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# **Le Sueur County, MN**

**Tuesday, December 23, 2014**

**Board Meeting**

## **Item 6**

**10:00 am CIP Public Hearing**

**Staff Contact:**

# Le Sueur County

2015 to 2019

## CAPITAL IMPROVEMENT PLAN

Amended December 23, 2014

# 2015 – 2019 CAPITAL IMPROVEMENT PLAN

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Attachment B – COUNTY AUDITORS REPORT OF OUTSTANDING INDEBTEDNESS

Attachment C – 2015 Bond Issue Estimated Costs (for 2015 projects)

Approved October 4, 2005  
Amended October 10, 2006  
Amended October 2, 2007  
Amended August 5, 2008  
Amended June 14, 2011  
Amended December 23, 2014

## INTRODUCTION

The Le Sueur County Capital Improvement Plan is a multi-year guide to the construction and / or improvement of county roads and facilities and the acquisition of capital equipment. Through the process of preparing and updating a Capital Improvement Plan, the county meets the needs for orderly maintenance of the physical assets of the county. This CIP is intended to serve as a planning tool and is structured to present meaningful long-range perspective of the county's long-range capital needs.

Minnesota Statutes Chapter 373.40 authorizes counties to adopt a Capital Improvement Plan (CIP.) The law requires that a Capital Improvements Plan be prepared that must cover a five year period beginning with the date of the Plan adoption. The CIP must cover:

- 1) The estimated schedule, timing and details of the specific capital improvements.
- 2) Estimated cost of the capital improvements identified.
- 3) The need for the improvements.
- 4) The sources of revenue needed to pay for the improvements.

Approval of the CIP and annual amendments must be approved by the County Board by a three-fifths vote after a noticed public hearing. MN Laws 2005, Chapter 1, Article 3, Sections 101-102 have eliminated DEED's role in the CIP process. Therefore, the final step in the CIP planning process will be for the County to obtain Board approval of the plan on a three-fifths vote. Upon approval by the Board, CIP bonds may be issued.

A County may issue general obligation bonds for improvements included in an approved Plan if the following conditions are satisfied:

1. The County must publish notice of and conduct a public hearing on the issuance of the bonds. The bonds are subject to referendum voter approval only if a petition requesting a vote signed by five percent of the votes cast in the last general election is received within 30 days of the hearing.
2. The maximum annual debt service payment on all outstanding CIP bonds does not exceed 0.12 percent of the taxable market value of the County, excluding market value included in TIF districts.
3. The issuance of bonds must be approved by at least three-fifths of the members of the County Board.

The Le Sueur County Capital Improvement Plan has been created in accordance with the guidelines of Minnesota Statutes, Section 373.40. The CIP covers public improvements and building projects, with a useful life of five years or greater, currently anticipated to be undertaken by the county during the next five years. While cost estimates and proposed funding sources are identified for each general improvement area, the CIP is not intended to provide a complete financing plan for each project. As the County prepares to undertake individual projects, the County Board will consider a specific finance program. The priority and scheduling of each project may also change over time.

Le Sueur County believes the Capital Improvement process is an important element of responsible fiscal management. Major capital expenses can be anticipated and coordinated so as to minimize potentially adverse financial impacts caused by the timing and magnitude of capital outlays. This coordination of capital projects is important to the county in achieving its goals of an adequate physical plant, equipment and sound fiscal management. In these financially difficult times, good planning is essential for the wise use of limited funding.

## **THE CAPITAL IMPROVEMENT PLANNING PROCESS**

The Capital Improvement Planning process is as follows: The County Board authorizes the preparation of the CIP. The Administrator is instructed to assemble all known capital projects necessary over the next five-year period. The County Board then reviews the projects according to the project priority, fiscal impact and available funding. From this information, a preliminary capital improvement plan is prepared. A public hearing is held to solicit input from citizens and other governmental units. Changes may be made based on that input and a final project list is established.

The County Board then prepares the final plan and works with its financial advisor to prepare a general obligation bond sale and repayment schedule if necessary to the CIP. Once the proceeds from the bond sales become available, the individual's projects are implemented.

In subsequent years, the process is repeated as projects are completed and new needs arise. Capital Improvement planning always looks five years into the future.

The CIP will be revised and updated on an annual basis during the annual budget cycle. Changes to the priorities established in the plan should be expected. Changes can be caused by reductions in funding levels, grants or other aid, delays in construction, emergency needs or simply a change in community preferences.

## CIP POLICY SUMMARY

In adopting the Capital Improvements Plan (CIP), the County finds:

1. The projects contained in the CIP are necessary to maintain the existing infrastructure of the County, to meet the anticipated service demands of the County and to properly provide for the safety and general well being of its residents.
2. The County has considered the costs of the projects and the available financial resources and has determined that these projects are within the financial ability of the County. Further, the County has determined that failure to undertake the CIP will result in a greater financial burden in the future.
3. The County has reviewed the alternatives for shared facilities with other units of governments. Le Sueur County will participate in shared facility options if such options are found to be efficient and cost effective.
4. The CIP is designed to make the most effective use of all financial resources available to the County, including current budgeted revenue, grants, fund reserves and borrowing. The County's goal is to maintain a reasonable balance among all available resources. The debt proposed in the CIP is within the statutory and financial capacity of the County. The County will structure all necessary debt in a manner that makes the best use of its financial resources and minimizes the impact on county residents. For those projects utilizing debt, borrowing is needed to provide the improvement in a timely manner and to spread the financial impacts over a period of years.

