

CLAY COUNTY BOARD OF COMMISSIONERS

Tuesday, February 16, 2016

8:30 a.m.

County Board Room – 3rd Floor – Courthouse

MINUTES

The Clay County Board of Commissioners met in regular session with all Commissioners present: Campbell, Gross, Ingersoll, Mongeau, and Weyland. County Administrator Brian C. Berg, Chief Assistant County Attorney Jenny Samarzja, and Administrative Assistant Colleen Eck were also present.

APPROVAL OF AGENDA

On motion by Weyland, seconded by Campbell, and unanimously carried, the agenda was approved as presented.

AUTHORIZE EXECUTION OF RATIFICATION STATEMENT FOR MAINTENANCE AND SUPPORT OF IFS SYSTEM

By consent agenda, the Board authorized execution of a ratification statement for a three year agreement between Minnesota Counties Computer Cooperative and TRIMIN SYSTEMS, INC., for support and maintenance of the County's financial package, IFSpi (Integrated Financial System Platform Independent version).

AUTHORIZATION TO EXECUTE DNR APPRAISAL OF FELTON PRAIRIE GRAVEL WAIVER

By consent agenda, the Board authorized execution of a document in connection with the DNR's appraisal of the Felton Prairie property, entitled "Pre-Appraisal Agreement to Waive Compensation for Possible Gravel Resources". The document confirms that DNR is aware that there may be no gravel resources on the property and that the County is aware of the same. It also states that the appraisal will not include any valuation for gravel and that if the County accepts any purchase offer from the DNR resulting from the appraisal, that it waives its rights to being compensated for any gravel that may be present on the property.

APPROVAL OF CITY OF MOORHEAD ABATEMENT REQUESTS

By consent agenda, the Board approved abatement requests presented by the City of Moorhead for parcel 58.950.0530 (Jack Hoffner) for the years payable 2010-2015, due to the fact that this parcel held a railroad lease which was terminated in 2007 and the parcel should have been inactivated (total \$4734).

ADOPT RESOLUTION TO REIMBURSE CITIES FOR THE MONEY SPENT ON CITY STREETS IN 2015

By consent agenda, the Board adopted the following resolution to reimburse the cities for monies spent on City streets in 2015:

RESOLUTION 2016-12

IT IS HEREBY RESOLVED, by the Clay County Board of Commissioners that the Clay County Auditor-Treasurer shall reimburse the municipality of the City of Moorhead, a city of the second class in the State of Minnesota, for all monies expended by that government body for the establishing, locating, constructing, improving and maintaining of any County Highway or County State Aid Highway including those within the corporate limits of the City of Moorhead, Clay County, Minnesota. However, the monies expended directly by Clay County for the establishing, location, construction or improvement or maintenance of any County Highway or County State Aid Highway within the corporate limits of the City of Moorhead during the year 2015 shall be deducted prior to the reimbursement of any monies to the City of Moorhead as set forth above.

FURTHER, IT IS HEREBY RESOLVED that the City of Moorhead shall certify to the County Highway Engineer the location and the purpose for which said monies were expended and that the said monies were expended during the 2015 annual year. Monies shall not exceed \$356,257.45 and unexpended monies shall be encumbered.

FURTHER, IT IS HEREBY RESOLVED, that the following Cities be reimbursed for money spent on City Streets for 2015 in the following amount:

City of Barnesville	\$8,141.79
City of Comstock	457.93
City of Dilworth	23,829.37
City of Felton	734.14
City of Georgetown	440.57
City of Glyndon	4,367.43
City of Hawley	8,940.13
City of Hitterdal	599.85
City of Sabin	2,046.26
City of Ulen	2,980.33
TOTAL	\$52,537.80

CITIZENS TO BE HEARD

There were no citizens present who wished to address the Board.

APPROVE MINUTES

On motion by Weyland, seconded by Ingersoll, and unanimously carried, the minutes of the County Board meetings held February 2nd and 9th were approved as presented.

APPROVE PAYMENT OF BILLS AND VOUCHERS

On motion by Mongeau, seconded by Campbell, and unanimously carried, the bills and vouchers were approved for payment.

