

SPECIAL SESSION OF THE MOWER COUNTY  
BOARD OF COMMISSIONERS

September 29, 2009

The Mower County Board of Commissioners in and for the County of Mower, Minnesota, met in Special Session September 29, 2009 at 10:00 a.m. at the Courthouse in Austin, Minnesota.

All members present, viz:     Dave Tollefson, Chair  
  Raymond Tucker  
  David Hillier  
  Dick Lang  
  Tim Gabrielson  
  Craig Oscarson, County Coordinator

The Chair called the meeting to order at 10:13 a.m.

Craig Oscarson informed the Board that the Finance Committee had met prior to the meeting to review the issues raised at the September 22, 2009 Board meeting regarding assisting the Austin HRA to refinance a \$6 million lease revenue bond to a general obligation bond. The Committee looked at limiting the County's risk, limiting the length of the risk and the County to receive a proportionate share of the savings the City of HRA would receive through refinancing. In addition to the County being reimbursed by the HRA for all external and internal costs for the refinancing, the Finance Committee proposed four possible requirements in an agreement with the City HRA for bond refinancing:

Any savings due to the refinancing shall be used as follows:

- a.     25% of the amount realized over the 100% housing ratio be set as a fee payable to Mower County annually.
- b.     That a 12 month bond reserve designation be required.
- c.     Require an operating deficit agreement whereby the City of Austin and City HRA be required to levy for any projected annual operating deficit.
- d.     Require that at the call date and any date thereafter that the city of Austin refinance the remaining debt as soon as debt capacity allows at the option of Mower County.

The action requested of the Board was to set a public hearing for the matter.

A discussion followed the Finance Committee's recommendation. Commissioner Hillier raised concerns in reference to the 20+ year length of the obligation and changing demographics in that time frame and the risk to the county. Commissioner Hillier questioned the HRA if they had explored other refinancing options other than under the County's bonding authority. In addition he raised a concern that the public would not have the proper information available to them to present comment at a public hearing.

Motion made by Commissioner Hillier, seconded by Commissioner Tucker to deny the City HRA's request for refinancing with the County's assistance and suggest that the City HRA pursue an alternative refinancing option with the City of Austin. The Commissioners voted as follows: Commissioner Gabrielson aye, Commissioner Lang aye, Commissioner Tucker aye, Commissioner Hillier aye, Commissioner Tollefson nay. Motion carried 4-1.

Motion made by Commissioner Tucker, seconded by Commissioner Gabrielson to approve the Dissemination Agent Agreement with Northland Securities for continuing disclosure and authorize the County Coordinator to sign the agreement. Motion carried.

Motion by Commissioner Tucker, seconded by Commissioner Gabrielson to adjourn the meeting at 10:57 a.m. until October 6, 2009 at 1:00 p.m. Motion carried.

**THE MOWER COUNTY BOARD OF COMMISSIONERS**

**BY:** \_\_\_\_\_  
**Chairperson**

**Attest:**

**By:** \_\_\_\_\_  
**Clerk/Coordinator**

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