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# Le Sueur County, MN

Tuesday, October 20, 2015

Board Meeting

## Item 8

**11:05 a.m. Todd Hagen, Ehlers (15 min)**

*RE: Pre-Sale Report Presentation*

Staff Contact:

October 20, 2015

## Pre-Sale Report for

Le Sueur County, Minnesota

\$2,575,000 General Obligation Bonds, Series 2015B



**Prepared by:**

Bruce Kimmel  
Senior Municipal Advisor

And

Todd Hagen  
Senior Municipal Advisor



## Executive Summary of Proposed Debt

Proposed Issue:	\$2,575,000 General Obligation Bonds, Series 2015B
Purposes:	<p>The proposed issue includes financing for the following purposes:</p> <ul style="list-style-type: none"> <li>To fund up to \$1.5 million of loans to County property owners through the Septic Upgrade Loan Program, and</li> <li>To effect a current refunding of the County's outstanding General Obligation Capital Improvement Plan Bonds, Series 2005B. Interest rates on the obligations proposed to be refunded are 3.85% to 4.05% and the estimated refunding rates are 0.80% to 1.70%. The refunding is expected to reduce the County's net interest expense by roughly \$67,213 over the next 6 years. The Net Present Value Benefit of the refunding is estimated to equal to 5.892% of the refunded principal.</li> </ul> <p>This refunding is considered to be a Current Refunding as the obligations being refunded are either callable (pre-payable) now, or will be within 90 days of the date of issue of the new Bonds.</p> <p>Debt service for both purposes will be paid from general ad valorem taxes, although the County may determine whether to use Sulp loan repayments to reimburse itself for any portion of its Sulp-related debt service.</p>
Authority:	<p>The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475 and Section 115.57. The Bonds count against the County's General Obligation Debt Capacity Limit of 3% of market value.</p> <p>The Bonds will be general obligations of the County for which its full faith, credit and taxing powers are pledged.</p>
Term/Call Feature:	<p>The Bonds are being issued for just over a 10-year term, with the refunding portion extending 6 years of that 10 year total. Principal on the Bonds will be due on February 1 in the years 2017 through 2026. Interest is payable every six months beginning August 1, 2016.</p> <p>The Bonds maturing on and after February 1, 2025 will be pre-payable at the County's sole discretion on February 1, 2024 or any date thereafter.</p>
Bank Qualification:	<p>Because the County is expecting to issue no more than \$10,000,000 in tax exempt debt during the 2015 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.</p>
Rating:	<p>The County's most recent bond issues were rated "AA" by Standard &amp; Poor's. The County will request a new rating for the Bonds.</p>



Basis for Recommendation:	After considering several options, the County determined that a 10-year repayment of the \$1.5 million Sulp funding purpose best met its objectives.
Method of Sale/Placement:	<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 1.20% of the principal amount of the issue. The discount provides the underwriter with all or a portion of its compensation in the transaction. If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower the County's borrowing amount.</p> <p><b>Premium Bids:</b> 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 any premium to reduce the size of the issue. The adjustments may slightly change the true interest cost of the original bid, either up or down.</p>
Review of Existing Debt:	We have reviewed all outstanding indebtedness for the County and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time. 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.
Continuing Disclosure:	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 "material 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.
Arbitrage Monitoring:	Because the Bonds are tax-exempt securities, the County must ensure compliance with certain 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, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds 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>Risk Factors:</p>	<p><b>Current Refunding:</b> The Bonds are being issued for the purpose of current refunding prior County debt obligations. Those prior debt obligations are “callable” now and can therefore be paid off within 90 days or less. The new Bonds will not be pre-payable before the refunding portion matures in full. This refunding is being undertaken based in part on an assumption that the County does not expect to have future revenues to pay off this debt and that market conditions warrant the refinancing at this time.</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. 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><b>Bond Attorney:</b> Dorsey &amp; Whitney LLP</p> <p><b>Paying Agent:</b> Bond Trust Services Corporation</p> <p><b>Rating Agency:</b> Standard &amp; Poor’s</p>

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:	October 20, 2015
Distribute Official Statement:	Week of November 2, 2015
Conference with Rating Agency:	Week of November 2, 2015
Board of Commissioners Awards Sale of the Bonds:	November 17, 2015
Estimated Closing Date:	December 15, 2015
Redemption Date for Series 2005B Bonds	February 1, 2016