## FINANCING THE CAPITAL IMPROVEMENT PLAN

### Tax Levy

The tax levy funds are derived from the County property tax. The County Board determines the annual amount of the tax levy.

### Capital Replacement / Building Fund

The County may establish a capital building fund for future financing.

### General Obligation Bonds

Minnesota Statutes, Chapter 475 allows general obligation bonds to be issued for building purposes in an amount up to the county's debt limit. This requires a vote of the public and must be approved by one vote more than 50% of those voting. The tax levy for debt service is spread on the basis of market value.

### *General Obligation Bonds*

First under MS 475, with few exceptions, counties cannot incur debt in excess of 3% of the assessor's taxable market value for the county. In Le Sueur County, the 2014 TMV is \$3,577,853,000. Therefore, the total amount of outstanding debt cannot exceed \$107,335,590. The 2015 estimated EMV is \$3,830,684,900. Outstanding debt cannot exceed \$114,920,547.

### G.O. Capital Improvement Bonds

Minnesota Statute Chapter 373.40 allows counties to issue general obligation bonds for purposes defined in the Capital Improvement Plan. The annual obligation of debt cannot exceed 0.0012 times the Estimated Market Value for interest and principle payments without a referendum vote.

The calculation of Le Sueur County's debt limit is as follows:

*The maximum amount that can be levied on all of the County's CIP bonds is limited by the following formula:*

	2013	2014	2015 (Estimated)
Payable Market Value	\$3,550,839,300	\$3,748,922,200	\$3,830,684,900
x 0.12%	.0012	.0012	.0012
CIP legal lending limit (interest and principle payment)	\$ 4,261,007*	\$ 4,498,707*	\$4,596,822*

\* 2011 G.O. Capital Improvement Bond sale proceeds were used for ARMER 800 megahertz public safety communication system. By state statute, bond proceeds used for the purchase of ARMER 800 megahertz public safety communication equipment is not included in the CIP annual obligation of debt that cannot exceed 0.0012 times the Market Value for interest and principle payments.

#### G.O. State Aid Road Bonds

Counties may issue general obligation bonds pursuant to Minnesota Statutes, section 162.181 and Chapter 475 for the purpose of financing the costs of State-Aid highway construction projects within the County.

#### Bridge Bonding

The Minnesota Department of Transportation administers the Federal Bridge Replacement funds. The state has finance bridge replacements through a State-bonding program for bridges greater than 20-feet in length.

#### Capital Equipment Notes

Counties are given authority to issue general obligation capital notes by resolution of the County Board without a referendum. General obligation capital notes are subject to the County's debt limit.

#### G.O. County Jail Bonds

Counties may issue general obligation bonds for the creation of a county jail, sheriff's residence or both, pursuant to the provisions of MN Statutes, Chapters 641 and 475.

#### County State-Aid Highways Regular Construction

The purpose of the state-aid program is to provide resources, from the Highway Users Tax Distribution Fund, to assist local governments with the construction and maintenance of community-interest highways and streets on the state-aid system.

#### County State-Aid Highway Municipal Construction

The purpose of the state-aid program is to provide resources, from the Highway Users Tax Distribution Fund, to assist local governments with the construction and maintenance of community-interest highways and streets on the state-aid system to be used on state aid roads in cities whose population is under 5000.



# CIP PROJECTS

## 2015 - 2019

The CIP is organized by year beginning with year 2015 projects.  
These schedules are subject to change due to priority and financial conditions.

