

SPECIAL SESSION OF THE MOWER COUNTY
BOARD OF COMMISSIONERS

May 8, 2012

The Mower County Board of Commissioners in and for the County of Mower, Minnesota, met in Special Session May 8, 2012 at 8:30 a.m. at the Government Center in Austin, Minnesota.

All members present, viz: Mike Ankeny, Chair
 Raymond Tucker
 Jerry Reinartz, Vice Chair
 Tony Bennett
 Tim Gabrielson
 Craig Oscarson, County Coordinator

HUMAN SERVICES BOARD:

Overview of director's report.

Budget Update.

Redesign Update.

Commissioner Bennett moved and Commissioner Gabrielson seconded to approve the new Mission Statement for Health & Human Services. Motion carried.

Commissioner Reinartz moved and Commissioner Tucker seconded to approve the destruction of designated Agency files in accordance with DHS Rules and Regulations. All previously approved files have been destroyed. Motion carried.

SOCIAL SERVICE ACTIONS:

Commissioner Gabrielson moved and Commissioner Bennett seconded to approve the Social Service Actions. Motion carried.

INCOME MAINTENANCE ACTIONS:

Commissioner Tucker moved and Commissioner Reinartz seconded to approve the Income Maintenance Actions. Motion carried.

Motion made by Commissioner Gabrielson, seconded by Commissioner Bennett to adjourn the Human Services Board meeting at 9:25 a.m. Motion carried.

COUNTY BOARD

The Special Session of the Board was reconvened at 9:31 a.m. for regular business items.

Motion made by Commissioner Bennett, seconded by Commissioner Gabrielson to accept the retirement notice of Jody LeVasseur, Property Appraiser, Sr., effective May 31, 2012 and to authorize the Human Resources Director to fill the vacancy created by the retirement as a full-time Property Appraiser in the Assessor's department according to union contract and personnel policies. Motion carried.

The Board recessed at 9:35 a.m. and reconvened at 9:47 a.m.

Mike Hanson, Public Works Director, presented bid information received for projects SAP 050-623-002 AND sap 50-613-010.

Motion made by Commissioner Tucker, seconded by Commissioner Reinartz to award the bid to the low bidder Minnowa Construction for project SAP 050-623-002 in the amount of \$980,716.32 and have the projects commence. Motion carried. Full bid abstract on file in the office of the County Auditor-Treasurer and Public Works Director.

Motion made by Commissioner Gabrielson, seconded by Commissioner Tucker to award the bid to the low bidder Minnowa Construction for project SAP 050-613-010 in the amount of \$159,946.00 and have the projects commence. Motion carried. Full bid abstract on file in the office of the County Auditor-Treasurer and Public Works Director.

Motion made by Commissioner Reinartz, seconded by Commissioner Tucker to set the project letting date to June 7, 2012 at 1:00 p.m. at the office of County Public Works and awarded at the County Board of Commissioner's meeting for the following County projects:

SAP 050-604-021 SAP 050-622-004
SAP 050-521-003 SAP 050-601-029

Motion carried.

Motion made by Commissioner Bennett, seconded by Commissioner Gabrielson to approve the minutes of April 24, 2012. Motion carried.

Motion by Commissioner Bennett, seconded by Commissioner Tucker to approve the following Commissioner warrants for payment:

AMOUNT	VENDOR NAME	AMOUNT	VENDOR NAME
1036.90	ABOVE ALL CLEANING, INC	268.02	CITY ADAMS
8221.50	ADVANCED CORRECTIONAL HEALTHCA	316.80	ANKENY'S MINI MART #5
398.00	AUSTIN DAILY HERALD	39930.14	AUSTIN UTILITIES
475.00	BOE BROTHERS TILING, INC	1008.51	BUSTAD DOZING AND EXCAVATING I
2970.08	CARDMEMBER SERVICE	287.90	CATCO PARTS AND SERVICE
139.07	CEDAR VALLEY SERVICES, INC	147.15	CITY OF AUSTIN
554.68	DIAMOND RIDGE PRINTING	5227.97	DANIEL DONNELLY LAW FIRM
266.37	G & K SERVICES	130.00	LLOYD HARDECOPF
6816.62	IVERSON HAULING	130.00	JONES AND MAGNUS
275.57	LOCATORS & SUPPLIES, INC	359.90	M-R SIGN COMPANY, INC.
194.45	MANTEK	336.00	MERCHANTS BANK
6627.91	METRO SALES, INC.	370.00	MIDWEST CLINICAL PSYCHOLOGISTS
552.00	MINNESOTA STATE AUDITOR	132.00	MN BOARD OF AELSLAGID
323.00	MOWER COUNTY SHOPPER	234.04	NAPA AUTO PARTS
139.26	M.J. O'CONNOR, INC.	253.12	PALLETON INC
5251.28	PARAGON PRINTING & MAILING INC	3732.93	MARSHA PAWLUK
1280.43	PETROBLEND CORP.	164.47	PLUNKETT'S PEST CONTROL

