

FARIBAULT COUNTY
BOARD OF COMMISSIONERS
OFFICIAL PROCEEDINGS
APRIL 20, 2021

The Faribault County Board of Commissioners met pursuant to the recess of April 6, 2021 in regular session via teleconference in the City of Blue Earth at 9:00 a.m. on April 20, 2021. The following members were present: Bruce Anderson, Bill Groskreutz, Tom Loveall, John Roper, and Greg Young Commissioners. County Auditor/Treasurer/Coordinator Darren Esser, Acting Clerk to the Board Clara Vereide, Central Services Director Lexi Scholten, Planning and Zoning Administrator Loria Rebuffoni, and Kevin Mertens were also present. Also participating in the call were Faribault County employees: K. Anderson, S. Asmus, J. Blair, S. Hauskins, K. Karjala, B. Ziegler; Arcelia Detert and Chuck Upcraft of PFM Financial Advisors LLC; members of public: Milton Steele.

The meeting was called to order by Chair Roper.
The pledge of allegiance was recited.

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Groskreutz/Young motion carried unanimously to approve the synopsis and official proceedings of the April 6, 2021 regular and drainage authority meetings.

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Loveall/Anderson motion carried unanimously to approve the amended agenda of April 20, 2021.

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Groskreutz/Young motion carried unanimously to place the flags at half-staff in honor of former Vice President Walter F. Mondale until the sunset on the day of the internment.

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The calendar was updated.

No member of the public appeared during public comment.

Committee reports were given. Young reported on CD21; Groskreutz reported on Planning and Zoning, Clark Township board regarding JCD301, and MVAC; and Roper reported on MRCI and transit exec.

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Young/Loveall motion carried unanimously to approve Resolution 21-CB-38 proclaiming April 2021 as Child Abuse and Neglect Prevention month in Faribault County. Commissioners Anderson, Groskreutz, Loveall, Roper, and Young voted yes.

RESOLUTION

- WHEREAS,** child abuse and neglect is a community condition and problem, and finding solutions depends on involvement among people throughout the community; and
- WHEREAS,** approximately 3 million children are reported abused and neglected in this country each year; and
- WHEREAS,** the effects of child abuse and neglect are felt by whole communities and need to be addressed by the entire community; and
- WHEREAS,** these events will provide information and materials that support families to prevent child maltreatment and celebrate people who work with and support children and families; and
- WHEREAS,** effective child abuse prevention programs succeed because of partnerships created among social service agencies, schools, religious and civic organizations, law enforcement agencies, and the business community; and
- WHEREAS,** all citizens should become more aware of the negative effects of child abuse and its prevention within the community, and become involved in supporting parents to raise their children in a safe, nurturing environment; and
- NOW, THEREFORE,** we the Commissioners of Faribault County hereby proclaim April 2021 as Child Abuse and Neglect Prevention Month in Faribault County and call upon all citizens, community agencies, religious organizations, medical facilities, and businesses to increase their participation in efforts to prevent child abuse and neglect, thereby strengthening the communities in which we live.

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Anderson/Loveall motion carried unanimously to approve Resolution 21-CB-39 authorizing the issuance and awarding the sale of the 2021A general obligation capital improvement plan bonds to Northland Securities. Commissioners Anderson, Groskreutz, Loveall, Roper, and Young voted yes.

RESOLUTION

AUTHORIZING ISSUANCE, AWARDING SALE, PRESCRIBING THE FORM AND
DETAILS AND PROVIDING FOR THE PAYMENT OF \$4,000,000 GENERAL
OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2021A

BE IT RESOLVED by the Board of County Commissioners (the “Board”) of Faribault County, Minnesota (the “County”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.01. Authorization. On March 16, 2021, this Board held a public hearing on the adoption of its Capital Improvement Plan (the “Plan”) and the question of issuing General Obligation Capital Improvement Plan Bonds pursuant to Minnesota Statutes, Section 373.40 in an amount not to exceed \$4,000,000 for the purpose of financing construction of projects described in the Plan (the “Project”), after notice duly published in the official newspaper of the County as set forth in Minnesota Statutes, Section 373.40, subdivision 2. No petition requesting a vote on the question of adopting the Plan or issuing the Bonds was

filed within 30 days of March 16, 2021. It is hereby determined to be in the best interest of the County for the County to issue its General Obligation Capital Improvement Plan Bonds, Series 2021A (the “Bonds”) to finance the Project and the costs of issuance of the Bonds.