REQUEST TO REPLACE BUILDING MAINTENANCE EQUIPMENT

On motion by Ingersoll, seconded by Weyland, and unanimously carried, the Board approved replacement of a 2010 tractor in the Maintenance Department with a John Deere (2016). A four year warranty is provided, and with trade-in the County's cost is \$13,175 (available in Internal Service).

REQUESTS TO REPLACE STAFF

On motion by Weyland, seconded by Ingersoll, and unanimously carried, the Board approved replacement of a Social Worker/Child Protection worker who has resigned.

On motion by Mongeau, seconded by Campbell, and unanimously carried, the Board approved replacement of a Juvenile Counselor/Non-Secure in Juvenile Detention due to retirement.

On motion by Ingersoll, seconded by Weyland, and unanimously carried, the Board approved filling a Nursing Director position which is vacant due to retirement, and to backfill the position if filled internally.

REQUEST TO REPURCHASE TAX FORFEIT PROPERTY (BAYVIEW LOAN SERVICING)

On motion by Mongeau, seconded by Weyland, and unanimously carried, the Board adopted the following resolution approving repurchase of property in Barnesville:

RESOLUTION 2016-11

WHEREAS, a request was submitted to the Clay County Board of Commissioners by Bayview Loan Servicing, hereinafter referred to as the "Repurchaser" to repurchase the following described real property:

Parcel No. 50.575.1670 (812 3rd St SE, Barnesville, MN, County of Clay, State of Minnesota)

WHEREAS, the Repurchaser is obligated by statute, rule, or other agreement to pay real estate taxes relevant to the above-referenced property; and

WHEREAS, the Repurchaser satisfies the statutory criteria for being an eligible repurchaser; and

WHEREAS, the Board finds that the repurchase would cure an undue hardship or injustice resulting from the forfeiture and will permit the use of the lands that will best serve the public interests; and

WHEREAS, the value of retaining the property in public ownership is outweighed by the benefits of returning the property to private ownership; and

WHEREAS, if it is appropriate to place certain conditions on the repurchase, those conditions are fully outlined below.

NOW, THEREFORE, BE IT RESOLVED, that the Repurchaser be allowed to repurchase the Property for an amount equal to the statutory formula for repurchase to be calculated by the Clay County Auditor's Office, to wit: \$2,888.71 due in full before close of business on February 26, 2016.

JAIL FINANCE COMMITTEE RECOMMENDATION TO EXECUTE NECESSARY DOCUMENTS PROVIDING FOR THE SALE OF \$10 MILLION GENERAL OBLIGATION JAIL BONDS, SERIES 2016A, AND ENTER INTO AN AGREEMENT WITH THE PUBLIC FACILITIES AUTHORITY

County Administrator Brian C. Berg, County Auditor-Treasurer Lori Johnson, and Shelly Eldridge, Ehlers & Associates Senior Municipal Advisor, were present to discuss the Jail Finance Committee's recommendation for the County to sell \$10 million General Obligation Jail Bonds. These preliminary funds will be used to replenish the General Fund for acquisition/demolition of buyout properties, architect fees, construction manager costs, pre-ordering of product, parking lot construction, etc. The final bond for the project will be

issued in 2017 once construction costs are known. Ms. Eldridge reviewed a Pre-Sale Report (See Attachment "A") and noted that the County has an AA+ bond rating for this 20 year bond which may be refinanced in 10 years. She added that Premium will be allowed for the bond. The proposed schedule is as follows:

- *Distribute official statement: Week of March 14, 2016
- *Conference with rating agency: Week of March 21, 2016
- *Board of Commissioners meeting to award sale of the bonds: April 5, 2016
- *Estimated closing date: April 28, 2016

Ms. Eldridge recommended the bids be received in the Ehlers office on April 4th, and brought to the County Board on April 5th for the Board's award or rejection.