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707.18 REDNECK, INC	780.35 ROCKMOUNT RESEARCH & ALLOYS IN
1471.46 RONCO ENGINEERING SALES, INC.	4969.68 RUBBER-INC
28289.48 SEVERSON OIL CO	355.20 SMYTH COMPANIES INC
12000.00 STANDARD & POORS	522.62 THOMPSON MOTORS OF WYKOFF, INC
3631.61 TURNKEY CORRECTIONS	4800.00 VANGUARD APPRAISALS INC
248.00 VERIFIED CREDENTIALS INC	792.80 VILLAGE RANCH INC.
571.94 WASTE MANAGEMENT OF WI-MN	2250.00 RANDY WILLS
1052.39 ZIEGLER, INC	
21 PAYMENTS LESS THAN \$100	1,048.04
**** FINAL TOTAL.....	\$152,041.82 ****

Motion carried.

Motion made by Commissioner Bennett, seconded by Commissioner Gabrielson to declare the Auditor-Treasurer's office located at 201 1st Street NE, Austin, MN as a location for Absentee Ballots for the 2012 Primary and General Elections. Motion carried.

Date: May 8, 2012

Res. #33-12

RESOLUTION
AWARDING THE ISSUANCE AND SALE OF \$9,955,000
GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES
2012A;
FIXING THEIR FORM AND SPECIFICATIONS;
DIRECTING THEIR EXECUTION AND DELIVERY;
AND PROVIDING FOR THEIR PAYMENT

On motion of Commissioner Tucker, seconded by Commissioner Reinartz, the following Resolution was passed and adopted by the Mower County Board of Commissioners at a meeting held May 8, 2012 at the Government Center, Austin, Minnesota.

WHEREAS, pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners of Mower County, Minnesota, was held in the County offices in Austin, Minnesota, on May 8, 2012, commencing at 8:30 a.m.; and

WHEREAS, the Chairman announced that the next order of business was consideration of the issuance and sale of the County's \$9,955,000 General Obligation Capital Improvement Plan Bonds, Series 2012A.;

BE IT RESOLVED By the Board of Commissioners of Mower County, Minnesota (County) as follows:

Section 1. Adoption of Capital Improvement Plan: Issuance and Sale of Bonds.

1.01 On March 20, 2012, after duly published notice, the County conducted a public hearing on the adoption of a capital improvement plan (Plan) and the issuance of its general obligation capital improvement bonds thereunder for the purpose of financing capital improvements consisting of the acquisition of the Courts Facility, which is presently owned by Mower County Housing and Redevelopment Authority (Authority) and leased to the County, for the purpose of reducing debt service costs to the County. The County hereby adopts the Plan.

1.02 By resolution adopted on April 24, 2012, after expiration of the 30 day period following the date of the public hearing without receipt of a petition requesting a vote on the issuance of such bonds, the

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County determined to sell and issue its fully registered General Obligation Capital Improvement Plan Bonds, Series 2012A (Bonds), to be used, together with any additional funds of the County which might be required for (i) a full net advance refunding of all outstanding maturities of the Lease Revenue Bonds (Mower County Court Facilities Project), Series 2008A (Refunded Bonds), dated December 1, 2008, issued by the Authority, and (ii) to pay the costs associated with issuing the Bonds.

