transfer said notices to the beneficial owners of the Notes. The State is not responsible for supervising the activities or reviewing the records of DTC, its participants or other persons acting through such participants.

Successor to DTC. In the event that the securities depository relationship with DTC for the Notes is terminated and the Commission does not appoint a successor depository, the Commission will prepare, authenticate and deliver, at its expense, Notes in bearer form without coupons in the denominations of \$25,000, in the aggregate principal amount of Notes then outstanding to the beneficial owners of the Notes as shown upon the books of the depository.

Authority and Security. The Notes will be issued pursuant to Chapters 16 and 18 of the Wisconsin Statutes, as amended (the "Act") and resolutions adopted by the Commission on June 22, 1994 (the "Authorizing Resolution"). The Notes will be contractual obligations of the State payable from and secured solely by revenues pledged by the Commission pursuant to the Act and the Authorizing Resolution and deposited into the Operating Note Redemption Fund (the "Pledged Revenues"). The Operating Note

Redemption Fund is a separate fund established with the Trustee. The Operating Note Redemption Fund is to be expended, and all moneys from time to time on hand in that fund are irrevocably appropriated, only for the payment of principal and interest on the Notes. There has been appropriated from the General Fund of the State (the "General Fund") to the Operating Note Redemption Fund a sum sufficient for the payment of the principal of and interest on the Notes as the same are due and for the payment of moneys required to be impounded in the Operating Note Redemption Fund. The Notes are not general obligations of the State, and the Notes do not constitute "public debt" of the State as that term is used in the Constitution and statutes of the State.

Official Bid Form and Award. All bids must be on the Official Bid Form. Bids must acknowledge the interest rate set by the State, may be for all or part of the Notes and may specify separate discounts or premiums for each part. The Notes will be awarded at the lowest net interest cost rate to the State. The net interest cost will be determined by computing the total dollar interest cost from the date of the Notes to the maturity date and deducting therefrom the amount of the premium, if any, or adding thereto the amount of the discount, if any. In the event two or more bids specify the same lowest net interest cost rate and the award to such bidders would exceed the principal amount of the Notes offered for sale, then the award will be made to the bidder with the lowest net interest cost rate and the largest minority-owned firm participation, or if such bidders have an equal amount of minority-owned firm participation, then selection for award will be made by the Secretary of the Commission by lot. The Commission reserves the right to award to any bidder all or any part of the Notes which such bidder offers to purchase in its bid, on the basis of such bid. All bids shall remain firm for five hours after the time specified for the opening of bids, and an award of the Notes, or rejection of all bids, will be made by the Commission within said period of time.

No bid for less than \$10,000,000 principal amount of the Notes or for less than 99.5% of par will be entertained. The further right is reserved to the Commission to waive any informality or irregularity in any bid, to reject any or all bids and to award less than all of the Notes.

Bid Deposit. Each bid must be accompanied by a good-faith deposit in the form of a separate certified, official or cashier's check (no more than one bid per check) or in the form of a financial surety bond, payable to the order of the State of Wisconsin, in the amount of 1% of the par value of the Notes subject to the bid. If a check is used, it must accompany the bid. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin and acceptable to the Commission, and such bond must be submitted to the Capital Finance Office prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is guaranteed by such bond. Each bid shall be enclosed in a sealed envelope marked on the outside, in substance, "**Bid for State of Wisconsin Operating Notes of 1994**".

If the Notes are awarded to a bidder utilizing a financial surety bond, then the successful bidder is required to submit its deposit to the State by providing a certified, official or cashier's check in the form described above (or by wire transferring such amount as instructed by the Capital Finance Office) not later than 3:30 p.m. (CDT) on the next business day following the award. If such deposit is not received by that time, the financial surety bond may be drawn by the State to satisfy the bid deposit requirement.

Good-Faith Check. The good-faith checks of all successful bidders will be cashed. All checks of unsuccessful bidders will be returned immediately upon award of the Notes. No interest will be allowed on the amount of the good-faith deposits. The proceeds of the good-faith deposits of the successful bidders will be applied to the purchase price of the Notes, or in the event of the failure of a successful bidder to take up and pay for the Notes in compliance with the terms of the bid, at the option of the State, the bidder's good-faith deposit may be retained as liquidated damages or, at the further option of the State, may be retained as partial payment of actual damages or as security for any other remedy available to the State. The amount of the good-faith deposit is to be returned to the successful bidder on the failure of the State to perform in accordance with the terms of the Official Notice of Sale and the bid.

Minority Participation. It is the policy of the Commission to endeavor to ensure that 6% of the Notes are underwritten by firms that are certified by the State as being minority-owned. The Commission urges prospective bidders to obtain from the Commission a list of firms so certified and to include such firms in their bidding group. The Commission further encourages certified minority-owned firms to submit bids directly and to assemble bidding groups for the submission of bids. Minority-owned firms that are not yet certified by the State and wish to be, may contact the Commission.