The maximum principal and interest to become due in any year on the Bonds and all other bonds issued by the County under Minnesota Statutes, Section 373.40 (\$243,300.00) is less than 0.12 percent (\$4,404,051.84) of the estimated market value of property in the County (approximately \$3,670,043,200). This Board hereby finds that the Bonds may be issued without an election pursuant to Minnesota Statutes, Section 373.40, subdivision 2.

1.02. Sale. The County has retained PFM Financial Advisors LLC (“PFM”) as independent municipal advisor in connection with the sale of the Bonds. Pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, the requirements as to a public sale do not apply to the issuance of the Bonds. Pursuant to the Preliminary Official Statement prepared on behalf of the County by PFM, sealed or electronic proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals.

The proposals have been opened, publicly read and considered and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of Northland Securities, Inc., in Minneapolis, Minnesota, and associates (the “Purchaser”), to purchase the Bonds in the principal amount of \$4,000,000, at a price of \$4,114,347.70 plus accrued interest, if any, on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Chairperson and County Auditor are hereby authorized and directed to execute a contract on behalf of the County for the sale of the Bonds in accordance with the Preliminary Official Statement. The good faith deposit of the Purchaser shall be retained and deposited by the County until the Bonds have been delivered, and shall be deducted from the purchase price paid at settlement.

1.04. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed precedent to and in the valid issuance of the Bonds having been done, now existing, having happened and having been performed, it is now necessary for the Board to establish the form and terms of the Bonds, to provide security therefor and to issue the Bonds forthwith.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.01. Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of May 13, 2021, shall be in the denomination of \$5,000 each, or any integral multiple thereof, of single maturities. The Bonds shall mature on February 1 in the years and amounts stated below, and shall bear interest from date of original issue until paid or duly called for redemption at the annual rates set forth opposite such years and amounts, as follows:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Rate</u>
2023	\$160,000	3.000%	2033	\$205,000	1.350%
2024	165,000	3.000	2034	205,000	1.400
2025	170,000	3.000	2035	210,000	1.450
2026	175,000	3.000	2037	425,000	1.600
2027	180,000	3.000	2038	220,000	2.000

2028	185,000	3.000	2039	225,000	2.000
2029	190,000	3.000	2040	225,000	2.000
2030	195,000	1.050	2041	230,000	2.000
2031	200,000	1.150	2042	235,000	2.000
2032	200,000	1.250			

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by check or draft issued by the Registrar described herein, provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.07 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.02. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.06 and upon any subsequent transfer or exchange pursuant to Section 2.05, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable semiannually on February 1 and August 1, commencing February 1, 2022, each such date being referred to herein as an Interest Payment Date, to the person in whose name the Bonds are registered on the Bond Register, as hereinafter defined, at the Registrar's close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a business day. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

2.03. Redemption. Bonds maturing in 2030 and later years shall be subject to redemption and prepayment at the option of the County, in whole or in part, in such order of maturity dates as the County may select and, within a maturity, by lot as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000, on February 1, 2029, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption.

The County Auditor shall cause notice of the call for redemption thereof to be published if and as required by law and, at least thirty days prior to the designated redemption date, shall cause notice of call for redemption to be mailed, by first class mail, to the registered holders of any Bond to be redeemed at their addresses as they appear on the bond register described in Section 2.05 hereof, provided that notice shall be given to any securities depository in accordance with its operational arrangements. No defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

Bonds maturing on February 1, 2037 (the Term Bonds) shall be subject to mandatory redemption prior to maturity pursuant to the sinking fund requirements of this Section 2.03 at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium. The Registrar shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts of such Bonds:

Term Bonds Maturing in 2037

<u>Sinking Fund Payment Date</u>	<u>Aggregate Principal Amount</u>
2036	\$210,000
2037 (final maturity)	215,000

Notice of redemption shall be given as provided in the preceding paragraph.