## Attachments

Sources and Uses of Funds  
Proposed Debt Service Schedule  
Refunding Savings Analysis  
Resolution Authorizing Ehlers to Proceed with Bond Sale

## Ehlers Contacts

Municipal Advisors:	Bruce Kimmel	(651) 697-8572
	Todd Hagen	(651) 697-8508
Disclosure Coordinator:	Elizabeth Greiter	(651) 697-8550
Financial Analyst:	Alicia Gage	(651) 697-8551

The Official Statement for this financing will be mailed to the Board of Commissioners at their home addresses or e-mailed for review prior to the sale date.



# Le Sueur County, Minnesota

\$2,575,000 General Obligation Bonds, Series 2015B

Issue Summary

Assumes Current Market BQ AA Rates plus 25bp

## Total Issue Sources And Uses

Dated 12/15/2015 | Delivered 12/15/2015

	Septic Loan Program - New Money	Current Ref 05B Bds	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds	\$1,550,000.00	\$1,025,000.00	\$2,575,000.00
<b>Total Sources</b>	<b>\$1,550,000.00</b>	<b>\$1,025,000.00</b>	<b>\$2,575,000.00</b>
<b>Uses Of Funds</b>			
Total Underwriter's Discount (1.200%)	18,600.00	12,300.00	30,900.00
Costs of Issuance	26,485.44	17,514.56	44,000.00
Deposit to Project Construction Fund	1,500,000.00	-	1,500,000.00
Deposit to Current Refunding Fund	-	1,000,000.00	1,000,000.00
Rounding Amount	4,914.56	(4,814.56)	100.00
<b>Total Uses</b>	<b>\$1,550,000.00</b>	<b>\$1,025,000.00</b>	<b>\$2,575,000.00</b>

Series 2015B GO Bonds - P | Issue Summary | 10/13/2015 | 2:52 PM



# Le Sueur County, Minnesota

\$2,575,000 General Obligation Bonds, Series 2015B

Issue Summary

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/15/2015	-	-	-	-	-
08/01/2016	-	-	23,584.04	23,584.04	-
02/01/2017	310,000.00	0.800%	18,783.75	328,783.75	352,367.79
08/01/2017	-	-	17,543.75	17,543.75	-
02/01/2018	310,000.00	0.950%	17,543.75	327,543.75	345,087.50
08/01/2018	-	-	16,071.25	16,071.25	-
02/01/2019	320,000.00	1.200%	16,071.25	336,071.25	352,142.50
08/01/2019	-	-	14,151.25	14,151.25	-
02/01/2020	320,000.00	1.350%	14,151.25	334,151.25	348,302.50
08/01/2020	-	-	11,991.25	11,991.25	-
02/01/2021	330,000.00	1.500%	11,991.25	341,991.25	353,982.50
08/01/2021	-	-	9,516.25	9,516.25	-
02/01/2022	335,000.00	1.700%	9,516.25	344,516.25	354,032.50
08/01/2022	-	-	6,668.75	6,668.75	-
02/01/2023	160,000.00	1.850%	6,668.75	166,668.75	173,337.50
08/01/2023	-	-	5,188.75	5,188.75	-
02/01/2024	160,000.00	2.000%	5,188.75	165,188.75	170,377.50
08/01/2024	-	-	3,588.75	3,588.75	-
02/01/2025	165,000.00	2.100%	3,588.75	168,588.75	172,177.50
08/01/2025	-	-	1,856.25	1,856.25	-
02/01/2026	165,000.00	2.250%	1,856.25	166,856.25	168,712.50
<b>Total</b>	<b>\$2,575,000.00</b>	<b>-</b>	<b>\$215,520.29</b>	<b>\$2,790,520.29</b>	<b>-</b>

## Yield Statistics

Bond Year Dollars	\$12,694.03
Average Life	4.930 Years
Average Coupon	1.6978086%
Net Interest Cost (NIC)	1.9412301%
True Interest Cost (TIC)	1.9479365%
Bond Yield for Arbitrage Purposes	1.6892714%
All Inclusive Cost (AIC)	2.3240842%