On motion by Campbell, seconded by Weyland, and unanimously carried, the Board adopted the following resolution:

RESOLUTION 2016-13
RESOLUTION PROVIDING FOR THE SALE OF
\$10,000,000 GENERAL OBLIGATION JAIL BONDS, SERIES 2016A

- A. WHEREAS, the Board of Commissioners of the County of Clay, Minnesota has heretofore determined that it is necessary and expedient to issue the County's \$10,000,000 General Obligation Jail Bonds, Series 2016A (the "Bonds") to finance preliminary costs associated with a new jail in the County; and
- B. WHEREAS, the County has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Clay County, Minnesota, as follows:

- 1. **Authorization: Findings.** The Board of Commissioners hereby authorizes Ehlers to assist the County for the sale of the Bonds.
- 2. **Meeting: Proposal Opening.** The Board of Commissioners shall meet at 9:00 a.m. on April 5, 2016, for the purpose of considering proposals for and awarding the sale of the Bonds.
- 3. **Official Statement.** In connection with said sale, the officers or employees of the County are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the County upon its completion.

On motion by Campbell, seconded by Weyland, and unanimously carried, the following resolution was adopted:

RESOLUTION 2016-14
RESOLUTION AUTHORIZING THE ISSUANCE OF \$10,000,000 GENERAL OBLIGATION JAIL BONDS, SERIES 2016A; AND AUTHORIZING THE COUNTY TO ENTER INTO AN AGREEMENT WITH THE PUBLIC FACILITIES AUTHORITY

BE IT RESOLVED, by the Board of Commissioners of Clay County, Minnesota (the "County"), as follows:

- 1. **Authorization.** The Board hereby determines that it is in the best interests of the County to issue its General Obligation Jail Bonds, Series 2016A (the "Bonds"), in the aggregate principal amount of \$10,000,000 to finance preliminary costs associated with the construction of a county jail facility.

2. **Sale.** The County has retained Ehlers & Associates, Inc., as independent financial advisor in connection with the sale of the Bonds and Ehlers & Associates, Inc., is therefore authorized to prepare and distribute an Official Statement and to solicit proposals in accordance with Minnesota Statutes, Section 475.60. The Board is scheduled to meet on April 5, 2016 at 9:00 a.m. for the purpose of considering proposals and awarding the sale of the Bonds.
3. **Application; Fee; Agreement.** The Chair and the County Auditor are hereby authorized to submit, on behalf of the County, an Application to the Minnesota Public Facilities Authority (the "Authority") Credit Enhancement Program (the "Program") along with a nonrefundable application fee in the amount of \$500.00 and to enter into an Agreement with the Authority, all in accordance with and as required by Minnesota Statutes, Section 446A.086 (the "Act"). The County covenants that it will comply with and be bound by the provisions of the Act. The Chair and the County Auditor are authorized to execute any and all applicable forms prescribed by the Authority with respect to the Program.

MARCH 1, 2016 COUNTY BOARD SCHEDULE

On motion by Campbell, seconded by Mongeau, and unanimously carried, the Board re-scheduled its March 1st meeting to begin at 10:00 a.m. to allow for Commissioners' attendance at the FMWF Chamber's Eggs & Issues event.

COMMITTEE REPORTS/COUNTY ADMINISTRATOR UPDATE/DISCUSSION

Commissioner Mongeau attended meetings of the FM Diversion Land Management Committee and Lakes & Prairies Committee.

Commissioner Weyland attended meetings of the Jail Finance Committee, Beyond The Yellow Ribbon, and Economic Development Corporation.

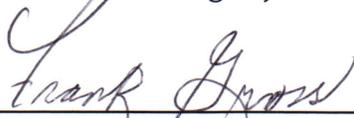
Commissioner Ingersoll attended meetings of the Lake Agassiz Regional Library, Local Advisory Council on Adult Mental Health, and Local Advisory Council on Children's Mental Health.

Commissioner Campbell attended meetings of the FM Diversion Public Outreach, FM Diversion Authority, and Jail Finance Committee.

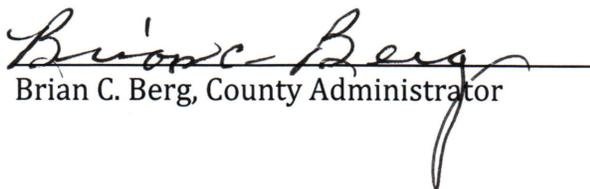
County Administrator Brian C. Berg reported on meetings with Social Services, Public Health, Moorhead Mayor Williams re: new immigrants; Jail Finance Committee, FM Diversion; and Chamber Public Affairs.

