

PROCEEDINGS OF THE MURRAY COUNTY BOARD OF COMMISSIONERS  
MURRAY COUNTY GOVERNMENT CENTER – SLAYTON, MINNESOTA  
October 27, 2020 8:30 a.m.

Pursuant to notice, the Murray County Board of Commissioners convened with the following members present in person: Commissioners, Lori Gunnink, James Jens, James Kluis, and David Thiner. Dennis Welgraven via phone. Also present in person was County Administrator Thomas Burke, General Assistant Samantha McClellan. County Attorney Travis Smith via phone.

The Chairman asked if there were any additions to the agenda.

It was moved by Jens, seconded by Kluis to approve the agenda as presented.

No conflicts of interest were identified.

It was moved by Kluis, seconded by Gunnink to approve the minutes from the October 20, 2020 meeting with changes.

#### DITCH INSPECTION REPORT

A motion was made by Jens, seconded by Gunnink and carried that the Commissioners in conjunction with the appointed ditch inspector in and for the County of Murray, have examined and inspected that portion of the foregoing described County and Judicial Ditches, lying within the County of Murray, for the purpose of determining what repairs are necessary and ordered said repairs to be made, by this report given thereon at a Murray County Board of Commissioner's meeting, held in the Commissioners Room of the Murray County Government Center, Slayton, Minnesota

- Petition 2020-055 (CD65, Dovray Twp. Sec.8, District 1–Jens)
- Petition 2020-056 (CD13, Shetek Twp. Sec.33, District 1–Jens)

#### REAPPOINTMENT OF COUNTY ASSESSOR

It was moved by Kluis, seconded by Gunnink and passed to approve the reappointment of Murray County Assessor to Marcy Barritt effective January 1, 2021 to December 31, 2024.

#### AWARD BIDS FOR \$11,345,000 COUNTY STATE AID BONDS

Commissioner Kluis presented the following resolution and moved for its adoption:

Resolution No. 2020-10-27-01

Resolution Authorizing the Issuance, Sale and Delivery of \$10,900,000 General Obligation State Aid Bonds, Series 2020A

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

Section 1. Bond Purpose, Authorization, and Award.

1.01 Recitals. A. The Board has approved the construction of a new County highway department facility (the "Project").

B. Pursuant to authority contained in Minnesota Statutes, Section 162.181, as amended, and Chapter 475, as amended (collectively, the "Act"), the Board is authorized to issue

and sell its General Obligation State Aid Bonds, Series 2020A, dated November 25, 2020 (the “Bonds”) payable primarily from moneys allotted or to be allotted by the Commissioner of Transportation of the State of Minnesota (the “State”) to the County’s account in the county state aid fund established by Article XIV, Section 7 of the Constitution of the State (the “State Aids”) subject to the following restrictions:

1. the total amount of the Bonds cannot exceed the total of the preceding two years' State Aids; and
2. the Bonds must be issued in the amounts and on terms such that the amount of principal and interest due in any calendar year on the Bonds, including any similar obligations of the County which are outstanding, shall not exceed 90 percent of the amount of the last annual allotment of State Aids preceding the issuance of the Bonds received by the County.

The Board hereby finds, determines and declares that the Bonds comply with the restrictions listed above.

1.02 Authority. Pursuant to authority contained in the Act and Minnesota Statutes, Chapter 475, the Board does hereby authorize the issuance, sale and delivery of its \$10,900,000 General Obligation State Aid Bonds, Series 2020A of the County dated November 25, 2020 (the “Bonds”), for the purpose of financing a portion of the costs of the Project and for payment of the issuance costs of the Bonds.

1.03 Municipal Advisor. The County has retained the services of Northland Securities, Inc. as its municipal advisor.

1.04 Award. The County has received an offer from Robert W. Baird & Co., Inc. of Milwaukee, Wisconsin (the “Purchaser”), to purchase the Bonds at a cash price of \$11,238,473.66, upon condition that the Bonds mature and bear interest at the times and annual rates set forth in Section 2. The County, after due consideration, finds such offer reasonable and proper and the offer of the Purchaser is accepted. All actions of the Chair and County Auditor/Treasurer taken with regard to the sale of the Bonds are ratified and approved.