## IRS Form 8038

Net Interest Cost	1.6978086%
Weighted Average Maturity	4.930 Years



# Le Sueur County, Minnesota

\$2,575,000 General Obligation Bonds, Series 2015B

Issue Summary

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2016	-	-	-	-	-
02/01/2017	310,000.00	0.800%	42,367.79	352,367.79	369,986.18
02/01/2018	310,000.00	0.950%	35,087.50	345,087.50	362,341.88
02/01/2019	320,000.00	1.200%	32,142.50	352,142.50	369,749.63
02/01/2020	320,000.00	1.350%	28,302.50	348,302.50	365,717.63
02/01/2021	330,000.00	1.500%	23,982.50	353,982.50	371,681.63
02/01/2022	335,000.00	1.700%	19,032.50	354,032.50	371,734.13
02/01/2023	160,000.00	1.850%	13,337.50	173,337.50	182,004.38
02/01/2024	160,000.00	2.000%	10,377.50	170,377.50	178,896.38
02/01/2025	165,000.00	2.100%	7,177.50	172,177.50	180,786.38
02/01/2026	165,000.00	2.250%	3,712.50	168,712.50	177,148.13
<b>Total</b>	<b>\$2,575,000.00</b>	<b>-</b>	<b>\$215,520.29</b>	<b>\$2,790,520.29</b>	<b>\$2,930,046.30</b>

## Significant Dates

Dated	12/15/2015
First Coupon Date	8/01/2016

## Yield Statistics

Bond Year Dollars	\$12,694.03
Average Life	4.930 Years
Average Coupon	1.6978086%
Net Interest Cost (NIC)	1.9412301%
True Interest Cost (TIC)	1.9479365%
Bond Yield for Arbitrage Purposes	1.6892714%
All Inclusive Cost (AIC)	2.3240842%

## IRS Form 8038

Net Interest Cost	1.6978086%
Weighted Average Maturity	4.930 Years

# Le Sueur County, Minnesota

\$1,550,000 General Obligation Bonds, Series 2015B

Septic Loan Program - New Money

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/15/2015	-	-	-	-	-
08/01/2016	-	-	15,481.00	15,481.00	-
02/01/2017	145,000.00	0.800%	12,330.00	157,330.00	172,811.00
08/01/2017	-	-	11,750.00	11,750.00	-
02/01/2018	145,000.00	0.950%	11,750.00	156,750.00	168,500.00
08/01/2018	-	-	11,061.25	11,061.25	-
02/01/2019	150,000.00	1.200%	11,061.25	161,061.25	172,122.50
08/01/2019	-	-	10,161.25	10,161.25	-
02/01/2020	150,000.00	1.350%	10,161.25	160,161.25	170,322.50
08/01/2020	-	-	9,148.75	9,148.75	-
02/01/2021	155,000.00	1.500%	9,148.75	164,148.75	173,297.50
08/01/2021	-	-	7,986.25	7,986.25	-
02/01/2022	155,000.00	1.700%	7,986.25	162,986.25	170,972.50
08/01/2022	-	-	6,668.75	6,668.75	-
02/01/2023	160,000.00	1.850%	6,668.75	166,668.75	173,337.50
08/01/2023	-	-	5,188.75	5,188.75	-
02/01/2024	160,000.00	2.000%	5,188.75	165,188.75	170,377.50
08/01/2024	-	-	3,588.75	3,588.75	-
02/01/2025	165,000.00	2.100%	3,588.75	168,588.75	172,177.50
08/01/2025	-	-	1,856.25	1,856.25	-
02/01/2026	165,000.00	2.250%	1,856.25	166,856.25	168,712.50
<b>Total</b>	<b>\$1,550,000.00</b>	<b>-</b>	<b>\$162,631.00</b>	<b>\$1,712,631.00</b>	<b>-</b>

## Yield Statistics

Bond Year Dollars	\$8,923.06
Average Life	5.757 Years
Average Coupon	1.8225932%
Net Interest Cost (NIC)	2.0310419%
True Interest Cost (TIC)	2.0381782%
Bond Yield for Arbitrage Purposes	1.6892714%
All Inclusive Cost (AIC)	2.3637183%