Project	Description	General Fund	G.O. Bonds	G.O. Capital Improvement Bonds (CIP)	Capital Notes	Local Road and Bridge Fund	CSAH Regular Construction	CSAH Municipal Construction	Fund 29 State Bridge Bonds	Other Local Funds	Land Records Fund	CSAH General Obligation Bonds	CSAH - Munic General Obligation Bonds	Federal Highway Admin	Grants	Total
<b>HIGHWAY</b>																
CSAH 3 - TH 21 to CSAH 26	Street Reconstruction									\$2,500,000			\$3,400,000			\$5,900,000
CSAH 7 - 0.25 mi N of CSAH 12	Replace Bridge # 7297								\$150,000			\$150,000				\$300,000
CSAH 11 - 1/4 mi N of CSAH 24	Repair Road Slide						\$350,000									\$350,000
CSAH 14 - Waterville to CSAH 6	Final Weaving Surface											\$150,000				\$150,000
CSAH 14 - Herbert St to W Limits	Bituminous Overlay							\$100,000								\$100,000
CSAH 23 - UP RR to TH 112	Reconstruct and Surface						\$47,100					\$1,200,000			\$4,187,900	\$5,435,000
CSAH 28 - CSAH 28 to CSAH 11	Bit Rehab and Overlay			\$2,000,000												\$2,000,000
CSAH 28 at TH 169	Intersection Improvements						\$110,000			\$600,000					\$2,140,000	\$2,850,000
CSAH 32 - CSAH 11 to CSAH 28	Bit Rehab and Overlay			\$1,875,000												\$1,875,000
CSAH 33 - 0.5 mi S. CSAH 28	Replace Bridge 92723						\$20,000		\$120,000			\$100,000				\$240,000
CSAH 52 in Waterville	Replace Bridge 4458						\$150,000		\$150,000							\$300,000
CR 104 - Cleveland to CSAH 18	Bituminous Overlay					\$400,000										\$400,000
CR 104 - CSAH 15 to CR 104	Reconstruct Road			\$925,000												\$925,000
CR 107 - CSAH 18 to CSAH 21	Bituminous Overlay					\$400,000										\$400,000
County Wide	Bituminous Seal Coat					\$200,000	\$300,000									\$500,000
County Wide HSIP	Curve Sign Replacement						\$9,948							\$89,532		\$99,480
County Wide HSIP	Intersection Lighting					\$275,000	\$24,600							\$221,400		\$246,000
Replace Tandem Truck	Unit # 72															\$275,000
<b>MAINTENANCE</b>																
Second Floor Carpet		\$35,000														\$35,000
Facility Study		\$30,000														\$30,000
Replace Maintenance Vehicle		\$20,000														\$20,000
<b>HUMAN SERVICES</b>																
<b>PARKS</b>																
<b>SHERIFF</b>																
Replace Three Squad Cars		\$90,000														\$90,000
In Car Cameras		\$35,000														\$35,000
Montgomery Radio Shed		\$100,000														\$100,000
<b>MIS</b>																
Replacement of Equipment		\$150,000														\$150,000
Virtual Desktops and Servers		\$135,000														\$135,000
<b>EMERGENCY MANAGEMENT</b>																
Replace Vehicle		\$35,000														\$35,000
<b>TOTALS</b>		\$630,000	\$0	\$4,800,000	\$0	\$1,275,000	\$1,011,648	\$100,000	\$420,000	\$3,100,000	\$0	\$1,600,000	\$3,400,000	\$310,932	\$6,327,900	\$22,975,480

Project	Description	General Fund	G.O. Bonds	G.O. Capital Improvement Bonds	Capital Notes	Local Road and Bridge Fund	CSAH Regular Construction	CSAH Municipal Construction	Fund 29 State Bridge Bonds	Other Local Funds	Land Records Fund	CSAH - Munic General Obligation Bonds	Federal Highway Admin	Grants	Total
<b>HIGHWAY</b>															
CSAH 3 - Waseca County to CSAH 14	Bit Rehab and Overlay						\$450,000	\$350,000							\$800,000
CR 126 - CSAH 11 to CSAH 5	Bituminous Overlay					\$500,000									\$500,000
Le Sueur Maintenance Facility	Construct Shop			\$750,000											\$750,000
Replace Tandem Truck						\$275,000									\$275,000
Replace Three Pickup Trucks						\$75,000									\$75,000
<b>MAINTENANCE</b>															
Carpet First Floor		\$45,000													\$45,000
Carpet Jail		\$35,000													\$35,000
Facility Study		\$10,000													\$10,000
<b>HUMAN SERVICES</b>															
<b>PARKS</b>															\$0
															\$0
<b>SHERIFF</b>															
Replace Three Squad Cars		\$90,000													\$90,000
In Car Cameras		\$35,000													\$35,000
<b>MIS</b>															
SQL Licenses		\$5,000													\$5,000
Servers for LRMS		\$12,000													\$12,000
Replacement of Equipment		\$150,000													\$150,000
<b>VETS SERVICES</b>															
Computer														\$5,000	\$5,000
<b>TOTALS</b>		\$382,000	\$0	\$750,000	\$0	\$850,000	\$450,000	\$350,000	\$0	\$0	\$0	\$0	\$0	\$5,000	\$2,787,000

Project	Description	General Fund	G.O. Bonds	G.O. Capital Improvement Bonds	Capital Notes	Local Road and Bridge Fund	CSAH Regular Construction	CSAH Municipal Construction	Fund 29 State Bridge Bonds	Other Local Funds	Land Records Fund	CSAH General Obligation Bonds	CSAH -Munic General Obligation Bonds	Federal Highway Admin	Grants	Total
<b>HIGHWAY</b>																
CSAH 3 - TH 99 to TH 21	Bit Rehab and Overlay						\$1,125,000									\$1,125,000
CSAH 12 - CSAH 13 to CSAH 11	Bit Rehab and Overlay					\$300,000	\$300,000									\$600,000
CSAH 61 - Wasasca Co to TH 60	Bit Rehab and Overlay						\$160,000									\$160,000
CSAH 62 - Wasasca Co to TH 60	Concrete Rehab						\$75,000									\$75,000
CR 131 - CSAH 6 to Waterville	Bituminous Overlay					\$600,000										\$600,000
County Wide	Bituminous Seal Coat					\$200,000	\$300,000									\$500,000
Replace Tandem Truck						\$275,000										\$275,000
Replace Pickup Trucks						\$75,000										\$75,000
Replace Loader						\$125,000										\$125,000
<b>MAINTENANCE</b>																
Facility Study		\$20,000														\$20,000
Seal Coat Parking Lots		\$10,000														\$10,000
<b>HUMAN SERVICES</b>																
																\$0
<b>PARKS</b>																\$0
<b>SHERIFF</b>																
Replace Four Squad Cars		\$120,000														\$120,000
																\$0
<b>MIS</b>																\$0
Replacement of Equipment		\$150,000														\$150,000
																\$0
																\$0
<b>TOTALS</b>		\$300,000	\$0	\$0	\$0	\$1,575,000	\$1,960,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,835,000