Section 2. Terms of the Bonds.

2.01 Dates, Maturities and Interest Rates. A. The Bonds shall be dated November 25, 2020 as the date of original issue, shall be issued in the denomination of \$5,000, or any integral multiple thereof, in fully registered form and lettered and numbered R-1 and upward. The Bonds shall bear interest at the annual rates of indicated below and shall mature on April 1 in the follow respective years and amounts:

<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>
2022	\$315,000	4.000%
2023	\$425,000	4.000%
2024	\$440,000	4.000%
2025	\$460,000	4.000%
2026	\$480,000	4.000%
2027	\$500,000	4.000%
2028	\$520,000	2.000%
2029	\$530,000	2.000%
2030	\$540,000	2.000%
2031	\$550,000	2.000%
2032	\$560,000	2.000%

2033	\$570,000	2.000%
2035	\$1,175,000	2.000%
2036	\$605,000	2.000%
2037	\$620,000	2.125%
2038	\$630,000	2.250%
2039	\$645,000	2.250%
2040	\$660,000	2.250%
2041	\$675,000	2.375%

B. The maturities of the Bonds, together with the maturities of all other outstanding general obligation bonds of the County, meet the requirements of Minnesota Statutes, Section 475.54.

2.02 Redemption. A. The Bonds maturing or subject to mandatory redemption on and prior to April 1, 2027 shall not be subject to optional redemption and prepayment before maturity, but those maturing or subject to mandatory redemption, on April 1, 2028 and in subsequent years shall each be subject to redemption and prepayment at the option of the County on April 1, 2027 and on any day thereafter, in whole or in part, at a price equal to the principal amount thereof plus accrued interest to the redemption date.

B. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Bond 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 Bond Registrar and by publishing the notice of redemption, if required by law, in the manner required by Minnesota Statutes, Section 475.54, Subdivision 4; provided, however, that so long as the Bonds are registered in the name of Cede & Co., notice of redemption shall be given in accordance with the terms of the Representation Letter. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceeding for the redemption of Bonds not affected by such defect or failure. 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.

C. If less than all the Bonds of a maturity are called for redemption while the Bonds are registered in the name of Cede & Co., the County or the Bond Registrar designated below will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed. If less than all the Bonds of a maturity are called for redemption and the Bonds are not registered in the name of Cede & Co., the Bond Registrar will determine by lot or other manner deemed fair, the amount of each maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest.

D. The Bonds maturing on April 1, 2035 shall be subject to mandatory redemption prior to maturity pursuant to the requirements of this Section 2.02D at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium. The Bond Registrar, as designated below, shall select for redemption, by lot or other manner deemed fair, on April 1 in each of the following years the following stated principal amounts:

For Bonds maturing on April 1, 2035:

<b>Year</b>	<b>Amount</b>
2034	\$580,000
2035	\$595,000

2.03 Interest Payment Dates. The Bonds shall bear interest at the annual rates stated therefor in Section 2.01. The interest shall be payable semiannually on April 1 and October 1 in each year (each herein referred to as an “Interest Payment Date”) commencing on October 1, 2021. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The Bond Registrar appointed below shall make all interest payments with respect to the Bonds by check or draft mailed to the registered owners of the Bonds shown on the bond registration records maintained by the Bond Registrar at the close of business on the 15th day (whether or not on a business day) of the month next preceding the Interest Payment Date at such owners’ addresses shown on such bond registration records.