## IRS Form 8038

Net Interest Cost	1.8225932%
Weighted Average Maturity	5.757 Years

Series 2015B GO Bonds - P | Septic Loan Program - New | 10/13/2015 | 2:52 PM



# Le Sueur County, Minnesota

\$1,550,000 General Obligation Bonds, Series 2015B

Septic Loan Program - New Money

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2016	-	-	-	-	-
02/01/2017	145,000.00	0.800%	27,811.00	172,811.00	181,451.55
02/01/2018	145,000.00	0.950%	23,500.00	168,500.00	176,925.00
02/01/2019	150,000.00	1.200%	22,122.50	172,122.50	180,728.63
02/01/2020	150,000.00	1.350%	20,322.50	170,322.50	178,838.63
02/01/2021	155,000.00	1.500%	18,297.50	173,297.50	181,962.38
02/01/2022	155,000.00	1.700%	15,972.50	170,972.50	179,521.13
02/01/2023	160,000.00	1.850%	13,337.50	173,337.50	182,004.38
02/01/2024	160,000.00	2.000%	10,377.50	170,377.50	178,896.38
02/01/2025	165,000.00	2.100%	7,177.50	172,177.50	180,786.38
02/01/2026	165,000.00	2.250%	3,712.50	168,712.50	177,148.13
<b>Total</b>	<b>\$1,550,000.00</b>	<b>-</b>	<b>\$162,631.00</b>	<b>\$1,712,631.00</b>	<b>\$1,798,262.55</b>

## Significant Dates

Dated	12/15/2015
First Coupon Date	8/01/2016

## Yield Statistics

Bond Year Dollars	\$8,923.06
Average Life	5.757 Years
Average Coupon	1.8225932%
Net Interest Cost (NIC)	2.0310419%
True Interest Cost (TIC)	2.0381782%
Bond Yield for Arbitrage Purposes	1.6892714%
All Inclusive Cost (AIC)	2.3637183%

## IRS Form 8038

Net Interest Cost	1.8225932%
Weighted Average Maturity	5.757 Years

# Le Sueur County, Minnesota

\$1,025,000 General Obligation Bonds, Series 2015B

Current Ref 05B Bds

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/15/2015	-	-	-	-	-
08/01/2016	-	-	8,103.04	8,103.04	-
02/01/2017	165,000.00	0.800%	6,453.75	171,453.75	179,556.79
08/01/2017	-	-	5,793.75	5,793.75	-
02/01/2018	165,000.00	0.950%	5,793.75	170,793.75	176,587.50
08/01/2018	-	-	5,010.00	5,010.00	-
02/01/2019	170,000.00	1.200%	5,010.00	175,010.00	180,020.00
08/01/2019	-	-	3,990.00	3,990.00	-
02/01/2020	170,000.00	1.350%	3,990.00	173,990.00	177,980.00
08/01/2020	-	-	2,842.50	2,842.50	-
02/01/2021	175,000.00	1.500%	2,842.50	177,842.50	180,685.00
08/01/2021	-	-	1,530.00	1,530.00	-
02/01/2022	180,000.00	1.700%	1,530.00	181,530.00	183,060.00
<b>Total</b>	<b>\$1,025,000.00</b>	<b>-</b>	<b>\$52,889.29</b>	<b>\$1,077,889.29</b>	<b>-</b>

## Yield Statistics

Bond Year Dollars	\$3,770.97
Average Life	3.679 Years
Average Coupon	1.4025372%
Net Interest Cost (NIC)	1.7287131%
True Interest Cost (TIC)	1.7392742%
Bond Yield for Arbitrage Purposes	1.6892714%
All Inclusive Cost (AIC)	2.2328766%

## IRS Form 8038

Net Interest Cost	1.4025372%
Weighted Average Maturity	3.679 Years

# Le Sueur County, Minnesota

\$1,025,000 General Obligation Bonds, Series 2015B

Current Ref 05B Bds

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
02/01/2016	-	-	-	-
02/01/2017	179,556.79	179,556.79	189,722.50	10,165.71
02/01/2018	176,587.50	176,587.50	188,947.50	12,360.00
02/01/2019	180,020.00	180,020.00	192,980.00	12,960.00
02/01/2020	177,980.00	177,980.00	191,380.00	13,400.00
02/01/2021	180,685.00	180,685.00	189,580.00	8,895.00
02/01/2022	183,060.00	183,060.00	192,492.50	9,432.50
<b>Total</b>	<b>\$1,077,889.29</b>	<b>\$1,077,889.29</b>	<b>\$1,145,102.50</b>	<b>\$67,213.21</b>

## PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	63,730.14
Net PV Cashflow Savings @ 1.689%(Bond Yield).....	63,730.14
Contingency or Rounding Amount.....	(4,814.56)
Net Present Value Benefit	\$58,915.58
Net PV Benefit / \$1,078,227.92 PV Refunded Debt Service	5.464%
Net PV Benefit / \$1,000,000 Refunded Principal...	5.892%
Net PV Benefit / \$1,025,000 Refunding Principal..	5.748%

## Refunding Bond Information

Refunding Dated Date	12/15/2015
Refunding Delivery Date	12/15/2015

# Le Sueur County, Minnesota

\$1,025,000 General Obligation Bonds, Series 2015B

Current Ref 05B Bds

Assumes Current Market BQ AA Rates plus 25bp

## Current Refunding Escrow

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
12/15/2015	-	-	-	-	-
02/01/2016	1,000,000.00	-	1,000,000.00	1,000,000.00	-
<b>Total</b>	<b>\$1,000,000.00</b>	-	<b>\$1,000,000.00</b>	<b>\$1,000,000.00</b>	-

## Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cost of Investments Purchased with Bond Proceeds	1,000,000.00
Total Cost of Investments	\$1,000,000.00
Target Cost of Investments at bond yield	\$997,852.86
Actual positive or (negative) arbitrage	(2,147.14)
Yield to Receipt	-6.12E-12
Yield for Arbitrage Purposes	1.6892714%
State and Local Government Series (SLGS) rates for	9/10/2015

Series 2015B GO Bonds - P | Current Ref 05B Bds | 10/13/2015 | 2:53 PM



# Le Sueur County, MN

\$2,145,000 G.O. Capital Improvement Plan Bonds, Series 2005B

## Total Refunded Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2016	-	-	19,861.25	19,861.25	-
02/01/2017	150,000.00	3.850%	19,861.25	169,861.25	189,722.50
08/01/2017	-	-	16,973.75	16,973.75	-
02/01/2018	155,000.00	3.850%	16,973.75	171,973.75	188,947.50
08/01/2018	-	-	13,990.00	13,990.00	-
02/01/2019	165,000.00	4.000%	13,990.00	178,990.00	192,980.00
08/01/2019	-	-	10,690.00	10,690.00	-
02/01/2020	170,000.00	4.000%	10,690.00	180,690.00	191,380.00
08/01/2020	-	-	7,290.00	7,290.00	-
02/01/2021	175,000.00	4.050%	7,290.00	182,290.00	189,580.00
08/01/2021	-	-	3,746.25	3,746.25	-
02/01/2022	185,000.00	4.050%	3,746.25	188,746.25	192,492.50
<b>Total</b>	<b>\$1,000,000.00</b>	<b>-</b>	<b>\$145,102.50</b>	<b>\$1,145,102.50</b>	<b>-</b>

## Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/15/2015
Average Life	3.748 Years
Average Coupon	4.0071253%
Weighted Average Maturity (Par Basis)	3.748 Years

## Refunding Bond Information

Refunding Dated Date	12/15/2015
Refunding Delivery Date	12/15/2015

# Le Sueur County, MN

\$2,145,000 G.O. Capital Improvement Plan Bonds, Series 2005B

## Debt Service To Maturity And To Call

Date	Refunded Bonds	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/15/2015	-	-	-	-	-	-
02/01/2016	1,000,000.00	1,000,000.00	-	-	-	-
08/01/2016	-	-	-	-	19,861.25	19,861.25
02/01/2017	-	-	150,000.00	3.850%	19,861.25	169,861.25
08/01/2017	-	-	-	-	16,973.75	16,973.75
02/01/2018	-	-	155,000.00	3.850%	16,973.75	171,973.75
08/01/2018	-	-	-	-	13,990.00	13,990.00
02/01/2019	-	-	165,000.00	4.000%	13,990.00	178,990.00
08/01/2019	-	-	-	-	10,690.00	10,690.00
02/01/2020	-	-	170,000.00	4.000%	10,690.00	180,690.00
08/01/2020	-	-	-	-	7,290.00	7,290.00
02/01/2021	-	-	175,000.00	4.050%	7,290.00	182,290.00
08/01/2021	-	-	-	-	3,746.25	3,746.25
02/01/2022	-	-	185,000.00	4.050%	3,746.25	188,746.25
<b>Total</b>	<b>\$1,000,000.00</b>	<b>\$1,000,000.00</b>	<b>\$1,000,000.00</b>	<b>-</b>	<b>\$145,102.50</b>	<b>\$1,145,102.50</b>

## Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/15/2015
Average Life	3.748 Years
Average Coupon	4.0071253%
Weighted Average Maturity (Par Basis)	3.748 Years

## Refunding Bond Information

Refunding Dated Date	12/15/2015
Refunding Delivery Date	12/15/2015

2005B GO CIP Bonds CR fil | SINGLE PURPOSE | 10/13/2015 | 2:53 PM





# Le Sueur County, Minnesota

\$1,025,000 General Obligation Bonds, Series 2015B

Current Ref 05B Bds

Assumes Current Market BQ AA Rates plus 25bp

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	105% Overlevy
02/01/2016	-	-	-	-	-
02/01/2017	165,000.00	0.800%	14,556.79	179,556.79	188,534.63
02/01/2018	165,000.00	0.950%	11,587.50	176,587.50	185,416.88
02/01/2019	170,000.00	1.200%	10,020.00	180,020.00	189,021.00
02/01/2020	170,000.00	1.350%	7,980.00	177,980.00	186,879.00
02/01/2021	175,000.00	1.500%	5,685.00	180,685.00	189,719.25
02/01/2022	180,000.00	1.700%	3,060.00	183,060.00	192,213.00
<b>Total</b>	<b>\$1,025,000.00</b>	<b>-</b>	<b>\$52,889.29</b>	<b>\$1,077,889.29</b>	<b>\$1,131,783.75</b>

## Significant Dates

Dated	12/15/2015
First Coupon Date	8/01/2016

## Yield Statistics

Bond Year Dollars	\$3,770.97
Average Life	3.679 Years
Average Coupon	1.4025372%
Net Interest Cost (NIC)	1.7287131%
True Interest Cost (TIC)	1.7392742%
Bond Yield for Arbitrage Purposes	1.6892714%
All Inclusive Cost (AIC)	2.2328766%