Year 2018

Project	Description	General Fund	G.O. Bonds	G.O. Capital Improvement Bonds	Capital Notes	Local Road and Bridge Fund	CSAH Regular Construction	CSAH Municipal Construction	Fund 29 State Bridge Bonds	Other Local Funds	Land Records Fund	CSAH General Obligation Bonds	CSAH - Munic General Obligation Bonds	Federal Highway Admin	Grants	Total
<b>HIGHWAY</b>																
CSAH 10 - CSAH 3 to Rice County	Bit Rehab and Overlay						\$800,000									\$800,000
CSAH 26 - CSAH 5 to Montgomery	Bit Rehab and Overlay						\$2,000,000									\$2,000,000
CR 131 - TH 60 to Rice County	Bituminous Overlay					\$750,000										\$750,000
County Shop in Le Center	Replace County Shop			\$7,000,000												\$7,000,000
Replace Tandem Truck						\$275,000										\$275,000
Replace Tractor and Mower						\$100,000										\$100,000
<b>MAINTENANCE</b>																
																\$0
																\$0
<b>HUMAN SERVICES</b>																
																\$0
<b>PARKS</b>																
																\$0
<b>SHERIFF</b>																
Replace Three Squad Cars		\$90,000														\$90,000
																\$0
																\$0
<b>MIS</b>																
Replacement of Equipment		\$150,000														\$150,000
<b>VETS SERVICES</b>																\$0
	Replace Van	\$30,000														\$30,000
<b>TOTALS</b>		\$270,000	\$0	\$7,000,000	\$0	\$1,125,000	\$2,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,195,000

Project	Description	General Fund	G.O. Bonds	G.O. Capital Improvement Bonds	Capital Notes	Local Road and Bridge Fund	CSAH Regular Construction	CSAH Municipal Construction	Fund 29 State Bridge Bonds	Other Local Funds	Land Records Fund	CSAH General Obligation Bonds	CSAH - Munic General Obligation Bonds	Federal Highway Admin	Grants	Total
<b>HIGHWAY</b>																
CSAH 13 - TH 60 to CSAH 16	Bit Rehab and Overlay						\$1,000,000									\$1,000,000
CSAH 14 - CSAH 11 to CSAH 6	Bit Rehab and Overlay						\$1,000,000	\$400,000								\$1,400,000
CSAH 15 - TH 112 to CSAH 26	Bit Rehab and Overlay						\$320,000							\$1,280,000		\$1,600,000
CR 103 - CR 105 to CR 104	Bituminous Overlay					\$200,000										\$200,000
CR 104 - CSAH 16 to CR 105	Bituminous Overlay					\$700,000										\$700,000
County Wide	Bituminous Seal Coat					\$200,000	\$300,000									\$500,000
Replace Tandem Truck						\$275,000										\$275,000
																\$0
<b>MAINTENANCE</b>																
																\$0
																\$0
																\$0
<b>HUMAN SERVICES</b>																
																\$0
<b>PARKS</b>																
																\$0
<b>SHERIFF</b>																
Replace Three Squad Cars		\$90,000														\$90,000
																\$0
																\$0
<b>MIS</b>																
Replacement of Equipment		\$150,000														\$150,000
																\$0
																\$0
<b>TOTALS</b>		\$240,000	\$0	\$0	\$0	\$1,375,000	\$2,620,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$1,280,000	\$0	\$5,915,000

## COUNTY DEBT AND OVERLAPPING DEBT

The total amount of requested projects under the 2015 – 2019 CIP is \$46,707,480. See **Attachment A, Capital Improvement Funding Summary** for a breakdown of funding sources. If these projects are to be funded, that amount of money must be generated through the tax levy, sale of bonds or taken from county reserves. Some of the funding mechanisms have statutory limits including the G.O. CIP Bonds shown below.

Of the total CIP amount, \$12,550,000 would be funded using Capital Improvement Program General Obligation bonds.

2015	\$4,800,000
2016	\$750,000
2017	\$0
2018	\$7,000,000
2019	\$0

Assuming bonds are paid over 10 years at current market interest rates, the maximum combined annual principal and interest payments are show in Table 1, G.O. Capital Improvement Bonds. This is below the statutory limit of \$4,596,822 to be used for principal and interest payments.

The County reserves the right to vary the term of any borrowing identified in this plan with the understanding that the maximum payment of all outstanding CIP Bonds cannot exceed the statutory limit.

In preparing this Capital Improvement Plan, the County must consider for each project, and the plan as a whole, several factors, including the level of overlapping debt of the County. Attached **Attachment B, County Auditors Report of Outstanding Indebtedness** provides detailed information about the County's overlapping debt status as of December 31, 2013.

## **CONTINUATION OF THE CAPITAL IMPROVEMENT PLAN**

The County Board will use the process outlined on page 2 of this plan and will review the CIP annually. The Board will review proposed projects and may add or delete projects based on priority decisions. While following the CIP process on an annual basis, the Board can continue to provide necessary improvements while keeping debt based spending within reasonable limitations.