2.04 Preparation and Execution. The Bonds shall be prepared for execution in accordance with the approved form and shall be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the County Auditor/Treasurer. The legal opinion of Fryberger, Buchanan, Smith & Frederick, P.A. shall be appended to each Bond. The corporate seal of the County may be omitted from the Bonds as permitted by law. In case any officer whose signature or a facsimile or whose signature shall appear on the Bonds shall cease to be an officer before delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

2.05 Appointment and Duties of Bond Registrar; Record Date. The Board hereby appoints Northland Trust Services, Inc., of Minneapolis, Minnesota, as registrar, authenticating agent, paying agent and transfer agent for the Bonds (such bank or its successor is herein referred to as the “Bond Registrar”). No Bond shall be valid or obligatory for any purpose unless or until either (i) the Bond Registrar’s authentication certificate on such Bond, substantially set forth in Section 2.08 hereof, shall have been duly executed by an authorized representative of the Bond Registrar or (ii) the Bonds have been manually executed by at least one officer of the County. Authentication certificates on different Bonds need not be signed by the same representative. The executed Authentication Certificate or the manual signature of at least one officer of the County on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

2.06 Global Book Entry. A. There has been previously submitted to this Board a form of Blanket Issuer Letter of Representations (the “Letter of Representations”) between the County and the Depository setting forth various matters relating to the Depository and its role with respect to the Bonds. The terms and conditions of the Letter of Representations are ratified.

B. All of the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest on and principal of any Bond registered in the name of Cede & Co. shall be made by wire transfer or New York Clearing House or equivalent same day funds by 10:00 a.m. CT or as soon as possible thereafter following the Bond Registrar’s receipt of funds from the County on each Interest Payment Date to the account of Cede & Co. on each Interest Payment Date at the address indicated in or pursuant to the Representation Letter.

C. So long as DTC is the Depository or it or its nominee is the Holder of any Bonds, the County shall comply with the provisions of the Representation Letter, as it may be amended or supplemented from time to time.

D. Additional matters with respect to, among other things, notices, consents and approvals by Holders and payments on the Bonds are set forth in the Representation Letter.

E. The provisions in the Representation Letter are incorporated herein by reference and made a part of this resolution, and if and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Representation Letter shall control.

2.07 Registration, Transfer and Exchange. A. The County shall cause to be kept at the principal corporate office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the County shall provide for the registration of the Bonds and the registration of transfers of the Bonds entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Bond Registrar or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Bond Registrar as may be appointed by the Board.

B. Upon surrender for transfer of any Bond at the principal corporate office of the Bond Registrar, the County shall execute and the Bond Registrar shall authenticate if required by this Resolution and deliver, in the names(s) of the designated transferee(s), one or more new bonds of a like aggregate principal amount, as requested by the transferor.

C. At the option of the registered owners, the Bonds may be exchanged for other Bonds of any authorized denomination, of a like aggregate principal amount, maturing upon the same date, upon surrender of the Bonds to be exchanged at the principal corporate office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the County shall execute and the Bond Registrar shall authenticate if required by this Resolution and deliver the Bonds which the registered owner making the exchange is entitled to receive.

D. All Bonds surrendered upon the exchange provided for in this Resolution shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the Board.

E. All Bonds issued in exchange for or upon transfer of the Bonds shall be valid obligations of the County evidencing the same debt and entitled to the same benefits under this Resolution as the Bonds surrendered for such exchange or transfer.

F. Every Bond presented for a transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the County and the Bond Registrar, duly executed by the registered owner thereof or the owner's attorney duly authorized in writing.

G. The County may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of the Bonds, other than exchange expressly provided in this Resolution to be made, without expense or without charge to the registered owner.

H. If a Bond becomes mutilated or is destroyed, stolen or lost, the Bond 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 Bond Registrar and the County in connection therewith, including the cost of printing new Bonds; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Bond Registrar and the County of evidence satisfactory to them that the Bond was destroyed, stolen or lost, and of the ownership

thereof, and upon furnishing to the Bond Registrar and the County of an appropriate bond or indemnity in form, substance and amount satisfactory to them and as provided by law, in which both the County and the Bond Registrar must be named as obligees. Bonds so surrendered to the Bond Registrar will be canceled by the Bond 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.

2.08 Authentication. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all of the rights to interest, accrued and unpaid and to accrue, which are carried by such other Bond. Each Bond shall be dated by the Bond Registrar as of the date of its authentication or manual execution, as the case may be. The County and the Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption or to make any such exchange or transfer of the Bonds during the 15 days next preceding the date of the first publication or the mailing (if there is no publication) of notice of redemption in the case of a proposed redemption of the Bonds.