2.04. Appointment of Initial Registrar. The County hereby appoints U.S. Bank National Association, in St. Paul, Minnesota, as the initial registrar, transfer agent and paying agent (the “Registrar”). The Chairperson and County Auditor 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 shall be 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, effective upon not less than thirty (30) days’ written notice and upon the appointment of (and acceptance of such appointment by) a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.05. Registration. The effect of registration and the rights and duties of the County and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide 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 any 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 shall 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. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall 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. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the County.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is

legally authorized. The Registrar shall 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 any Bond is at any time registered in the bond register as the absolute owner of the Bond, whether the Bond shall be 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 all payments made to any registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds (except for an exchange upon a partial redemption of a Bond), 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 such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such 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, in which both the County and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall 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 shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the County, evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.06. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the County Auditor and shall be executed on behalf of the County by the signatures of the Chairperson and County Auditor, provided that the signatures may be printed, engraved, or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall 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 shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the County Auditor shall deliver them to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.07. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the sender agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the County may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever, and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the County’s obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the County determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the County may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Chairperson or County Auditor, if not previously filed, is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

2.08. Form of Bonds. The Bonds shall be prepared in substantially the form attached as Exhibit A hereto.

SECTION 3. GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2021A CONSTRUCTION FUND. There is hereby established in the official books and records of the County a separate General Obligation Capital Improvement Plan Bonds, Series 2021A Construction Fund (the "Construction Fund"). The County Auditor shall continue to maintain the Construction Fund until all costs and expenses incurred in connection with the Project have been duly paid or provided for. The County hereby appropriates to the Construction Fund proceeds of the Bonds in the amount of \$4,114,347.70, representing the estimated cost of the Project (\$4,066,497.70) and costs of issuance of the Bonds (\$47,850.00). After payment of all costs incurred with respect to the Project, the Construction Fund shall be discontinued and any proceeds of the Bonds remaining therein shall be credited to the Bond Fund described in Section 4 hereof.

SECTION 4. GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2021A BOND FUND. The Bonds shall be payable from a separate General Obligation Capital Improvement Plan Bonds, Series 2021A Bond Fund (the "Bond Fund") of the County, which Bond Fund the County agrees to maintain until the Bonds have been paid in full. Into the Bond Fund shall be paid: (a) any funds received from the Purchaser upon delivery of the Bonds in excess of the amount required by Section 3 to be credited to the Construction Fund and amounts for payment of costs of issuance of the Bonds; (b) the amounts specified in Section 3 above, after payment of all costs of the Project; (c) all taxes levied and collected pursuant to Section 5; and (d) any other funds appropriated by the Board for the payment of the Bonds. The principal of and interest on the Bonds shall be payable from the Bond Fund, and the money on hand in the Bond Fund from time to time shall be used only to pay the principal of and interest on the Bonds. On or before each principal and interest payment date for the Bonds, the County Auditor is directed to remit to the Registrar from funds on deposit in the Bond Fund the amount needed to pay principal and interest on the Bonds on the next succeeding principal and interest payment date. If the balance in the Bond Fund is at any time insufficient to pay all interest and principal then due on all Bonds payable therefrom, the payment shall be made from any fund of the County which is available for that purpose, subject to reimbursement from the Bond Fund when the balance therein is sufficient, and the County covenants and agrees that it will each year levy a sufficient amount of ad valorem taxes to take care of any accumulated or anticipated deficiency, which levy is not subject to any constitutional or statutory limitation.

SECTION 5. PLEDGE OF TAXING POWERS. For the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, the full faith, credit and unlimited taxing powers of the County shall be and are hereby irrevocably pledged. In order to produce aggregate amounts not less than 5% in excess of the amounts needed to meet when due the principal and interest payments on

the Bonds, ad valorem taxes are hereby levied on all taxable property in the County, the taxes to be levied and collected in the following years and amounts:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
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See attached Schedule I

The taxes shall be irrevocable as long as any of the Bonds are outstanding and unpaid, provided that the County reserves the right and power to reduce the tax levies from other legally available funds, in accordance with the provisions of Minnesota Statutes, Section 475.61.

SECTION 6. RESERVED.

