



Carver County Board of Commissioners
 January 22, 2013
 Regular Session
 County Board Room
 Carver County Government Center
 Human Services Building
 Chaska, Minnesota

PAGE

9:00 a.m.	1.	a) CONVENE b) Pledge of allegiance c) Public comments (limited to five minutes)	
	2.	Agenda review and adoption	
	3.	Approve minutes of January 15, 2013 Regular Session	1-3
	4.	Community Announcements	
9:10 a.m.	5.	CONSENT AGENDA <i>Communities: Create and maintain safe, healthy and livable communities</i> 5.1 Jail food service contract 4 5.2 Joint powers agreement for access to BCA database 5 <i>Culture: Provide organizational culture fostering accountability to achieve goals and sustain public trust/confidence in County government</i> 5.3 Approve arbitration award for Teamsters 320 Detention Deputy, 911 Dispatch and TAC Officer CBA 6 5.4 Pay equity report 7 5.5 Approval of Chief Deputy County Attorney employment agreement..... 8 <i>Finances: Improve the County's financial health and economic profile</i> 5.6 Recommended change to the budget and LTFFP policy (part of the Board approved Financial Policy Manual) 9-13 5.7 Review Social Services/Commissioners Warrants NO ATT	
9:15 a.m.	6.	FINANCES: Improve the County's financial health and economic profile 6.1 Call for a \$5,225,000 General Obligation Refunding Bond Sale, Series 2013A.....	14-28
9:35a.m.	7.	CONNECTIONS: Develop strong public partnerships and connect people to services and information 7.1 Soil and Water committee assignment.....	29
		7.2 Advisory committee appointments.....	30
9:40 a.m.		ADJOURN REGULAR SESSION	

9:40 a.m.

BOARD REPORTS

1. Chair
2. Board Members
3. Administrator
4. Adjourn

David Hemze
County Administrator

UPCOMING MEETINGS

January 29, 2013	No Board Meeting
January 29, 2013	7:30 p.m. Carver County Township Association Meeting Waconia American Legion
February 5, 2013	9:00 a.m. Board Meeting
February 12, 2013	9:00 a.m. Board Work Session
February 19, 2013	2:30 p.m. Committee of the Whole
February 19, 2103	4:00 p.m. Board Meeting

A Regular Session of the Carver County Board of Commissioners was held in the County Government Center, Chaska, on January 15, 2013. Chair Tim Lynch convened the session at 4:10 p.m.

Members present: Tim Lynch, Chair, James Ische, Vice Chair, Gayle Degler, Randy Maluchnik and Tom Workman.

Members absent: None

Degler moved, Workman seconded, to approve the agenda. Motion carried unanimously.

Maluchnik moved, Ische seconded, to approve the minutes of the January 8, 2013, Organizational Session. Motion carried unanimously.

Community announcements were made by the Board.

Maluchnik moved, Degler seconded, to approve the following consent agenda items:

Resolution #04-13, Right of Way Acquisition-Southwest Regional Trail-Project SP 10-90-004.

2013 police contract with the City of Chanhassen.

2013 police contract with the Township of Camden.

2013 police contracts with Cities of Carver, Cologne, Hamburg, Mayer, New Germany, Norwood Young America, Victoria, Waconia, Watertown and Townships of Laketown and Watertown.

Authorized the Sheriff's Office acceptance of \$150 donation.

Authorized Lt. Kittelson's attendance at out of state training.

Adopted the Findings of Fact and to issue Order #PZ20120043 for the issuance of an Interim Use Permit, Lee Wickstrom, San Francisco Township.

Approved the following abatements:

30.9510283	Brandondale MHP/CMH
25.1870370	Paul Larson & Kathy Powell-Larson
75.2750320	Saree K. Machtemes
25.0880800	Carl E. Sievers

Reviewed Community Social Service Warrants/Commissioners Warrants in the amount of \$416,361.70.

Motion carried unanimously.

Mark Metz, County Attorney, requested the Board adopt a Resolution in support of amending Minnesota's Safe Harbor Act. He explained sex trafficking was a heinous crime occurring throughout Minnesota and estimated 8,000 to 12,000 people are involved in sex trafficking and/or prostitution every day. He noted many victims are children, with an average age of 12-14 years being trafficked and with an average life expectancy of seven years beyond that.

Metz stated as the Carver County Attorney he was committed to treating children as victims and asking that Carver County adopt a Resolution to support amending the Safe Harbor Act to define all sex trafficked children under the age of 18 as crime victims and not as juvenile delinquents.

The Board thanked Metz for bringing this issue forth.

Ische offered the following Resolution, seconded by Maluchnik:

Resolution #05-13
In Support of
Amending Minnesota's Safe Harbor Act To Define All
Sex-Trafficked Children Under the Age of 18 As Crime Victims

On vote taken, all voted aye.

Martin Walsh, Parks, requested the Board approve a delegation agreement with the DNR for AIS inspections. He explained they were beginning to prepare for an inspection program and this year the DNR came up with a delegation agreement to give the counties the authority to have inspection stations. He stated this was a two year agreement and paves the way for the County to apply for grant funding from the DNR. Walsh clarified staff has been discussing inspection options and will be bringing that forth to the Board in the future.