2.09 Payment. A. The County and the Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and interest on such Bond and for all other purposes whatsoever, whether or not such Bond be overdue, and neither the County nor the Bond Registrar shall be affected by notice to the contrary.

B. The principal of and interest on the Bonds shall be payable by the Bond Registrar in such funds as are legal tender for the payment of debts due the United States of America. The County shall pay the reasonable and customary charges of the Bond Registrar for the disbursement of principal and interest.

2.10 Delivery. Delivery of the Bonds and payment of the purchase price shall be made at a place mutually satisfactory to the County and the Purchaser. Printed or typewritten and executed Bonds shall be furnished by the County without cost to the Purchaser. The Bonds, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the County Auditor/Treasurer to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 3. Form of the Bond.

3.01 The Bonds shall be printed or typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA

R-1 \$ \_\_\_\_\_

MURRAY COUNTY  
GENERAL OBLIGATION STATE AID BONDS, SERIES 2020A

<u>Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
____%	April 1, 20____	November ____, 2020	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

Murray County, Minnesota (the “County”), for value received, promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, and to pay interest on said principal amount to the registered owner hereof from the date of original issue set forth above, or from the most recent Interest Payment Date (defined below) to which interest has been paid or duly provided for, until the principal amount is paid, said interest being at the rate per annum specified above. Interest is payable semiannually on April 1 and October 1 of each year (each referred to herein as an “Interest Payment Date”) commencing on October 1, 2021, at the rate per annum specified above, calculated on the basis of a 360-day year of twelve 30-day months, until the principal amount is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for, or, if no interest has been paid or provided for, from the date of original issue hereof set forth above.

**Payment.** The principal of this Bond is payable by wire transfer (or other agreed means of payment) on each payment date no later than 12:00 noon (New York, New York time) upon presentation and surrender hereof at the office of Northland Trust Services, Inc., as registrar, paying agent, authenticating agent and transfer agent (the “Bond Registrar”), or at the office of such successor bond registrar as may be designated by the County. Interest on this Bond will be paid on each Interest Payment Date (by 12:00 noon, New York, New York time) by wire transfer (or other agreed means of payment) to the person in whose name this Bond is registered (the “Holder” or “Bondholder”) on the registration books of the County maintained by the Bond Registrar and at the address appearing thereon at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the “Regular Record Date”). Any interest not so timely paid or duly provided for shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date fixed for the payment of the defaulted interest, and notice of the special record date shall be given by the Bond Registrar to the Holders not less than 10 days prior thereto. The Bond Registrar shall make all payments with respect to this Bond without, except for payment of principal on the Bond, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America. For the prompt and full payment of such principal and interest as they become due, the full faith and credit of the County are irrevocably pledged.

**Authority; Purpose.** This Bond is one of a series issued by the County in the aggregate amount of \$10,900,000, all of like date and tenor, except as to number, maturity date, denomination, redemption privilege and interest rate, pursuant to the authority contained in Minnesota Statutes, Section 162.181 and Chapters 475, and all other laws thereunto enabling, and pursuant to an authorizing resolution adopted by the governing body of the County on October 27, 2020 (the “Resolution”), for the purpose of financing the construction of a new County highway department facility located within the County. The principal of and

interest on the Bonds are payable primarily from money allotted or to be allotted by the State of Minnesota (the “State”) to the County from the County’s account in the county state-aid highway fund established by Article XIV, Section 7 of the Constitution of the State, irrevocably pledged and appropriated to a sinking fund of the County entitled “2020A General Obligation State-Aid Bonds Sinking Fund”, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred.

**Optional Redemption.** The Bonds maturing or subject to mandatory redemption on and prior to April 1, 2027 shall not be subject to optional redemption and prepayment before maturity, but those maturing or subject to mandatory redemption, on April 1, 2028 and in subsequent years shall each be subject to redemption and prepayment at the option of the County on April 1, 2027 and on any day thereafter, in whole or in part, at a price equal to the principal amount thereof plus accrued interest to the redemption date.