Table 1

Estimated G.O. Capital Improvement Bonds

Annual Debt Service Payments

Year	Total Bond Amount	Term (years)	Interest Rate	2015	2016	2017	2018	2019	2020
2014	\$0								
2015	\$4,800,000	10	2.03%			\$535,206	\$535,206	\$535,206	\$535,206
2016	\$750,000	10	2.50%				\$85,694	\$85,694	\$85,694
2017	\$0	10	2.50%					\$0	\$0
2018	\$7,000,000	10	2.50%						\$799,811
2019	\$0	10	2.50%						
2020									
2021									
2022									
2023									
<b>Estimated Total Annual D/S Payments</b>				\$0	\$0	\$535,206	\$620,901	\$620,901	\$1,420,712

# Attachment A Capital Improvement Funding Summary 2015-2019

	General Fund	G.O. Bonds	G.O. Capital Improvement Program (CIP) Bonds	Capital Notes	Local Road and Bridge Fund	CSAH Regular Construction	CSAH Municipal Construction	Fund 29 State Bridge Bonds	Other Local Funds	Land Records Fund	CSAH General Obligation Bonds	CSAH -Munic General Obligation Bonds	Federal Highway Admin	Grants	Total
2015	\$630,000	\$0	\$4,800,000	\$0	\$1,275,000	\$1,011,648	\$100,000	\$420,000	\$3,100,000	\$0	\$1,600,000	\$3,400,000	\$310,932	\$6,327,900	\$22,975,480
2016	\$382,000	\$0	\$750,000	\$0	\$850,000	\$450,000	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$2,787,000
2017	\$300,000	\$0	\$0	\$0	\$1,575,000	\$1,960,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,835,000
2018	\$270,000	\$0	\$7,000,000	\$0	\$1,125,000	\$2,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,195,000
2019	\$240,000	\$0	\$0	\$0	\$1,375,000	\$2,620,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$1,280,000	\$0	\$5,915,000
Total	\$1,822,000	\$0	\$12,550,000	\$0	\$6,200,000	\$8,841,648	\$850,000	\$420,000	\$3,100,000	\$0	\$1,600,000	\$3,400,000	\$1,590,932	\$6,332,900	\$46,707,480

**County Auditors Report of Outstanding Indebtedness**

COUNTY OF: Le Sueur

Name of Governmental Unit	Bonds												Other Long-term Indebtedness (Identify)	State Aid and Tax Anticipation Certificates	Refunding ( Included in Bonds Outstanding)
	Outstanding Jan. 1, 2013	Issued During the Year	Paid During the Year	Bonds Outstanding December 31					2013						
				Total	General Obligation	G. O. Tax Increment	G. O. Special Assessment	G. O. Revenue	Revenue	Other (Identify)					
County															
Le Sueur	15,825,000	0	2,000,000	13,825,000	11,470,000							2,355,000	2,355,000	180,000	
Cities															
Cleveland	2,082,000	0	107,000	1,975,000					1,975,000						
Elysian	2,376,123	0	222,521	2,153,602	670,000		465,000		1,018,602						
Heidelberg	0	0	0	0											
Kasota	0	0	0	0											
Kilkenny	70,000	0	20,000	50,000	50,000										
Le Center	12,534,469	0	874,040	11,660,429	4,143,795		1,412,810		6,103,824						
Le Sueur	35,270,359	1,020,000	2,981,374	33,308,985	4,375,000		10,415,266		15,627,000	855,000	2,036,719			7,090,000	
Montgomery	21,410,410	0	3,740,762	17,669,648	5,524,000				12,092,294		53,354				
New Prague															
Waterville	8,861,000	2,604,000	3,330,000	8,135,000	1,759,832				6,305,168		70,000			2,060,000	
Total of Cities	82,604,361	3,624,000	11,275,697	74,952,664	16,522,627	0	12,293,076		43,121,888	855,000	2,160,073	0		9,150,000	
School District															
Cleveland #391	0	0	0	0											
WEM #2143	0	0	0	0											
LSH #2397	29,030,000	0	850,000	28,180,000	28,180,000									13,340,000	
Tri City United #2905	44,105,953	9,999,000	1,250,000	52,854,953	52,854,953									8,430,000	
Mankato #77															
St Peter #508															
Belle Plaine #716															
New Prague #721															
Total of Schools	73,135,953	9,999,000	2,100,000	81,034,953	81,034,953	0	0	0	0	0	0	0	0	21,770,000	
Townships															
Washington Township	130,846	0	43,777	87,069					87,069						
Total of Townships	130,846	0	43,777	87,069	0	0	0	0	87,069	0	0	0	0	0	
Special District															
Lake Washington San Sewer	5,312,545	2,530,000	1,550,220	6,292,325					6,292,325				5,652,325	640,000	
Total of Spec Dist	5,312,545	2,530,000	1,550,220	6,292,325	0	0	0	0	6,292,325	0	0	0	5,652,325	640,000	
GRAND TOTAL	177,008,705	16,153,000	16,969,694	176,192,011	109,027,580	0	12,380,145	0	49,414,213	855,000	4,515,073	5,722,325	2,355,000	31,740,000	