Certification of Price. Each successful bidder shall certify, prior to delivery of the Notes, to the Commission the initial offering price to the public of the Notes awarded to such bidder, together with such other information as may be required by the Commission to enable it to determine the "issue price" of the Notes awarded to such bidder as defined in Section 1274 of the Internal Revenue Code of 1986.

Closing and Delivery. The Notes will be delivered to DTC no later than July 6, 1994. The closing will be at State Street Bank and Trust Company, N.A., 61 Broadway, 15th Floor, New York, New York, or another mutually agreeable location, at or about 9:30 A.M. (EDT) on July 7, 1994. Payment for the Notes must be made by wire in immediately available funds for credit at Firststar Bank Milwaukee, N.A. at said date and time. Should delivery be delayed beyond 45 days from the date of sale for any reason beyond the control of the State except failure of performance by a successful bidder, the State may cancel the award or a successful bidder may demand return of its good-faith deposit and thereafter its interest in and liability for the Notes will cease.

Legal Opinion. The legality of the Notes will be approved by Foley & Lardner, Milwaukee, Wisconsin, bond counsel, whose unqualified approving opinion will be furnished to each successful bidder without cost upon the delivery of the Notes. There will also be furnished upon the delivery of the Notes the usual closing papers, including a certificate stating that there is no litigation pending or threatened affecting the validity of or security for the Notes, and a certificate to the effect that the Official Statement prepared in connection with the sale of the Notes, as of the date of the Official Statement and as of the date of delivery of the Notes, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

CUSIP Numbers. CUSIP identification numbers will be specified on the Notes, but such numbers shall not constitute a part of the contract evidenced by the Notes and any error or omission with respect thereto shall not constitute cause for refusal by a successful bidder to accept delivery of and pay for the Notes in accordance with the terms of its bid.

Bidding Documents. The Preliminary Official Statement is in a form which the Commission "deems final" as of June 10, 1994 for purposes of Securities and Exchange Commission ("SEC") Rule 15c2-15(b)(1), but is subject to revision, amendment and completion in a final official statement as defined in SEC Rule 15c2-12(e)(3). Copies of the Preliminary Official Statement and the Official Bid Form may be obtained from the Capital Finance Office, Department of Administration, State of Wisconsin Building Commission, Administration Building, 10th Floor, 101 East Wilson Street, Madison, Wisconsin 53702, (608) 266-2305, (608) 267-7399, or (608) 266-5355.

Final Official Statements. Pursuant to SEC Rule 15c2-12(b)(3), the Commission will, within seven business days of the award of the sale of the Notes, furnish to each successful bidder, without cost, up to 100 copies of the Official Statement for each \$10,000,000 of Notes purchased.

Dated: June 15, 1994

Robert Brandherm, Secretary
State of Wisconsin Building Commission

**MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT**

June 1, 1994

Note: The following list of minority-owned underwriting firms is provided for the information of potential bidders on the Notes. Minority participation in bids is strongly encouraged by the State but is not a requirement for submitting a bid.

Mr. Wifredo Gort
AIBC Investment Services Corp.
80 S.W. 8th Street, Suite 1970
Miami, FL 33130
(305) 372-8000

Mr. Elton Johnson, Jr.
Amerivet Securities, Inc.
5743 Corsa Avenue, #112
Westlake Village, CA 91362-0000
(818) 706-7618

Mr. Bernard Beal
M. R. Beal & Company
366 Madison Avenue, 5th Floor
New York, NY 10017
(212) 983-3900

Mr. Cleveland C. Brooks
Brooks Securities, Inc.
25 Prospect Ave. W., Suite 700
Cleveland, OH 44115
(216) 861-6050

Mr. Jack A. Brookner
CC&O Capital Management Grp, Inc.
500 Northridge, #600
Atlanta, GA 30350
(404) 993-9009

Mr. Rafael Carmona
Carmona, Motley & Co., Inc.
19 West 44th Street, #1510
New York, NY 10036
(212) 827-0610

Mr. Stephen R. Goodwin
Cartwright & Goodwin, Inc.
67 Wall Street, 2nd Floor
New York, NY 10005
(212) 809-0877

Mr. Bernard Joel
Cathay Financial Corp.
450 Park Avenue, #1100
New York, NY 10022-0000
(212) 371-7896

Mr. Kenneth McGhee
CEREAS
2821 North 4th Street
Milwaukee, WI 53206-0000
(414) 264-7777

Mr. Thomas L. Burke
Clark Melvin Securities Corp.
170 Jennifer Rd., #300
Annapolis, MD 21401-0000
(301) 266-5250

Mr. Troy L. Simon
Doley Securities, Inc.
616 Baronne Street, Suite 300
New Orleans, LA 70113
(504) 561-1128

Mr. Samuel D. Ewing, Jr.
Ewing Capital, Inc.
727 15th Street, N.W. STE 700
Washington, DC 20005
(202) 737-1500

Mr. Sherlin Lee
First Honolulu Securities, Inc.
900 Fort Street, #950
Honolulu, HI 96813-0000
(808) 523-9422