SECTION 7. DEFEASANCE. When all of the Bonds have been discharged as provided in this Section, all pledges, covenants and other rights granted by this Resolution to the registered owners of the Bonds shall cease. The County may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The County may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms by depositing with the Registrar on or before that date an amount equal to the principal, redemption premium, if any, and interest then due, provided that notice of such redemption has been duly given as provided herein. The County may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date, provided, however, that if such deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the County shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or, if notice of redemption as herein required has been irrevocably provided for, to such earlier redemption date.

SECTION 8. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

8.01. Covenant. The County covenants and agrees with the owners 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 includable in gross income of the recipient under the Code and applicable Regulations, and covenants to take any and all affirmative actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and applicable Regulations. The County represents and covenants that all improvements financed from the proceeds of the Bonds are and will be owned and operated by the County and available for use by members of the general public on a substantially equal basis. The County has not entered and will not enter into any lease, management contract, operating agreement, use agreement or other contract relating to the use, operation or maintenance of the Project or any part thereof which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to Section 141 of the Code.

8.02. Arbitrage Certification. The Chairperson and County Auditor being the officers of the County charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of the Code and the applicable Regulations.

8.03. Arbitrage Rebate. The County acknowledges that the Bonds may be subject to the rebate requirements of Section 148(f) of the Code. The County covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

8.04. Reimbursement. The County certifies that the proceeds of the Bonds will not be used by the County to reimburse itself for any expenditure with respect to the Project which the County paid or will have paid more than 60 days prior to the issuance of the Bonds unless, with respect to such prior expenditures, the County shall have made a declaration of official intent which complies with the provisions of Section 1.150-2 of the Regulations, provided that a declaration of official intent shall not be required (i) with respect to certain de minimis expenditures, if any, with respect to the Project meeting the requirements of Section 1.150-2(f)(1) of the Regulations, or (ii) with respect to “preliminary expenditures” for the Project as defined in Section 1.150-2(f)(2) of the Regulations, including engineering or architectural expenses and similar preparatory expenses, which in the aggregate do not exceed 20% of the “issue price” of the Bonds.

8.05. Qualified Tax-Exempt Obligations. The Board hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions, and hereby finds that the reasonably anticipated amount of tax-exempt obligations which are not private activity bonds (not treating qualified 501(c)(3) bonds under Section 145 of the Code as private activity bonds for the purpose of this representation) which will be issued by the County and all subordinate entities during calendar year 2021 does not exceed \$10,000,000.

8.06. CONTINUING DISCLOSURE. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the County hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the Outstanding Bonds. The County is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the County fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any Outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such

Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The County will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the County, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the County, commencing with the fiscal year ending December 31, 2020, the following financial information and operating data in respect of the County (the "Disclosure Information"):
 - (A) the audited financial statements of the County for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the County, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the County; and
 - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings: "PROPERTY VALUATIONS AND TAXES," "FINANCIAL SUMMARY," and "INDEBTEDNESS," which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the County shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the County shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access System ("EMMA") or to the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the County have materially changed or been discontinued, such Disclosure Information need no longer be provided if the County includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other County operations in respect of which data is not included in the Disclosure Information and the County determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the County shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events (each a “Material Fact”):
- (A) Principal and interest payment delinquencies;
 - (B) Non-payment related defaults, if material;
 - (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) Substitution of credit or liquidity providers, or their failure to perform;
 - (F) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - (G) Modifications to rights of security holders, if material;
 - (H) Bond calls, if material, and tender offers;
 - (I) Defeasances;
 - (J) Release, substitution, or sale of property securing repayment of the securities, if material;
 - (K) Rating changes;
 - (L) Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - (M) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (N) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (O) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
 - (P) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

For purposes of the events identified in paragraphs (O) and (P) above, the term “financial obligation” means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person

in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, notice of the occurrence of any of the following events or conditions:
 - (A) the failure of the County to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
 - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the County under subsection (d)(2);
 - (C) the termination of the obligations of the County under this section pursuant to subsection (d);
 - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
 - (E) any change in the fiscal year of the County.

(c) Manner of Disclosure.