## Le Sueur County, Minnesota

### \$9,975,000 General Obligation Bonds, Series 2015

#### Issue Summary

Assumes Current Market BQ AA Rates plus 25bp

#### Total Issue Sources And Uses

Dated 02/12/2015 | Delivered 02/12/2015

	State Aid	CIP	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds	\$5,090,000.00	\$4,885,000.00	\$9,975,000.00
<b>Total Sources</b>	<b>\$5,090,000.00</b>	<b>\$4,885,000.00</b>	<b>\$9,975,000.00</b>
<b>Uses Of Funds</b>			
Total Underwriter's Discount (1.000%)	50,900.00	48,850.00	99,750.00
Costs of Issuance	36,739.85	35,260.15	72,000.00
Deposit to Project Construction Fund	5,000,000.00	4,800,000.00	9,800,000.00
Rounding Amount	2,360.15	889.85	3,250.00
<b>Total Uses</b>	<b>\$5,090,000.00</b>	<b>\$4,885,000.00</b>	<b>\$9,975,000.00</b>

Series 2015 GO Bonds - #3 | Issue Summary | 11/13/2014 | 4:39 PM



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LEADERS IN PUBLIC FINANCE

# Le Sueur County, Minnesota

## \$9,975,000 General Obligation Bonds, Series 2015

### Issue Summary

Assumes Current Market BQ AA Rates plus 25bp

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy	Fiscal Total
02/12/2015	-	-	-	-	-	-
02/01/2016	-	-	172,490.83	172,490.83	181,115.37	181,115.37
08/01/2016	-	-	88,963.75	88,963.75	93,411.94	-
02/01/2017	940,000.00	0.800%	88,963.75	1,028,963.75	1,080,411.94	1,173,823.88
08/01/2017	-	-	85,203.75	85,203.75	89,463.94	-
02/01/2018	945,000.00	0.950%	85,203.75	1,030,203.75	1,081,713.94	1,171,177.88
08/01/2018	-	-	80,715.00	80,715.00	84,750.75	-
02/01/2019	950,000.00	1.200%	80,715.00	1,030,715.00	1,082,250.75	1,167,001.50
08/01/2019	-	-	75,015.00	75,015.00	78,765.75	-
02/01/2020	965,000.00	1.450%	75,015.00	1,040,015.00	1,092,015.75	1,170,781.50
08/01/2020	-	-	68,018.75	68,018.75	71,419.69	-
02/01/2021	980,000.00	1.650%	68,018.75	1,048,018.75	1,100,419.69	1,171,839.38
08/01/2021	-	-	59,933.75	59,933.75	62,930.44	-
02/01/2022	1,000,000.00	1.900%	59,933.75	1,059,933.75	1,112,930.44	1,175,860.88
08/01/2022	-	-	50,433.75	50,433.75	52,955.44	-
02/01/2023	1,015,000.00	2.150%	50,433.75	1,065,433.75	1,118,705.44	1,171,660.88
08/01/2023	-	-	39,522.50	39,522.50	41,498.63	-
02/01/2024	1,035,000.00	2.350%	39,522.50	1,074,522.50	1,128,248.63	1,169,747.25
08/01/2024	-	-	27,361.25	27,361.25	28,729.31	-
02/01/2025	1,060,000.00	2.450%	27,361.25	1,087,361.25	1,141,729.31	1,170,458.63
08/01/2025	-	-	14,376.25	14,376.25	15,095.06	-
02/01/2026	1,085,000.00	2.650%	14,376.25	1,099,376.25	1,154,345.06	1,169,440.13
<b>Total</b>	<b>\$9,975,000.00</b>	<b>-</b>	<b>\$1,351,578.33</b>	<b>\$11,326,578.33</b>	<b>\$11,892,907.25</b>	<b>-</b>

### Significant Dates

Dated	2/12/2015
First Coupon Date	2/01/2016

### Yield Statistics

Bond Year Dollars	\$65,885.21
Average Life	6.605 Years
Average Coupon	2.0514139%
Net Interest Cost (NIC)	2.2028136%
True Interest Cost (TIC)	2.2010284%
Bond Yield for Arbitrage Purposes	2.0365863%
All Inclusive Cost (AIC)	2.3210792%

### IRS Form 8038

Net Interest Cost	2.0514139%
Weighted Average Maturity	6.605 Years

Series 2015 GO Bonds - #3 | Issue Summary | 11/13/2014 | 4:39 PM



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# Le Sueur County, Minnesota