1.03 For purposes of satisfying the requirements of Minnesota Statutes, Section 475.60, the County has retained PMA Securities, Inc., an independent financial advisor, and hereby determines that the Bonds shall be sold by private negotiation. The proposal of Northland Securities, Inc. (Purchaser) to purchase the Bonds to be issued in the aggregate principal amount of \$9,955,000 is hereby accepted, the proposal being to purchase the Bonds at a price of \$9,911,566.60, plus accrued interest for Bonds bearing interest as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2013	1.500%	2021	1.750%
2014	1.500	2022	1.900
2015	1.500	2023	2.000
2016	1.500	2024	2.200
2017	1.500	2025	2.250
2018	1.500	2026	2.450
2019	1.500	2027	2.550
2020	1.500	2028	2.700

True interest rate: 2.1544147%.

The Chairman and Finance Director are directed to execute a contract with the Purchaser on behalf of the County.

1.04. The County will forthwith issue and sell the Bonds in the total principal amount of \$9,955,000 originally dated as of June 1, 2012, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and which mature serially on February 1 in the years and amounts as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2013	\$615,000	2021	\$615,000
2014	555,000	2022	625,000
2015	560,000	2023	640,000
2016	570,000	2024	650,000
2017	580,000	2025	665,000
2018	590,000	2026	680,000
2019	595,000	2027	695,000
2020	605,000	2028	715,000

1.05. Optional Redemption. At the option of the Issuer, Bonds maturing on February 1, 2020 and thereafter shall be subject to prior redemption on February 1, 2019 and any date thereafter. Redemption may be in whole or in part and if in part, at the option of the County and in such order as the County will determine and within a maturity by lot as selected by the Registrar. All prepayments will be at a price of par plus accrued interest.

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case such Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case such Bond will be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2013, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.03. Registration. The County will appoint, and will maintain, a bond registrar, transfer agent, authenticating agent and paying agent (Registrar). The effect of registration and the rights and duties of the County and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Bonds surrendered upon any transfer or exchange will be promptly canceled by the Registrar and thereafter disposed of as directed by the County.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The County and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For a transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the County and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be canceled by the Registrar and evidence of such cancellation must be given to the County. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) not more than 60 and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice in the manner required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of any proceeding for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The County appoints Northland Trust Services, Inc., Minneapolis, Minnesota, as the initial Registrar. The Chairman and the County Clerk/Coordinator are authorized to execute and deliver, on behalf of the County, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, such corporation is authorized to act as successor Registrar. The County agrees to pay the reasonable and customary charges of the Registrar for the services performed. The County reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Board, there shall be transmitted to the Registrar moneys sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the County Clerk/Coordinator and executed on behalf of the County by the signatures of the Chairman and the County Clerk/Coordinator, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of any Bond, such signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the County Clerk/Coordinator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

2.06. Temporary Bonds. The County may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in Section 3 with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and canceled.

Section 3. Form of Bond.

COMMISSIONERS' RECORD MOWER COUNTY, MINNESOTA

3.01. The Bonds will be printed in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
MOWER COUNTY
GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BOND
SERIES 2012A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, _____	June 1, 2012	
No. R- _____			\$ _____
Registered Owner:	Cede & Co.		
Principal Sum:			

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the County in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the County to exceed any constitutional or statutory limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, Mower County, Minnesota, by its Board of Commissioners, has caused this Bond to be executed on its behalf by the facsimile signatures of the Chairman and County Clerk/Coordinator and has caused this Bond to be dated as of the date of original issue set forth above.

MOWER COUNTY, MINNESOTA

County Clerk/Coordinator

Chairman

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

Dated:

NORTHLAND TRUST SERVICES, INC.
By
Authorized Representative

The following abbreviations, when used in the inscription on the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM -- as tenants in common (Minor)
- TEN ENT -- as tenants by entireties
- JT TEN -- as joint tenants with right of survivorship and not as tenants in common (State)
- UNIF GIFT MIN ACT -- Custodian (Minor)
- Act (State)

Additional abbreviations may also be used though not in the above list.