ADJOURN

The meeting adjourned at 9:30 a.m.



Frank Gross, Chair
Clay County Board of Commissioners



Brian C. Berg, County Administrator



EHLERS
LEADERS IN PUBLIC FINANCE

February 16, 2016

Pre-Sale Report for

Clay County, Minnesota

\$10,000,000 General Obligation Jail Bonds, Series 2016A



Prepared by:

Shelly Eldridge
Senior Municipal Advisor

And

Todd Hagen
Senior Municipal Advisor



Executive Summary of Proposed Debt

Proposed Issue:	\$10,000,000 General Obligation Jail Bonds, Series 2016A
Purposes:	The proposed issue includes financing for the preliminary costs associated with building a new jail. Debt service will be paid from a property tax levy that can be reduced by other funds available as determined by the Board.
Authority:	The Bonds are being issued pursuant to Minnesota Statutes, Chapters 475 and 641.23. The Bonds will be general obligations of the County for which its full faith, credit and taxing powers are pledged.
Term/Call Feature:	Principal on the Bonds will be due on February 1 in the years 2018 through 2036. Interest is payable every six months beginning February 1, 2017. The Bonds maturing on and after February 1, 2027 will be subject to prepayment at the discretion of the City on February 1, 2026 or any date thereafter.
Bank Qualification:	Because the County is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the County will be able to designate the Bonds as "bank qualified" obligations. Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.
State Credit Enhancement:	County bond issues for jails, correctional facilities and law enforcement facilities are authorized to receive credit enhancement from the State. Under current bond ratings, the state credit enhancement would bring a Standard & Poor's "AA+" rating" because the State guarantees the debt service payments on the Bonds. Currently, state credit enhancement provides a significant interest cost savings due to the size of the issue, to lower or non-rated counties. To qualify for the credit enhancement, a County must submit an application and \$500 fee to the State. There will also be a credit rating fee that is lower than the standard fee to the rating agency. Ehlers will take care of the application to the State on your behalf.
Rating:	Under current bond ratings, the state credit enhancement would bring a Standard & Poor's "AA+" rating. The County's most recent bond issues were rated AA by Standard & Poor's. The County will request a new rating for the Bonds. If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the County's bond rating in the event that the bond rating of the insurer is higher than that of the County.
Basis for Recommendation:	Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal



	<p>financing options, we are recommending the issuance of general obligation bonds as a suitable financing option for the following reasons:</p> <ul style="list-style-type: none"> • The County’s policy and past practice has been to finance bonds with this general obligation debt. • This is a cost-effective option among the limited other options available to finance this type of bonds. • General obligation bonds provide the lowest possible interest cost.
<p>Method of Sale/Placement:</p>	<p>In order to obtain the lowest interest cost to the County, we will competitively bid the purchase of the Bonds from local and national underwriters/banks.</p> <p>We have included an allowance for discount bidding equal to .80% of the principal amount of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.</p> <p>If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.</p> <p>Premium Bids: Under current market conditions, most investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.”</p> <p>For this issue of Bonds we have been directed to use the premium to reduce the size of the issue to \$10,000,000 which may increase the net proceeds for the project. The adjustments may slightly change the true interest cost of the original bid, either up or down.</p> <p>You have the choice to limit the amount of premium in the bid specifications. This may result in fewer bids, but it may also eliminate large adjustments on the day of sale and other uncertainties.</p>
<p>Review of Existing Debt:</p>	<p>We have reviewed all outstanding indebtedness for the County and find that there are no refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the County’s outstanding debt and will alert you to any future refunding opportunities.</p>
<p>Continuing Disclosure:</p>	<p>Because the County has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the County will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The County is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.</p>



<p>Arbitrage Monitoring:</p>	<p>Because the Bonds are tax-exempt securities/tax credit securities, the County must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be detailed in the - Signature, No-Litigation, Arbitrage Certificate and Purchase Price Receipt prepared by your Bond Attorney and provided at closing. You have retained Ehlers to assist you with compliance with these rules.</p>
<p>Risk Factors:</p>	<p>GO Pledge: Because the Bonds will be general obligations of the County for which its full faith, credit and taxing powers are pledged, if other anticipated revenues collected are not sufficient to pay the debt service payments, other County funds, including a tax levy, will need to be used.</p>
<p>Other Service Providers:</p>	<p>This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, so their final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p>Bond Attorney: Dorsey & Whitney LLP Paying Agent: Bond Trust Services Corporation Rating Agency: Standard & Poor's</p>
<p>Summary:</p>	<p>The decisions to be made by the Board are as follows:</p> <ul style="list-style-type: none"> • Accept or modify the finance assumptions described in this report. • Adopt the resolutions attached to this report.