Mr. Christopher Gardner
Gardner Rich & Company
311 S. Wacker Dr., Suite 4045
Chicago, IL 60606-0000
(312) 922-3333

Ms. Katherine Wilson
Grigsby, Brandford & Co., Inc.
230 California Street, Suite 601
San Francisco, CA 94111
(415) 392-4800

Mr. Leopoldo E. Guzman
Guzman & Company
701 Brickell Avenue, 11th Floor
Miami, FL 33131
(305) 374-3600

Mr. Kishor M. Parekh
Howard Gary & Company
3050 Biscayne Boulevard, #603
Miami, FL 33137-4163
(305) 571-1380

Ms. Catherine Lavery
HCM Investments, Inc.
35 West Wacker Drive, #3260
Chicago, IL 60601-0000
(312) 553-1000

Ms. Marjorie Kelly
Innova Securities, Inc.
200 State St., 11th Floor
Boston, MA 02109-0000
(617) 330-8520

Ms. Marissa Sequeira
Jackson Securities, Inc.
55 Marietta St., #1870
Atlanta, GA 30303-0000
(404) 522-5766

Mr. Ronald Jackson
Jackson-Pittsburg Associates, Inc.
Two Rector St., 15th Flr.
New York, NY 10006-0000
(212) 635-0130

Ms. Suzanne J. Currie
John Hsu Capital Group, Inc.
767 Third Avenue, 11th Flr.
New York, NY 10017
(212) 223-7515

MINORITY-OWNED UNDERWRITING FIRMS
CERTIFIED BY THE
WISCONSIN DEPARTMENT OF DEVELOPMENT

June 1, 1994 Continued

Mr. Larry R. Hammond
LRH Associates, Inc.
61 Broadway, #1901
New York, NY 10004-0000
(212) 785-2121

Mr. Daniel Lamaute
Lamaute Financial Group, Inc.
4727 Wilshire Blvd., #500
Los Angeles, CA 90010
(213) 930-2208

Mr. Melvin L. Eubanks
W.R. Lazard, Laidlaw & Mead
14 Wall Street, 18th Floor
New York, NY 10005-1705
(212) 406-2700

Mr. John Small, Jr.
Luther, Smith & Small, Inc.
1110 N. Old World 3 St., #378
Milwaukee, WI 53203
(414) 347-7822

Mr. Donald R. Davidson, Jr.
Metro Equities Corporation
220 S. State St., Suite 2014
Chicago, IL 60604-2199
(312) 939-5155

Mr. Marquette Chester
NCM Capital Management Group, Inc.
103 West Main Street, #400
Durham, NC 27701-3638
(919) 688-0620

Mr. James Jackson
North Milwaukee Bancshares, Inc.
5630 West Fond du Lac Avenue
Milwaukee, WI 53126-0000
(414) 466-2344

Mr. Randolph T. Myricks
North Milwaukee State Bank
5630 West Fond du Lac Avenue
Milwaukee, WI 53216
(414) 466-2344

Mr. Miguel Uria
Oro Financial, Inc.
4037 Tulane Avenue, #100
New Orleans, LA 70119
(504) 482-4116

Ms. Benita Pierce
B. Pierce & Co., Inc.
12 Greene Street, #3
New York, NY 10013-0000

Mr. Malcolm Pryor
Pryor McClendon Counts & Co.
1515 Market St., Suite 819
Philadelphia, PA 19102
(215) 569-0274

Mr. Vernon A. Reid, Jr.
V.A. Reid & Associates
8 East Hamilton Street
Baltimore, MD 21202
(301) 332-0893

Mr. Richard Helmbrecht
Reinoso & Company, Inc.
30 Broad Street, 32nd Floor
New York, NY 10004
(212) 344-5100

Ms. Joyce Green
I. C. Rideau Securities, Inc.
5601 W. Slauson Ave., Suite 250
Culver City, CA 90230
(213) 642-1933

Mr. Eric Van Standifer
Robert Van Securities, Inc.
1980 Mountain Boulevard, #214
Oakland, CA 94611-0000
(510) 339-7400

Mr. Lawrence Cisneros
San Juan Asset Management, Inc.
16521 Grunion Ln., Suite 304
Huntington Beach, CA 92649
(714) 840-0220

Mr. Albert Sturdivant
Sturdivant & Co., Inc.
223 Gibbsboro Road
Clementon, NJ 08021-0000
(609) 627-4500

Mr. Willie L. Daniels
United Daniels Securities, Inc.
170 Broadway, Suite 610
New York, NY 10038
(212) 227-7723

Ms. Phyllis M. Hollis
Utendahl Capital & Management
30 Broad Street, 31st Flr.
New York, NY 10004-0000
(212) 233-0241

Ms. Melissa McWilliams
The Washington Hackett Company
909 Poydras Street, #1580
New Orleans, LA 70112-0000
(504) 524-1101

Mr. Ennis Hudson
Weldon Sullivan Hudson & Company
1999 Broadway, #3100
Denver, CO 80202
(303) 296-6553