Mower County, Minnesota, a duly organized and existing political subdivision of the State of Minnesota (County), acknowledges itself to be indebted and for value received promises to pay to the registered owner specified above, or registered assigns, the principal sum set forth above on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above, payable February 1 and August 1 in each year, commencing February 1, 2013, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by Northland Trust Services, Inc., Minneapolis, Minnesota, as Bond Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the County have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$9,955,000 all of like original issue date and tenor, except as to number, maturity date, redemption privilege, and interest rate, all issued pursuant to a resolution adopted by the Board of Commissioners on May 8, 2012 (the Resolution), for the purpose of providing money to aid in financing the cost of capital improvements under the County's capital improvement plan, pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Section 373.40 and Chapter 475. The principal hereof and interest hereon is payable from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the County are irrevocably pledged for payment of this Bond and the Board of Commissioners has obligated itself to levy additional ad valorem taxes on all taxable property in the County in the event of any deficiency in, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

The issue of Bonds of which this Bond forms a part has been delegated as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the Code) relating to disallowance of interest expense for financial institutions and within the \$10 million limit allowed by the Code for the calendar year of issue.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the County at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the County will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The County and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the County nor the Bond Registrar will be affected by any notice to the contrary.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

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PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of County Clerk/Coordinator</u>
	Cede & Co. Federal ID #13-2555119	

3.02. The County Clerk/Coordinator is authorized and directed to obtain a copy of the proposed approving legal opinion of Faegre Baker Daniels LLP, Minneapolis, Minnesota, which is to be complete except as to dating thereof and cause the opinion to be attached to each Bond, together with a certificate to be signed by the facsimile signature of the County Clerk/Coordinator in substantially the form set forth in the form of Bond. The County Clerk/Coordinator is authorized and directed to execute the certificate in the name of the County upon receipt of the opinion and to file the opinion in the County offices.

Section 4. Payment; Security; Pledges and Covenants.

4.01. The Bonds will be payable from the General Obligation Capital Improvement Plan Bonds, Series 2012A Debt Service Account hereby created in the Debt Service Fund of the County, and the proceeds of the ad valorem taxes hereinafter levied are hereby pledged to the Debt Service Fund. If any payment of principal or interest on the Bonds will become due when there is not sufficient money in the Debt Service Fund to pay the same, the County Clerk/Coordinator will pay such principal or interest from the general fund of the County, and the general fund will be reimbursed for such advances out of the proceeds of the taxes levied by this resolution, when collected. There is appropriated to the Debt Service Fund: \$3,080.67, being the amount in excess of amounts necessary for deposit to the Escrow Account established under the Escrow Agreement referred to herein, and amounts required to pay costs of issuance of the Bonds; and all accrued interest paid by the Purchaser upon closing and delivery of the Bonds.

4.02. For the purpose of paying the principal of and interest on the Bonds, there is levied a direct annual irrepealable ad valorem tax upon all of the taxable property in the County, to be spread upon the tax rolls and collected with and as part of other general taxes of the County. The tax will be credited to the Debt Service Fund above provided and is in the years and amounts as follows (year stated being year of levy for collection the following year):

**Mower County, Minnesota
\$9,955,000 General Obligation Capital Improvement Plan Bonds, Series 2012A
Tax Levy Schedule**

<u>Levy Year</u>	<u>Collection Year</u>	<u>Amount of Debt Service</u>	<u>Levy Amount @ 105%</u>
2012	2013	\$ 734,213	\$ 770,900
2013	2014	\$ 730,888	\$ 767,400
2014	2015	\$ 732,488	\$ 769,100
2015	2016	\$ 733,938	\$ 770,600
2016	2017	\$ 735,238	\$ 772,000
2017	2018	\$ 731,388	\$ 768,000
2018	2019	\$ 732,463	\$ 769,100
2019	2020	\$ 733,388	\$ 770,100
2020	2021	\$ 732,625	\$ 769,300
2021	2022	\$ 735,750	\$ 772,500
2022	2023	\$ 732,950	\$ 769,600
2023	2024	\$ 733,650	\$ 770,300
2024	2025	\$ 733,688	\$ 770,400
2025	2026	\$ 732,028	\$ 768,600
2026	2027	\$ 734,305	\$ 771,000

4.03. It is determined that the estimated collection of the foregoing taxes, together with available amounts on deposit in the Debt Service Fund, will produce at least five percent in excess of the amount needed to meet when due, the principal and interest payments on the Bonds. The tax levy herein provided will be irrepealable

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until all of the Bonds are paid, provided that the County Clerk/Coordinator may annually, at the time the County makes its tax levies, certify to the County Auditor the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.04. The County Auditor is authorized and directed to file a certified copy of this resolution in the appropriate records and to deliver the certificate required by Minnesota Statutes, Section 475.63.