- (1) The County agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the County in this section shall remain in effect so long as any Bonds are Outstanding. Notwithstanding the preceding sentence, however, the obligations of the County under this section shall terminate and be without further effect as of any date on which the County delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the County to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the County from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the County accompanied by an opinion of Bond Counsel, who may rely on certificates of the County and others and the opinion may be subject to customary qualifications, to the effect that:
 - (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the County or the type of operations conducted by the County, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect

to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bond owners under the Rule.

If the Disclosure Information is so amended, the County agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

SECTION 9. CERTIFICATION OF PROCEEDINGS.

9.01. Registration and Levy of Taxes. The County Auditor is hereby authorized and directed to file a certified copy of this resolution in the County records, together with such additional information as required, and to issue a certificate that the Bonds have been duly entered upon the Auditor-Treasurer's bond register and the tax required by law has been levied.

9.02. Certification of Records. The officers of the County are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the County relating to the Bonds and to the financial condition and affairs of the County, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as they appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the County to the facts recited herein.

9.03. Official Statement. The Preliminary Official Statement relating to the Bonds, prepared and distributed on behalf of the County by PFM, is hereby approved. PFM is hereby authorized, on behalf of the County, to prepare and distribute to the Purchaser within seven business days from the date hereof, a supplement to the Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The officers of the County are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness, and sufficiency of such Official Statement.

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Young/Loveall motion carried unanimously to recess to Drainage Authority.

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Reconvened regular meeting of the Board of Commissioners.

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Planning and Zoning Loria Rebuffoni met regarding office business.

* * * * *

Victim Witness Coordinator Barb Ziegler met regarding office business.

Groskreutz/Anderson motion carried unanimously to approve Resolution 21-CB-40 declaring April 18-24, 2021 as Crime Victim's Rights week. Commissioners Anderson, Groskreutz, Loveall, Roper, and Young voted yes.

RESOLUTION

WHEREAS being a victim of crime and navigating the criminal justice system can be a frightening and confusing experience;

WHEREAS progress in improving the treatment of crime victims has been made through the efforts of thousands of victims and survivors who have turned their own experiences into a force for positive change, ensuring that others can receive justice, meaningful assistance, and compassionate treatment before the law;

WHEREAS since the passage of the Victims of Crime Act of 1984, and through the dedicated work of advocates, lawmakers, and victim service providers, there is a growing array of services and resources available to victims and their loved ones;

WHEREAS honoring the rights of victims—including the rights to be heard and to be treated with fairness, dignity, and respect—and working to meet their needs rebuilds their trust in the criminal justice and social service systems;

WHEREAS individuals' trust in the compassion, understanding, and support of their communities is achieved through sustained, deep-rooted, and coordinated outreach;

WHEREAS identifying, reaching, and serving all victims of crime—especially those from groups that often have less access to healing services and avenues to justice—is essential;

WHEREAS our community's continued engagement with the challenges faced by victims of crime will ensure that the progress made to date is not lost, and that new ground is broken to gain greater justice and healing for all victims;

WHEREAS National Crime Victims' Rights Week provides an opportunity to recommit to ensuring that accessible, appropriate, and trauma-informed services are offered to all victims of crime; and

WHEREAS the Faribault County Victim/Witness Program is hereby dedicated to supporting victims and survivors in the aftermath of crime, building trust among our clients; collaborating with other service providers, and engaging our community in response efforts;

NOW, THEREFORE, the Faribault County Board of Commissioners do hereby proclaim the week of April 18–24, 2021, as **Crime Victims' Rights Week** reaffirming Faribault County's commitment to creating a victim service and criminal justice response that assists all victims of crime during Crime Victims' Rights Week and throughout the year; and expressing our sincere gratitude and appreciation for those community members, victim service providers, and criminal justice professionals who are committed to improving our

response to all victims of crime so that they may find relevant assistance, support, justice, and peace.

* * * * *

Central Services Director Lexi Scholten met regarding office business.

Loveall/Anderson motion carried unanimously to approve hiring Terri Van Reese as part-time Clerk-Typist in the Recorder's office.

Young/Loveall motion carried unanimously to approve hiring Gary Engler as the Parks seasonal mowing for the 2021 season.

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Groskreutz/Young motion carried unanimously to approve Soil and Water Conservation District contract for provision of services tabled from April 6, 2021 meeting.

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No one appeared for drainage public comment.