Maluchnik moved, Degler seconded, to approve the delegation agreement with the DNR for aquatic invasive species inspection services and authorize the Chair to sign the agreement.
Motion carried unanimously

David Hemze, County Administrator, requested the Board approve the nomination of Jim Nash to the CAP Agency Board of Directors. He noted the change in the CAP Agency's by laws to now include one Commissioner appointment, to be made by the County Board, and the second appointment to be an elected official, which is to be made by the CAP Agency Executive Board. He explained Mr. Nash expressed an interest and he asking the Board to nominate him and ask the CAP Board to approve his appointment. Hemze clarified a letter was sent out to the Community Leaders group asking for nominations.

REGULAR SESSION
January 15, 2013

Ische moved, Maluchnik seconded, to nominate Jim Nash to serve as the second elected public official from the County on the CAP Agency Board of Directors. Motion carried unanimously.

Degler moved, Workman seconded, to adjourn the Regular Session at 4:32 p.m. and go into a work session with Public Works. Motion carried unanimously.

David Hemze
County Administrator

(These proceedings contain summaries of resolutions/claims reviewed. The full text of the resolutions and claims reviewed are available for public inspection in the office of the county administrator.)

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Jail Food Service Contract

Primary Originating Division/Dept: Sheriff

Meeting

Date: 1/22/2013

Contact: Reed Ashpole & Patrick Conn... Title: Jail Food Service PSA

Item Type:

Consent

Amount of Time Requested: minutes

Presenter: Title:

Attachments: Yes No

Strategic Initiative:

Communities: Create and maintain safe, healthy, and livable communities

BACKGROUND/JUSTIFICATION:

The Office of the Carver County Jail houses hundreds of people servicing sentences or awaiting trial every day. The Sheriff's Office also boards juveniles who are in the midst of the juvenile justice system. This is a large responsibility and requires the Sheriff's Office provide those in their charge many services. One of the biggest undertaking is seeing to the inmates dietary needs. Along with this need the jail must clean the considerable amount of laundry created by the operation of the jail.

The Sheriff's Office has found that the most cost effective to meet its responsibility is to contract with a food service management company to provide these services. The agreement with the current provider is expiring. The Sheriff's Office issued a Request for Proposals and received 3 responses. The lowest responsible bidder was Aramark Correctional Services. Aramark has 35 years-experience in this field and provides meals in over 450 facilities every day and nearly 400 million meals annually. Aramark's provided detailed meal plans that were the best fit for the Sheriff Office's needs. Likewise, Aramark best met the Sheriff's Office's laundry needs. Overall Aramark provided services best tailored to the County's needs at the best price.

ACTION REQUESTED:

Authorize the Office of the Carver County Sheriff to enter into a 5-year agreement with Aramark Correctional Services to provide jail food services.

FISCAL IMPACT: Included in current budget

If "Other", specify:

FUNDING

County Dollars = \$253,500.00

FTE IMPACT: None

Total \$253,500.00

Related Financial/FTE Comments:

Office use only:

RBA 2012- 1537

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Joint Powers Agreement for Access to BCA Database

Primary Originating Division/Dept:

Meeting

Date:

Contact:

Title:

Item Type:

Amount of Time Requested: minutes

Presenter:

Title:

Attachments: Yes No

Strategic Initiative:

Communities: Create and maintain safe, healthy, and livable communities

BACKGROUND/JUSTIFICATION:

This is a renewal of a five year Joint Powers Agreement with the Bureau of Criminal Apprehension to provide Community Social Services access to the Minnesota Criminal Justice Data Communications Network and those systems and tools which the Division is authorized by law to access.

A Joint Powers Agreement requires approval from the County Board.

ACTION REQUESTED:

To approve the Joint Powers Agreement with the Department of Public Safety, Bureau of Criminal Apprehension and Carver County Community Social Services to access the Minnesota Criminal Justice Data Communications Network.

FISCAL IMPACT:

If "Other", specify:

FUNDING

County Dollars =	\$0.00
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FTE IMPACT:

Total	\$0.00
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Related Financial/FTE Comments:

This is a data access agreement with no cost to the County.

Office use only:

RBA 2012- 1548

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Approve Arbitration Award for Teamsters 320 Detention Deputy, 9-1-1 Dispatch and TAC Officer CBA

Primary Originating Division/Dept: <input type="text" value="Employee Relations"/>	Meeting Date: <input type="text" value="1/22/2013"/>
Contact: <input type="text" value="Kristin Hack"/> Title: <input type="text" value="Employee Relations Generalist"/>	Item Type: <input type="text"/>
Amount of Time Requested: <input type="text"/> minutes	Consent: <input type="text"/>
Presenter: <input type="text"/> Title: <input type="text"/>	Attachments: <input type="radio"/> Yes <input checked="" type="radio"/> No

Strategic Initiative:

BACKGROUND/JUSTIFICATION:

The County and Teamsters Local 320 Detention Deputy, 9-1-1 Dispatcher and TAC Officer Unit had been in negotiations for the 2012 - 2013 collective bargaining successor agreement and reached impasse. Consistent with Minnesota Statute 179A, an essential unit may go to binding interest arbitration at such time, and that is what occurred in 2012. The arbitration was held late in 2012 and the award has been received with the following revised terms in place for the 2012 - 2013 CBA.