This presale report summarizes our understanding of the County's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the County's objectives.



Proposed Debt Issuance Schedule

Pre-Sale Review by Board of Commissioners:	February 16, 2016
Distribute Official Statement:	Week of March 14, 2016
Conference with Rating Agency:	Week of March 21, 2016
Board of Commissioners Meeting to Award Sale of the Bonds:	April 5, 2016
Estimated Closing Date:	April 28, 2016

Attachments

Sources and Uses of Funds
Proposed Debt Service Schedule
Resolution Authorizing Ehlers to Proceed With Bond Sale
Credit Enhancement Resolution

Ehlers Contacts

Municipal Advisors:	Shelly Eldridge	(651) 697-8504
	Todd Hagen	(651) 697-8508
Disclosure Coordinator:	Meghan Lindblom	(651) 697-8549
Financial Analyst:	Alicia Gage	(651) 697-8551

The Official Statement for this financing will be provided to the Board of Commissioners at their home or email address for review prior to the sale date.



Clay County, Minnesota

\$10,000,000 General Obligation Bonds, Series 2016A
Assumes Current Market BQ "AA" Rates
w/Credit Enhancement +25bps

Sources & Uses

Dated 04/01/2016 | Delivered 04/01/2016

Sources Of Funds

Par Amount of Bonds	\$10,000,000.00
Total Sources	\$10,000,000.00

Uses Of Funds

Total Underwriter's Discount (0.800%)	80,000.00
Costs of Issuance	68,000.00
Deposit to Project Fund	9,852,000.00
Total Uses	\$10,000,000.00



Clay County, Minnesota

\$10,000,000 General Obligation Bonds, Series 2016A

Assumes Current Market BQ "AA" Rates

w/Credit Enhancement +25bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/01/2016	-	-	-	-	-
02/01/2017	-	-	195,837.50	195,837.50	195,837.50
08/01/2017	-	-	117,502.50	117,502.50	-
02/01/2018	445,000.00	1.050%	117,502.50	562,502.50	680,005.00
08/01/2018	-	-	115,166.25	115,166.25	-
02/01/2019	450,000.00	1.200%	115,166.25	565,166.25	680,332.50
08/01/2019	-	-	112,466.25	112,466.25	-
02/01/2020	455,000.00	1.350%	112,466.25	567,466.25	679,932.50
08/01/2020	-	-	109,395.00	109,395.00	-
02/01/2021	460,000.00	1.500%	109,395.00	569,395.00	678,790.00
08/01/2021	-	-	105,945.00	105,945.00	-
02/01/2022	465,000.00	1.650%	105,945.00	570,945.00	676,890.00
08/01/2022	-	-	102,108.75	102,108.75	-
02/01/2023	475,000.00	1.850%	102,108.75	577,108.75	679,217.50
08/01/2023	-	-	97,715.00	97,715.00	-
02/01/2024	485,000.00	1.900%	97,715.00	582,715.00	680,430.00
08/01/2024	-	-	93,107.50	93,107.50	-
02/01/2025	490,000.00	2.000%	93,107.50	583,107.50	676,215.00
08/01/2025	-	-	88,207.50	88,207.50	-
02/01/2026	500,000.00	2.200%	88,207.50	588,207.50	676,415.00
08/01/2026	-	-	82,707.50	82,707.50	-
02/01/2027	515,000.00	2.350%	82,707.50	597,707.50	680,415.00
08/01/2027	-	-	76,656.25	76,656.25	-
02/01/2028	525,000.00	2.450%	76,656.25	601,656.25	678,312.50
08/01/2028	-	-	70,225.00	70,225.00	-
02/01/2029	535,000.00	2.550%	70,225.00	605,225.00	675,450.00
08/01/2029	-	-	63,403.75	63,403.75	-
02/01/2030	550,000.00	2.700%	63,403.75	613,403.75	676,807.50
08/01/2030	-	-	55,978.75	55,978.75	-
02/01/2031	565,000.00	2.800%	55,978.75	620,978.75	676,957.50
08/01/2031	-	-	48,068.75	48,068.75	-
02/01/2032	580,000.00	2.900%	48,068.75	628,068.75	676,137.50
08/01/2032	-	-	39,658.75	39,658.75	-
02/01/2033	600,000.00	3.000%	39,658.75	639,658.75	679,317.50
08/01/2033	-	-	30,658.75	30,658.75	-
02/01/2034	615,000.00	3.100%	30,658.75	645,658.75	676,317.50
08/01/2034	-	-	21,126.25	21,126.25	-
02/01/2035	635,000.00	3.250%	21,126.25	656,126.25	677,252.50
08/01/2035	-	-	10,807.50	10,807.50	-
02/01/2036	655,000.00	3.300%	10,807.50	665,807.50	676,615.00
Total	\$10,000,000.00	-	\$3,077,647.50	\$13,077,647.50	-