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Discussion was held regarding county vehicle usage outside of law enforcement.

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Groskreutz/Loveall motion carried unanimously to enter into the cost share agreement, as presented, with the City of Elmore for the demolition of tax forfeited buildings at 202 and 204 East Willis Street and 308 South Henry Street in Elmore.

* * * * *

Anderson/Young motion carried unanimously to award a contract to G & S Drainage and Excavating of Blue Earth to demolish tax forfeited buildings in Elmore at a total cost of \$25,810.00, the cost to the county will be \$12,405.00. Other bids were received from Beemer Companies of Fairmont for \$61,200.00 and Erosion Control Plus, Inc. of Winnebago for \$37,830.00.

* * * * *

Groskreutz/Young motion carried unanimously to approve Resolution 21-CB-41 approving the repurchase of tax-forfeited Parcel No. 30.200.1700 by prior owner. Commissioners Anderson, Groskreutz, Loveall, Roper, and Young voted yes.

RESOLUTION

WHEREAS, Parcel 30.200.1700 was forfeited to the State of Minnesota in favor of the Taxing Districts and

WHEREAS, the prior owner, Melva R. Peterson, has applied to repurchase the parcel pursuant to Minn. Stat. 282.241 to 282.324, and

WHEREAS, the Faribault County Board of Commissioners has considered the application to repurchase the parcel and finds that it would be a hardship for the owner to lose their home, that the repurchase would correct an injustice, and that the repurchase would be in the public's best interest,

BE IT RESOLVED that Melva R. Peterson, the former owner of parcel #30.200.1700 described as the North Ten (10) feet of Lot Nine (9) and all of Lot Ten (10) in Block Nine (9) as designated upon the recorded Plat of the Village of Wells, Faribault County, Minnesota be allowed to repurchase said parcel with the payment in full of the reinstated taxes, assessments, fees and costs as follows:

Taxes	\$ 3,855.86
Special Assessments	932.14
Penalty & Interest	1,649.99
2012 Publication Fee	20.00
2017 Forfeiture Fee	100.00
Repurchase Fee	100.00
Forfeiture Fee	120.00
Recording Fee	46.00
Deed Tax	21.64
State Deed Fee	<u>25.00</u>
Total Cost	\$6,870.63

BE IT FURTHER RESOLVED that the repurchase price must be paid in full by April 30, 2021.

* * * * *

Groskreutz/Young motion carried unanimously to approve requests of G. Paschke, S. Robbins, B. Rauenhorst, and L. Mehrhof to attend Mn Assoc. of Assessing Officers 1-2 days virtual training; B. Rauenhorst to attend a 1-day online Financial calculator class; C. Davis to attend a 1-day de-escalation/intervention training in Marshall; and L. Scholten to attend a 2-day MCHRMA spring conference virtually and 4-day MnCCC annual conference virtually.

* * * * *

Young/Loveall motion carried unanimously to pay the following bills:

Auditor warrants for March 1 to March 31, 2021 totaling \$ 663,494.24 as follows:

<u>Date</u>	<u>Amount</u>	<u>Description</u>
03/04/2021	107,136.56	Auditor warrants
03/11/2021	193,676.80	Auditor warrants
03/18/2021	262,212.06	Auditor warrants
03/25/2021	100,468.82	Auditor warrants

ACH-EFT warrants for March 1 to March 31, 2021 totaling \$ 604,032.93 as follows:

<u>Date</u>	<u>Amount</u>	<u>Description</u>
03/02/2021	324,782.35	Commissioner warrants
03/04/2021	70,950.77	Auditor warrants
03/11/2021	4,022.04	Auditor warrants
03/16/2021	185,630.71	Commissioner warrants
03/18/2021	13,704.27	Auditor warrants
03/25/2021	4,942.79	Auditor warrants

Audit list and auxiliary totaling \$ 385,589.80 as follows:

GENERAL REVENUE FUND	\$ 172,851.58
PUBLIC WORKS FUND	146,805.35
FORFEITED TAX SALE FUND	2.14
DITCH FUND	<u>65,930.73</u>
	\$ 385,589.80

* * * * *

The meeting was adjourned for April 2021.

John Roper, Chair

Clara Vereide, Acting Clerk to the Board