## \$5,090,000 General Obligation Bonds, Series 2015

State Aid

Assumes Current Market BQ AA Rates plus 25bp

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy	Fiscal Total
02/12/2015	-	-	-	-	-	-
02/01/2016	-	-	88,061.91	88,061.91	92,465.01	92,465.01
08/01/2016	-	-	45,418.75	45,418.75	47,689.69	-
02/01/2017	480,000.00	0.800%	45,418.75	525,418.75	551,689.69	599,379.38
08/01/2017	-	-	43,498.75	43,498.75	45,673.69	-
02/01/2018	480,000.00	0.950%	43,498.75	523,498.75	549,673.69	595,347.38
08/01/2018	-	-	41,218.75	41,218.75	43,279.69	-
02/01/2019	485,000.00	1.200%	41,218.75	526,218.75	552,529.69	595,809.38
08/01/2019	-	-	38,308.75	38,308.75	40,224.19	-
02/01/2020	490,000.00	1.450%	38,308.75	528,308.75	554,724.19	594,948.38
08/01/2020	-	-	34,756.25	34,756.25	36,494.06	-
02/01/2021	500,000.00	1.650%	34,756.25	534,756.25	561,494.06	597,988.13
08/01/2021	-	-	30,631.25	30,631.25	32,162.81	-
02/01/2022	510,000.00	1.900%	30,631.25	540,631.25	567,662.81	599,825.63
08/01/2022	-	-	25,786.25	25,786.25	27,075.56	-
02/01/2023	520,000.00	2.150%	25,786.25	545,786.25	573,075.56	600,151.13
08/01/2023	-	-	20,196.25	20,196.25	21,206.06	-
02/01/2024	530,000.00	2.350%	20,196.25	550,196.25	577,706.06	598,912.13
08/01/2024	-	-	13,968.75	13,968.75	14,667.19	-
02/01/2025	540,000.00	2.450%	13,968.75	553,968.75	581,667.19	596,334.38
08/01/2025	-	-	7,353.75	7,353.75	7,721.44	-
02/01/2026	555,000.00	2.650%	7,353.75	562,353.75	590,471.44	598,192.88
<b>Total</b>	<b>\$5,090,000.00</b>	<b>-</b>	<b>\$690,336.91</b>	<b>\$5,780,336.91</b>	<b>\$6,069,353.76</b>	<b>-</b>

### Significant Dates

Dated	2/12/2015
First Coupon Date	2/01/2016

### Yield Statistics

Bond Year Dollars	\$33,639.47
Average Life	6.609 Years
Average Coupon	2.0521633%
Net Interest Cost (NIC)	2.2034737%
True Interest Cost (TIC)	2.2017011%
Bond Yield for Arbitrage Purposes	2.0365863%
All Inclusive Cost (AIC)	2.3216891%

### IRS Form 8038

Net Interest Cost	2.0521633%
Weighted Average Maturity	6.609 Years

Series 2015 GO Bonds - #3 | State Aid | 11/13/2014 | 4:39 PM



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# Le Sueur County, Minnesota

## \$4,885,000 General Obligation Bonds, Series 2015

CIP

Assumes Current Market BQ AA Rates plus 25bp

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy	Fiscal Total
02/12/2015	-	-	-	-	-	-
02/01/2016	-	-	84,428.92	84,428.92	88,650.37	88,650.37
08/01/2016	-	-	43,545.00	43,545.00	45,722.25	-
02/01/2017	460,000.00	0.800%	43,545.00	503,545.00	528,722.25	574,444.50
08/01/2017	-	-	41,705.00	41,705.00	43,790.25	-
02/01/2018	465,000.00	0.950%	41,705.00	506,705.00	532,040.25	575,830.50
08/01/2018	-	-	39,496.25	39,496.25	41,471.06	-
02/01/2019	465,000.00	1.200%	39,496.25	504,496.25	529,721.06	571,192.13
08/01/2019	-	-	36,706.25	36,706.25	38,541.56	-
02/01/2020	475,000.00	1.450%	36,706.25	511,706.25	537,291.56	575,833.13
08/01/2020	-	-	33,262.50	33,262.50	34,925.63	-
02/01/2021	480,000.00	1.650%	33,262.50	513,262.50	538,925.63	573,851.25
08/01/2021	-	-	29,302.50	29,302.50	30,767.63	-
02/01/2022	490,000.00	1.900%	29,302.50	519,302.50	545,267.63	576,035.25
08/01/2022	-	-	24,647.50	24,647.50	25,879.88	-
02/01/2023	495,000.00	2.150%	24,647.50	519,647.50	545,629.88	571,509.75
08/01/2023	-	-	19,326.25	19,326.25	20,292.56	-
02/01/2024	505,000.00	2.350%	19,326.25	524,326.25	550,542.56	570,835.13
08/01/2024	-	-	13,392.50	13,392.50	14,062.13	-
02/01/2025	520,000.00	2.450%	13,392.50	533,392.50	560,062.13	574,124.25
08/01/2025	-	-	7,022.50	7,022.50	7,373.63	-
02/01/2026	530,000.00	2.650%	7,022.50	537,022.50	563,873.63	571,247.25
<b>Total</b>	<b>\$4,885,000.00</b>	<b>-</b>	<b>\$661,241.42</b>	<b>\$5,546,241.42</b>	<b>\$5,823,553.49</b>	<b>-</b>

### Significant Dates

Dated	2/12/2015
First Coupon Date	2/01/2016

### Yield Statistics

Bond Year Dollars	\$32,245.74
Average Life	6.601 Years
Average Coupon	2.0506321%
Net Interest Cost (NIC)	2.2021250%
True Interest Cost (TIC)	2.2003266%
Bond Yield for Arbitrage Purposes	2.0365863%
All Inclusive Cost (AIC)	2.3204429%

### IRS Form 8038

Net Interest Cost	2.0506321%
Weighted Average Maturity	6.601 Years

Series 2015 GO Bonds - #3 | CIP | 11/13/2014 | 4:39 PM



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Le Sueur County, Minnesota  
General Obligation Capital Improvement Bonds Max Debt Calculation