## IRS Form 8038

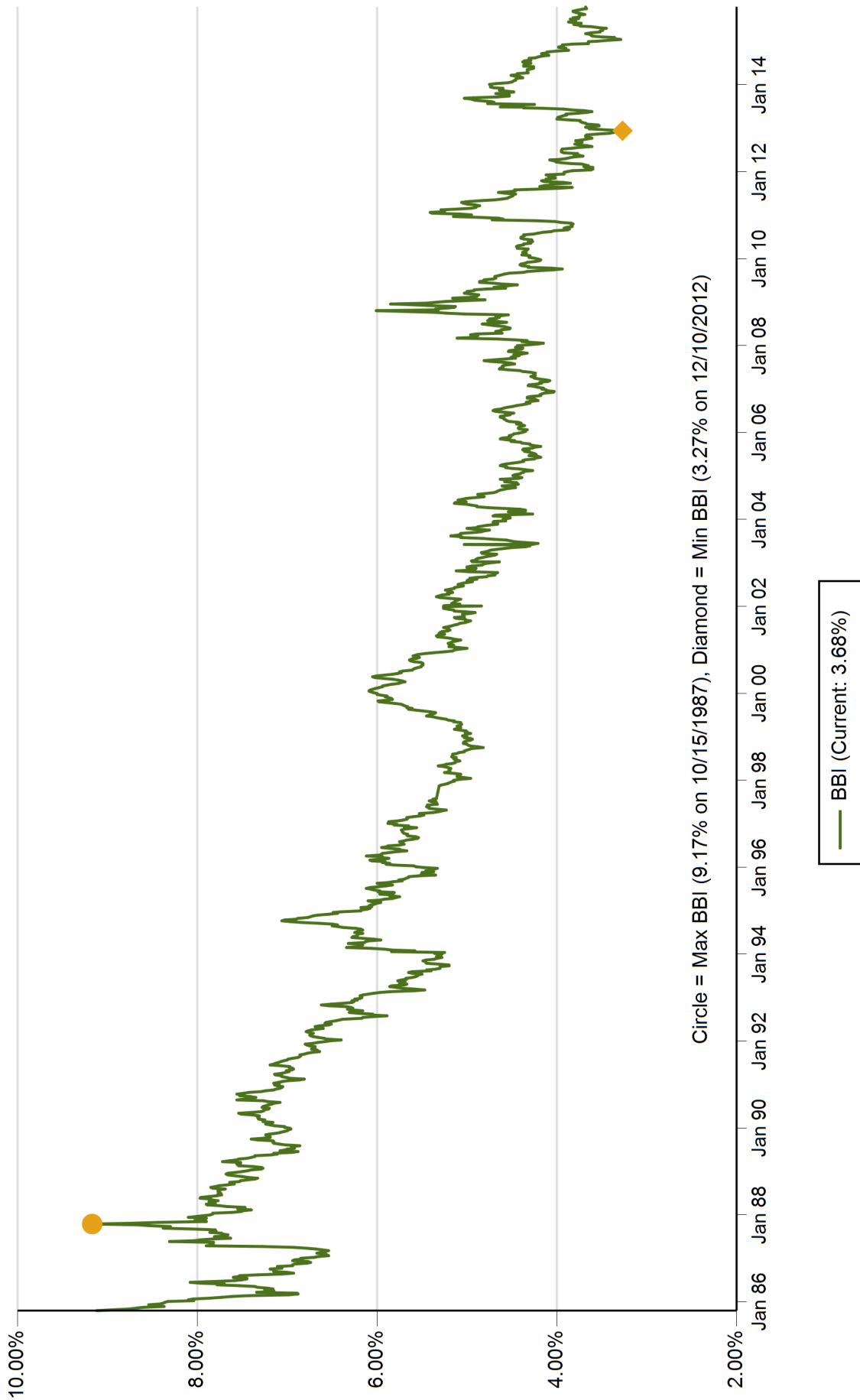
Net Interest Cost	1.4025372%
Weighted Average Maturity	3.679 Years

Series 2015B GO Bonds - P | Current Ref 05B Bds | 10/13/2015 | 2:53 PM



# 30 YEAR TREND IN MUNICIPAL BOND INDICES

## Weekly Rates October, 1985 - October, 2015



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.



Source: *The Bond Buyer*

Resolution No. \_\_\_\_\_

Council Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution Providing for the Sale of  
\$2,575,000 General Obligation Bonds, Series 2015B**

- A. WHEREAS, the Board of Commissioners of the Le Sueur County, Minnesota has heretofore determined that it is necessary and expedient to issue the County's \$2,575,000 General Obligation Bonds, Series 2015B (the "Bonds"), to fund up to \$1.5 million of loans to County property owners through the Septic Upgrade Loan Program and to refund the County's outstanding G.O. Capital Improvement Plan Bonds, Series 2005B, for interest cost savings; and
- B. WHEREAS, the County has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial 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 Le Sueur 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 11:00 a.m. on November 17, 2015, 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 \_\_\_\_\_ and, after full discussion thereof and upon a vote being taken thereon, the following Board of Commissioners Members voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

Dated this 20<sup>th</sup> day of October, 2015.

\_\_\_\_\_

Resolution No. \_\_\_\_\_

Council Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**Resolution Providing for the Sale of  
\$2,575,000 General Obligation Bonds, Series 2015B**

- A. WHEREAS, the Board of Commissioners of the Le Sueur County, Minnesota has heretofore determined that it is necessary and expedient to issue the County's \$2,575,000 General Obligation Bonds, Series 2015B (the "Bonds"), to fund up to \$1.5 million of loans to County property owners through the Septic Upgrade Loan Program and to refund the County's outstanding G.O. Capital Improvement Plan Bonds, Series 2005B, for interest cost savings; and
- B. WHEREAS, the County has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial 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 Le Sueur 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 11:00 a.m. on November 17, 2015, 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 \_\_\_\_\_ and, after full discussion thereof and upon a vote being taken thereon, the following Board of Commissioners Members voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

Dated this 20<sup>th</sup> day of October, 2015.

\_\_\_\_\_