Section 5. Authentication of Transcript.

5.01. The officers of the County are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the County relating to the Bonds and to the financial condition and affairs of the County, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the County as to the facts stated therein.

5.02. The Chairman and County Clerk/Coordinator are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. The Chairman and County Clerk/Coordinator are authorized to execute the Continuing Disclosure Undertaking substantially in the form on file with the County Clerk/Coordinator on the date hereof.

Section 6. Tax Covenant.

6.01. The County covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the Code), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

6.02. The County will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States to the extent required by applicable provisions of the Code.

6.03. The County further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the County makes the following factual statements and representations:

- (a) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;
- (b) the County designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds) which will be issued by the County (and all subordinate entities of the County) during calendar year 2012 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the County during calendar year 2012 have been designated for purposes of Section 265(b)(3) of the Code.

6.05. The County will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of County.

7.01. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.03 hereof. Upon initial issuance, the ownership of each such Bond will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (DTC). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

7.02. With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the County, the Bond Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the Participants) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person other than a registered owner of Bonds, as shown by the registration books kept by the Bond Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, or any amount with respect to principal of, premium, if any, or interest on the Bonds. The County, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Bond Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the County's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Bond Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the County Clerk/Coordinator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the County Clerk/Coordinator will promptly deliver a copy of the same to the Bond Registrar and Paying Agent, if the Bond Registrar or Paying Agent is other than the County Clerk/Coordinator.

7.03. Representation Letter. The County has previously executed and submitted to DTC a representation letter (Representation Letter). Any Paying Agent or Bond Registrar subsequently appointed by the County with respect to the Bonds will agree to take all action necessary for all representations of the County in the Representation Letter with respect to the Bond Registrar and Paying Agent, respectively, to at all times to complied with.

7.04. Transfers Outside Book-Entry System. In the event the County, by resolution of the Board of Commissioners, determines that it is in the best interests of the persons having beneficial interest in the Bonds that they be able to obtain Bond certificates, the County will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the County will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the

Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the County will issue and the Bond Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond will be made and given, respectively in the manner provided in the Representation Letter.

Section 8. Prepayment of Lease Obligation and Defeasance of Refunded Bonds.

8.01 The County hereby determines to prepay its obligations pursuant to the Lease and Purchase Option Agreement dated as of December 1, 2008, between the County and the Authority, in order to provide funds for the redemption and defeasance of the Refunded Bonds, and to direct the redemption of the Refunded Bonds.

8.02 The Chair and County Clerk/Coordinator are hereby authorized and directed to execute on behalf of the County an escrow agreement (Escrow Agreement) with US Bank National Association as escrow agent, providing for the deposit and investment of proceeds of the Bonds and other moneys identified therein, to be applied to the defeasance and redemption of the Refunded Bonds.

Passed and approved this 8th day of May, 2012.

THE MOWER COUNTY BOARD OF COMMISSIONERS

By: _____
Chairperson

By: _____
Clerk/Coordinator

Motion made by Commissioner Reinartz, seconded by Commissioner Tucker to approve the Escrow Agreement between Mower County and U.S. Bank National Assoc. pertaining to the refinancing of the Justice Center. Motion carried.

There was a request by Clarence Root, the purchaser of one of the tax forfeited properties, to have early access to the property prior to receiving the Deed. Until the deed is received the property is still Mower County's. The purchaser of the property has offered to list Mower County as an additional insured on his liability insurance policy to gain early access to the property.

Motion made by Commissioner Tucker, seconded by Commissioner Gabrielson to reject the request of Clarence Root for early access to the tax forfeited property purchased at the recent sale unless Mr. Root brings his insurance limits up to the County's liability limits. Motion carried.

Vision 2020 has requested a donation from Mower County. Kristen Nelsen, County Attorney, has researched the Statutes and it is her opinion that a donation cannot be made to Vision 2020 by the County because it doesn't appear to fit the definition of a Community Action Committee. The County does not have any authority to donate to such an organization.

Motion by Commissioner Reinartz, seconded by Commissioner Bennett to adjourn the meeting at 10:15 a.m. Motion carried. The next meeting is scheduled for May 22, 2012 at 8:30 a.m.

THE MOWER COUNTY BOARD OF COMMISSIONERS

BY: _____
Chairperson

Attest:

By: _____
Clerk/Coordinator

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