Calendar Year	Aggregate Debt Service - Accrual Basis						Total P&I
	Series 2005B	Series 2006A	Series 2007A	Series 2008A	ARMER Series 2011A	Projected Series 2015 CIP	
2015	187,785.00	225,000.00	226,728.00	367,047.50	336,672.50		1,343,233.00
2016	187,441.25	223,500.00	225,425.00	367,797.50	333,410.00	127,882.92	1,465,456.67
2017	186,835.00	226,700.00	223,925.00	367,522.50	334,165.00	545,250.00	1,884,397.50
2018	185,963.75	224,600.00	227,125.00	366,522.50	334,030.00	546,201.25	1,884,442.50
2019	189,680.00	227,200.00	225,025.00	365,122.50	338,000.00	541,202.50	1,886,230.00
2020	187,980.00	224,500.00	227,625.00	368,222.50	336,122.50	544,968.75	1,889,418.75
2021	186,036.25	226,500.00	224,925.00	370,562.50	338,356.25	542,565.00	1,888,945.00
2022	188,746.25	228,100.00	226,925.00	367,072.50	<b>339,606.25</b>	543,950.00	<b>1,894,400.00</b>
2023		224,400.00	228,525.00	367,811.25		538,973.75	1,359,710.00
2024			229,612.50	367,740.00		537,718.75	1,135,071.25
2025						540,415.00	540,415.00
2026						537,022.50	537,022.50
2027							
2028							
2029							
2030							
2031							
	1,500,467.50	2,030,500.00	2,265,840.50	3,675,421.25	2,690,362.50	5,546,150.42	17,708,742.17

**Calculation of CIP Debit Limit**

2015 Estimated Taxable Market Value Times	\$3,830,684,900
Maximum Annual Debt Service Allowed	<u>0.12000%</u> \$4,596,822
Less Maximum Annual Debt Service on Existing and Proposed Debt Difference	<u>\$1,894,400</u> \$2,702,422
Plus Annual Debt Service for Series 2011A used for construction of ARMER 800 mhz	<u>\$339,606</u>
Remaining Capacity for Annual Debt Service	\$3,042,028





At \_\_\_\_\_a.m. the Chairperson called the Public Hearing for the approval of the **2015 to 2019** Capital Improvement Bonds pursuant to Minnesota Statutes, Section 373.40.

The Chairperson stated that this was the time and place fixed for a public hearing to be held on the County's Capital Improvement Plan (the "Plan") and issuance of bonds (the "Bonds") under Minnesota Statutes, Section 373.40. The County Administrator presented an affidavit showing publication of the notice of public hearing at least fourteen (14) but not more than twenty-eight (28) days prior to the date fixed for the public hearing in the **Lake Region Life** , being the official newspaper of the County. The affidavit was examined, found to be satisfactory and ordered it to be placed on file with the County Administrator.

The Chairperson then opened the meeting for the public hearing on the proposal to adopt the Plan and approve the issuance of the Bonds. The purpose of the hearing was explained, the nature of the Plan and the Bonds was discussed and all persons present who desired to do so were afforded an opportunity to express their views with respect to the proposal to approve the Plan and issue the Bonds.

With \_\_\_\_\_comments being received from the public on the proposals, at a.m. the Chairperson declared the public hearing to be closed.

On motion by \_\_\_\_\_, seconded by \_\_\_\_\_, and unanimously approved, the Board approved the following resolution:

**RESOLUTION RELATING TO APPROVAL OF A CAPITAL  
IMPROVEMENT PLAN AND ISSUANCE OF GENERAL OBLIGATION CAPITAL  
IMPROVEMENT PLAN BONDS, SERIES 2015A**

BE IT RESOLVED by the Board of Commissioners (the Board) of Le Sueur County, Minnesota (the Issuer), as follows:

WHEREAS, the Issuer has published notice of its intent to hold a hearing on the issuance of capital improvement plan bonds under Minnesota Statutes, Section 373.40 (the “Bonds”) and on its proposed Capital Improvement Plan (the “Plan”), at least fourteen (14) but not more than twenty-eight (28) days prior to the date hereof, pursuant to and in accordance with Minnesota Statutes, Section 373.40 (the “Act”); and

WHEREAS, the Board held a public hearing on the date hereof on the Plan and on the issuance of the Bonds to finance capital improvements **to several county roads and bridges, as detailed in the County's 2015 - 2019 Capital Improvement Plan. The two statutory authorities for the issue are County Capital Improvement Plan (CIP) Bonds and County State Aid Bonds. The CIP will comprise \$4,885,000, funding improvements to CSAH 28, CSAH 32 and County Road 104. The County will pay debt service with future ad valorem property taxes. The State Aid will comprise \$5,090,000, funding improvements to CSAH 3, CSAH 7, CSAH 14, CSAH 23, and CSAH 33. The County will pay debt service with future state aid revenues. As described in the Act and in the Plan (the “Project”);**

WHEREAS, the Board has considered the factors described in subdivision 3 of the Act with respect to the Plan;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby a) approves the Plan, and (b) authorizes the issuance of the Bonds in an amount not to exceed **\$9,975,000**. Pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, paragraph (9), Ehlers & Associates is authorized to prepare and distribute an Official Statement and to solicit proposals for the Bonds on behalf of the County on a negotiated basis. This Board shall meet on **January 27, 2015**, for the purpose of considering proposals for the purchase of the Bonds and of taking such action thereon as may be in the best interests of the County.