**Mandatory Sinking Fund Redemption.** The Bonds maturing on April 1, 2035 shall be subject to mandatory redemption prior to maturity pursuant to the requirements of the Resolution at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date, without premium

**Notice of 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 Bond 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 Bond Registrar and by publishing the notice of redemption, if required by law, in the manner required by Minnesota Statutes, Section 475.54, Subdivision 4; provided, however, that so long as the Bonds are registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), notice of redemption shall be given in accordance with the terms of the Blanket Letter of Representations between the issuer and DTC. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceeding for the redemption of Bonds not affected by such defect or failure. 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.

If less than all of the bonds of a maturity are called for redemption while the Bonds are registered in the name of Cede & Co., the County or the Bond Registrar designated below will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed. If less than all the Bonds of a maturity are called for redemption and the Bonds are not registered in the name of Cede & Co., the Bond Registrar will determine by lot or other manner deemed fair, the amount of each maturity to be redeemed. All prepayments shall be at a price equal to the principal amount thereof plus accrued interest.

**Transfer and Exchange.** The Bonds of this series are issued as fully registered bonds without coupons, in the denomination of \$5,000 or any integral multiple thereof. The County will, at the request of the registered owner, issue one or more new fully registered Bonds in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of this Bond, and of like tenor except as to number and principal amount. This Bond is transferable by the registered owner hereof upon surrender of this Bond for transfer at the principal corporate office of the Bond Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Bond Registrar and executed by the registered owner hereof or the owner's attorney duly authorized in writing. Thereupon the County shall execute and the Bond Registrar shall authenticate, if required by the Resolution, and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee, of an authorized denomination, in an aggregate principal amount equal to the principal amount of this Bond, of the same maturity, and bearing interest at the same rate. No service charge shall be made for any transfer or exchange hereinbefore referred to but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Bond Registrar's Authentication Certificate hereon shall have been executed by the Bond Registrar by one of its authorized representatives or this Bond has been manually executed by at least one officer of the County.

IT IS CERTIFIED AND RECITED that all acts and conditions required by the laws and the Constitution of the State of Minnesota to be done and to exist precedent to and in the issuance of this Bonds, in order to make it a valid and binding general obligation of the County in accordance with its terms, have been done and do exist in form, time and manner as so required; that all taxable property within the limits of the County is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount and that the issuance of this Bonds does not cause the indebtedness of the County to exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, Murray County, Minnesota, by its governing body, has caused these Bonds to be executed in its name by the manual signature of the Chair and attested by the facsimile or manual signature of the County Auditor/Treasurer.

ATTEST:

*(form – no signature required)* \_\_\_\_\_

County Auditor/Treasurer

*(form – no signature required)* \_\_\_\_\_

Chair

Date of Authentication: \_\_\_\_\_

**BOND REGISTRAR'S AUTHENTICATION CERTIFICATE**

The Bond Registrar confirms that the books reflect the ownership of the Bond registered in the name of the owner named above in the principal amount and maturing on the date stated above and this Bond is one of the Bonds of the series issued pursuant to the Resolution hereinabove described.

NORTHLAND TRUST SERVICES, INC.  
Minneapolis, Minnesota

By \_\_\_\_\_  
Authorized Representative

REGISTRATION CERTIFICATE

This Bond must be registered as to both principal and interest in the name of the owner on the books to be kept by Northland Trust Services, Inc. of Minneapolis, Minnesota, as Bond Registrar. No transfer of this Bond shall be valid unless made on said books by the registered owner or the owner's attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Bond and the interest accruing thereon is registered on the books of the Bond Registrar, in the name of the registered owner last noted below.

