

**RESOLUTION RELATING TO
FINANCING OF CERTAIN PROPOSED PROJECTS TO BE UNDERTAKEN
BY THE COUNTY; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT
BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE**

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

1. Recitals.

- (a) The Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse the County for project expenditures made by the County prior to the date of issuance.
- (b) The Regulations generally require that the County make a declaration of its official intent to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued series of bonds within 60 days after payment of the expenditures, that the bonds be issued and the reimbursement allocation be made from the proceeds of such bonds within the reimbursement period (as defined in the Regulations), and that the expenditures reimbursed be capital expenditures or costs of issuance of the bonds.
- (c) The County desires to comply with requirements of the Regulations with respect to certain projects hereinafter identified.

2. Official Intent Declaration

- (a) The County proposes to undertake the following project or projects and to make original expenditures with respect thereto prior to the issuance of reimbursement bonds, and reasonably expects to issue reimbursement bonds for such project or projects in the maximum principal amounts shown below:

Project	Maximum Amount of Bonds Expected to be Issued for Project
Drainage Projects (CD 41, 61, 43, LS-R JD54)	\$2,785,000.00
15 Year Redeterminations (CD 6, 58)	\$240,000.00
10 Year Redeterminations (CD 21, 67, 32, 50, 23)	\$560,000.00
East Entrance	\$1,025,000.00
Public Safety Equipment	\$810,000.00

(b) Other than (i) de minimis amounts permitted to be reimbursed pursuant to Section 1.150-2(f)(1) of the Regulations or (ii) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, the County will not seek reimbursement for any original expenditures with respect to the foregoing projects paid more than 60 days prior to the date of adoption of this resolution. All original expenditures for which reimbursement is sought will be capital expenditures or costs of issuance of the reimbursement bonds.

3. Budgetary Matters.

As of the date hereof, there are no County funds reserved, pledged, allocated on a long term basis or otherwise set aside (or reasonably expected to be reserved, pledged, allocated on a long term basis or otherwise set aside) to provide permanent financing for the original expenditures related to the projects, other than pursuant to the issuance of the reimbursement bonds. Consequently, it is not expected that the issuance of the reimbursement bonds will result in the creation of any replacement proceeds.

4. Reimbursement Allocations.

The County's Financial officer shall be responsible for making "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the reimbursement bonds to reimburse the source of temporary financing used by the County to make payment of the original expenditures relating to the projects. Each reimbursement allocation shall be made within 30 days of the date of issuance of the reimbursement bonds, shall be evidenced by an entry on the official books and records of the county maintained for the reimbursement bonds and shall specifically identify the original expenditures being reimbursed.

Adopted this 7th day of September, 2021.

Signed: _____
Steve Rohlifing, Board Chair

Attest: _____
Joe Martin, County Administrator