Yield Statistics

Bond Year Dollars	\$114,908.33
Average Life	11.491 Years
Average Coupon	2.678501%

Clay County, Minnesota

\$10,000,000 General Obligation Bonds, Series 2016A

Assumes Current Market BQ "AA" Rates

w/Credit Enhancement +25bps

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2017	-	-	195,837.50	195,837.50	205,629.38
02/01/2018	445,000.00	1.050%	235,005.00	680,005.00	714,005.25
02/01/2019	450,000.00	1.200%	230,332.50	680,332.50	714,349.13
02/01/2020	455,000.00	1.350%	224,932.50	679,932.50	713,929.13
02/01/2021	460,000.00	1.500%	218,790.00	678,790.00	712,729.50
02/01/2022	465,000.00	1.650%	211,890.00	676,890.00	710,734.50
02/01/2023	475,000.00	1.850%	204,217.50	679,217.50	713,178.38
02/01/2024	485,000.00	1.900%	195,430.00	680,430.00	714,451.50
02/01/2025	490,000.00	2.000%	186,215.00	676,215.00	710,025.75
02/01/2026	500,000.00	2.200%	176,415.00	676,415.00	710,235.75
02/01/2027	515,000.00	2.350%	165,415.00	680,415.00	714,435.75
02/01/2028	525,000.00	2.450%	153,312.50	678,312.50	712,228.13
02/01/2029	535,000.00	2.550%	140,450.00	675,450.00	709,222.50
02/01/2030	550,000.00	2.700%	126,807.50	676,807.50	710,647.88
02/01/2031	565,000.00	2.800%	111,957.50	676,957.50	710,805.38
02/01/2032	580,000.00	2.900%	96,137.50	676,137.50	709,944.38
02/01/2033	600,000.00	3.000%	79,317.50	679,317.50	713,283.38
02/01/2034	615,000.00	3.100%	61,317.50	676,317.50	710,133.38
02/01/2035	635,000.00	3.250%	42,252.50	677,252.50	711,115.13
02/01/2036	655,000.00	3.300%	21,615.00	676,615.00	710,445.75
Total	\$10,000,000.00	-	\$3,077,647.50	\$13,077,647.50	\$13,731,529.88

Significant Dates

Dated	4/01/2016
First Coupon Date	2/01/2017

Yield Statistics

Bond Year Dollars	\$114,908.33
Average Life	11.491 Years
Average Coupon	2.6783501%
Net Interest Cost (NIC)	2.7479708%
True Interest Cost (TIC)	2.7283953%
Bond Yield for Arbitrage Purposes	2.6452406%
All Inclusive Cost (AIC)	2.7998046%

IRS Form 8038

Net Interest Cost	2.6783501%
Weighted Average Maturity	11.491 Years

RESOLUTION NO. 2016-13

Commissioner Campbell introduced the following resolution and moved its adoption:

**Resolution Providing for the Sale of
\$10,000,000 General Obligation Jail Bonds, Series 2016A**

- A. WHEREAS, the Board of Commissioners of the Clay County, Minnesota has heretofore determined that it is necessary and expedient to issue the County's \$10,000,000 General Obligation Jail Bonds, Series 2016A (the "Bonds"), to finance preliminary costs associated with a new jail in the County; and
- B. WHEREAS, the County has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent municipal advisor for the Bonds in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Clay County, Minnesota, as follows:

1. Authorization; Findings. The Board of Commissioners hereby authorizes Ehlers to assist the County for the sale of the Bonds.
2. Meeting; Proposal Opening. The Board of Commissioners shall meet at 9:00 am on April 5, 2016, for the purpose of considering proposals for and awarding the sale of the Bonds.
3. Official Statement. In connection with said sale, the officers or employees of the County are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the County upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by Board of Commissioners Member Weyland and, after full discussion thereof and upon a vote being taken thereon, the following Board of Commissioners Members voted in favor thereof:

Campbell, Gross, Ingersoll, Mongeau & Weyland

and the following voted against the same: **None.**

Whereupon said resolution was declared duly passed and adopted.

Dated this 16th day of February, 2016.

County Administrator

CERTIFICATION OF MINUTES RELATING TO
\$10,000,000 GENERAL OBLIGATION JAIL BONDS, SERIES 2016A

County/City: Clay County, Minnesota

Governing Body: Board of County Commissioners

Kind, date, time and place of meeting: A regular meeting held February 16, 2016, at 8:30 A.M., at the Clay County Courthouse.

Members present: **Campbell, Gross, Ingersoll, Mongeau, and Weyland.**

Members absent: **None.**

Documents Attached:

Minutes of said meeting (including):

RESOLUTION AUTHORIZING THE ISSUANCE OF \$10,000,000 GENERAL
OBLIGATION JAIL BONDS, SERIES 2016A; AND AUTHORIZING THE
COUNTY TO ENTER INTO AN AGREEMENT WITH THE PUBLIC
FACILITIES AUTHORITY

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the Bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said Bonds; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on February 16, 2016.

County Administrator

Commissioner Campbell introduced the following resolution and moved its adoption, which motion was seconded by Commissioner Weyland:

RESOLUTION 2016-14

RESOLUTION AUTHORIZING THE ISSUANCE OF \$10,000,000 GENERAL OBLIGATION JAIL BONDS, SERIES 2016A; AND AUTHORIZING THE COUNTY TO ENTER INTO AN AGREEMENT WITH THE PUBLIC FACILITIES AUTHORITY

BE IT RESOLVED by the Board of Commissioners of Clay County, Minnesota (the "County"), as follows:

1. Authorization. The Board hereby determines that it is in the best interests of the County to issue its General Obligation Jail Bonds, Series 2016A (the "Bonds"), in the aggregate principal amount of \$10,000,000 to finance preliminary costs associated with the construction of a county jail facility.

2. Sale. The County has retained Ehlers & Associates, Inc., as independent financial advisor in connection with the sale of the Bonds and Ehlers & Associates, Inc. is therefore authorized to prepare and distribute an Official Statement and to solicit proposals in accordance with Minnesota Statutes, Section 475.60. The Board is scheduled to meet on April 5, 2016 at 9:00 A.M. for the purpose of considering proposals and awarding the sale of the Bonds.

3. Application; Fee; Agreement. The Chair and the County Auditor are hereby authorized to submit, on behalf of the County, an Application to the Minnesota Public Facilities Authority (the "Authority") Credit Enhancement Program (the "Program") along with a nonrefundable application fee in the amount of \$500.00 and to enter into an Agreement with the Authority, all in accordance with and as required by Minnesota Statutes, Section 446A.086 (the "Act"). The County covenants that it will comply with and be bound by the provisions of the Act. The Chair and the County Auditor are authorized to execute any and all applicable forms prescribed by the Authority with respect to the Program.

Upon vote being taken thereon the following voted in favor thereof:

Campbell, Gross, Ingersoll, Mongeau and Weyland

and the following voted against the same: **None.**

whereupon the resolution was declared duly passed and adopted.