<u>Date</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
11/25/2020	Cede & Co. c/o The Depository Trust Company 570 Washington Blvd. Jersey City, NJ 07310 Federal Taxpayer I.D. No.: 13-2555119	_____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
\_\_\_\_\_

(Name and Address of Assignee)

\_\_\_\_\_ Social Security or Other  
\_\_\_\_\_ Identifying Number of Assignee

the within Bonds and all rights thereunder and irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the said Bonds on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within

Bonds in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

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(Bank, Trust Company, member of  
National Securities Exchange)

*Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the County or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein.*

**Section 4. Covenants, Accounts and Tax Levies.**

4.01 The full faith and credit and taxing power of the County are irrevocably pledged for the prompt and full payment of the Bonds and the interest thereon, in accordance with the terms set forth in this Resolution.

4.02 On receipt of the purchase price of the Bonds, the County shall credit proceeds from the sale of the Bonds, less: (i) the amounts allocated as capitalized interest (the “Capitalized Interest”); and (ii) the Accrued Interest paid by the Purchaser upon closing and delivery of the Bonds to a separate fund, which has been created and designated as the “2020A General Obligation State Aid Bonds Construction Fund.” The monies in such fund, along with other monies of the County available therefor, shall be used to pay construction costs of the Project and costs of issuance of the Bonds.

4.03 A separate sinking fund is hereby created and is designated as the “2020A General Obligation State Aid Bonds Sinking Fund” (the “Debt Service Fund”). There is hereby irrevocably pledged and appropriated to the Debt Service Fund the following: (i) the Capitalized Interest, if any; (ii) the Accrued Interest, if any; (iii) the State Aids in an amount sufficient to pay the principal of and interest on the Bonds as they respectively come due; and (iv) any taxes levied pursuant to Section 4.04. The money in the Debt Service Fund shall be used for no purpose other than the payment of principal and interest on the Bonds; provided, however, that if any payment of principal or interest shall become due when there is not sufficient money in the Debt Service Fund, the Auditor/Treasurer shall pay the same from any other fund of the County, which fund shall be reimbursed from the Debt Service Fund when the balance therein is sufficient.

4.04 The Board hereby irrevocably pledges and appropriates to the Debt Service Fund an amount of the State Aids sufficient to pay the principal of and interest on the Bonds as they respectively come due. Interest on the Bonds shall be paid out of the normal maintenance account within the County’s account in the County’s state-aid highway fund. It is hereby determined that the estimated collections of State Aids for payment of principal and interest on the Bonds will

produce at least five percent in excess of the amount needed to meet when due, the principal and interest payments on the Bonds and that no tax levy is needed at this time. It is recognized, however, that the County's liability on the Bonds is not limited to the State Aids so pledged, and the Board covenants and agrees that it will levy upon all taxable property within the County, and cause to be extended, levied and collected, any taxes found necessary for full payment of the principal and interest on the Bonds, without limitation as to rate or amount.

4.05 Monies on deposit in the Construction Fund and in the Debt Service Fund may, at the discretion of the County, be invested in securities permitted by Minnesota Statutes, Chapter 118A; provided, that any such investments shall mature at such times and in such amounts as will permit for payment of the principal and interest on the Bonds when due.

4.06 No Tax Levy. It is hereby determined that the State Aids and interest thereon will produce at least five percent in excess of the amount needed to pay principal and interest on the Bonds when due and that no tax levy is needed at this time.

Section 5. Tax Covenants.

5.01 General. The County covenants and agrees with the holders of the Bonds that the County will (i) take all action on its part necessary to cause the interest on the Bonds to be exempt from federal income taxes including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Bonds to be subject to federal income taxes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes.

5.02 A. No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (i) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued, and (ii) in addition to the above, in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Debt Service Fund (or any other County account which will be used to pay principal and interest to become due on the Bonds) in excess of amounts which under the applicable federal arbitrage regulations may be invested without regard as to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by the arbitrage regulations on such investments after taking into account any applicable temporary periods of minor portion made available under the federal arbitrage regulations.

B. The proceeds of the Bonds and money in the Debt Service Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

C. The County hereby covenants not to use the proceeds of the Bonds, or to cause or permit 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.

5.03 A. Pursuant to Section 148(f)(C) of the Code, relating to exception from rebate for certain proceeds to be used to finance construction expenditures, the County hereby covenants

that with respect to the available construction proceeds of the Bonds, the following spending requirements will be met:

- (i) 10% of the available construction proceeds of the Bonds will be spent for the governmental purpose of the Bonds within six months of the date of closing and delivery of the Bonds;
- (ii) 45% of such proceeds will be spent for such purposes within the one year period beginning on such date;
- (iii) 75% of such proceeds will be spent for such purposes within the 18 month period beginning on such date; and
- (iv) 100% of such proceeds will be spent for such purposes within the two year period beginning on such date;

subject to an exception for reasonable retainage of 5% of the available construction proceeds of the Bonds, and that 100% of the available construction proceeds of the Bonds will be spent within three years from the date of closing and delivery of the Bonds.

5.04 If the County determines that the Bonds do not qualify for exemption from the federal arbitrage rebate requirements under Section 148(f) of the Code, the County agrees to cause the calculations and payments to the United States to be made pursuant to Section 148 of the Code and Treasury Regulations relating thereto.

Section 6. Certificate of Proceedings; Miscellaneous.

6.01 The County Auditor/Treasurer is directed to file a certified copy of this Resolution and such other information as required in her records, and to provide to Bond Counsel a certificate stating that the Bonds herein authorized have been duly entered on her register.

6.02 The officers of the County are authorized and directed to prepare and furnish to the Purchaser of the Bonds and to bond counsel for the Bonds certified copies of all proceedings and records of the County relating to the authorization and issuance of the Bonds and other affidavits and certificates as may reasonably be requested to show the facts relating to the legality and marketability of the Bonds as such facts appear from the official books and records of the officers' custody or otherwise known to them. All of such certified copies, certificates and affidavits, including any heretofore furnished, constitute representations of the County as to the correctness of facts recited therein and the actions stated therein to have been taken.

6.03 In the event of the absence or disability of the Chair or the County Auditor/Treasurer, such officers or members of the County as in the opinion of the County's attorney may act in their behalf shall, without further act or authorization, execute and deliver the Bonds, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

6.04 The Chair and County Auditor/Treasurer are authorized and directed to certify that they have examined the offering materials prepared and circulated in connection with the reoffering of the Bonds by the Purchaser and that to the best of their knowledge and belief the offering materials are a complete and accurate representation of the facts and representations made therein as of the date of the offering materials.

Section 7. Continuing Disclosure. The Board acknowledges that the Bonds are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule"). The Rule governs the obligations of certain underwriters to require that issuers of municipal bonds enter into agreements for the benefit of the Holders to provide continuing disclosure with respect to the Bonds. To provide for the public availability of certain information

relating to the Bonds and the security therefor and to permit underwriters of the Bonds to comply with the Rule, which will enhance the marketability of the Bonds, the Chair and the County Auditor/Treasurer are authorized and directed to execute a Continuing Disclosure Certificate substantially in the form of the Certificate currently on file in the office of the County.

Section 8. Pre- and Post-Issuance Compliance Policy and Procedures. The County has previously approved a Pre- and Post-Issuance Compliance Policy and Procedures which applies to qualifying obligations to provide for compliance with all applicable federal regulations for tax-exempt obligations or tax-advantaged obligations (collectively, the “Policy and Procedures”). The County hereby ratifies the Policy and Procedures for the Bonds. The County Auditor/Treasurer continues to be designated to be responsible for post-issuance compliance in accordance with the Policy and Procedures.

Adopted October 27, 2020.

\_\_\_\_\_  
Chair

ATTEST:

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County Auditor/Treasurer

The forgoing resolution was duly seconded by Commissioner Welgraven and thereupon being put to a vote, all members of the Board voted for its adoption.

#### COVID-19 UPDATE

County Administrator Thomas Burke and Emergency Management/Safety Director Carl Nyquist led a discussion on Murray County’s response to the COVID-19 pandemic.

#### CARES ACT

County Administrator Thomas Burke and Emergency Management/Safety Director Carl Nyquist led a discussion on the CARES Act Funds.

The meeting adjured at 9:31 a.m.

ATTEST:

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Samantha McClellan, General Assistant

\_\_\_\_\_  
Dennis Welgraven, Chairman of the Board