Severance to include 60% of accrued, unused sick leave for those leaving with 20+ years of service;

2012 salary range increases of 1% at the minimum and 0.5% at the maximum, with employees receiving increases of 1% for those within the range and 0.5% for those at the 2011 maximum, effective July 2, 2012;

2013 salary range increases of 1.75% at the minimum and 1.25% at the maximum, with employees receiving increases of 1.75% for those within the range and 1.25% for those at the 2012 maximum, effective July 1, 2013;

Prior to arbitration the parties had also reached a language agreement to add "continuous" to seniority definitions.

The action requested is approval of the arbitration award to allow the County to prepare the updated agreement and provide employees the retroactive salary adjustments as soon as possible.

ACTION REQUESTED:

Approval of the arbitration award to allow the County to provide the updated agreement and provide employees the retroactive salary adjustments as soon as possible.

FISCAL IMPACT: <input type="text" value="Other"/>	FUNDING
<i>If "Other", specify:</i> <input type="text" value="included in 2012 and 2013 budgets"/>	County Dollars = <input type="text" value="\$30,000.00"/>
FTE IMPACT: <input type="text" value="None"/>	Total <input type="text" value="\$30,000.00"/>

Related Financial/FTE Comments:

Office use only:

RBA 2012- 1563

Carver County Board of Commissioners Request for Board Action



Agenda Item:

2012 Pay Equity Report

Primary Originating Division/Dept:

Meeting

Date:

Contact: Title:

Item Type:

Consent

Amount of Time Requested: minutes

Presenter: Title:

Attachments: Yes No

Strategic Initiative:

Culture: Provide organizational culture fostering accountability to achieve goals & sustain public trust/confidence in County government

BACKGROUND/JUSTIFICATION:

As a local government employer, Carver County is required to provide a Pay Equity Implementation Report to the State of Minnesota on a periodic basis. The current reporting cycle requires us to report our 2012 year end data by January 31, 2013.

The purpose of Pay Equity reporting is to ensure that compensation practices are not discriminatory based on gender. In order to be compliant, an organization must demonstrate that females dominated jobs are not paid less than comparable male-dominated jobs, and that the time required to reach the top of the pay scale for female dominated jobs is no greater than for comparable male dominated jobs.

The County's Compensation Consultant, BCC, Inc., has been working with Employee Relations staff to prepare the 2012 Pay Equity Report which requires the signature of the Chief Elected Official, or Chairman of the County Board. At this time, the results are not yet final, but every indication is that the County continues to be in compliance.

The signed final report will be sent to the State and the Notice of 2012 Pay Equity Report will be posted on the Main Bulletin Board near Employee Relations for 90 days, as required by law.

ACTION REQUESTED:

Motion to approve the completed 2012 Pay Equity Implementation Report, and authorize Employee Relations to submit the report to the State of Minnesota and post the Notice for 90 days.

FISCAL IMPACT:
If "Other", specify:

FUNDING	
County Dollars =	<input type="text"/>
	<input type="text"/>
Total	<input type="text" value="\$0.00"/>

FTE IMPACT:

Related Financial/FTE Comments:

Office use only:

RBA 2012- 1562

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Approval of Chief Deputy County Attorney Employment Agreement

Primary Originating Division/Dept: <input type="text" value="Attorney"/>	Meeting Date: <input type="text" value="1/22/2013"/>
Contact: <input type="text" value="Mark Metz"/> Title: <input type="text"/>	Item Type: <input type="text" value="Consent"/>
Amount of Time Requested: <input type="text"/> minutes Presenter: <input type="text"/> Title: <input type="text"/>	Attachments: <input type="radio"/> Yes <input checked="" type="radio"/> No
Strategic Initiative: Culture: Provide organizational culture fostering accountability to achieve goals & sustain public trust/confidence in County government	

BACKGROUND/JUSTIFICATION:

The County Attorney, Mark Metz, has requested approval of the Chief Deputy County Attorney's employment contract to begin January 31, 2013.

Mark Metz has selected Peter Ivy to fill this role. This position is included in the 2013 budget and has been vacated by Michael Wentzell, who was appointed to the District Court bench in the First Judicial District, effective January 31, 2013.

Mr. Ivy comes to the position with over 24 years experience with the Carver County Attorney's Office, serving as the Criminal Division Manager for the past 18 years. He is an expert in his field. In addition to his leadership and strong prosecutorial skills on behalf of the County Attorney's Office, Mr. Ivy also acts as legal advisor to the Chiefs of Police Association; he serves on the Minnesota County Attorney's Association's Criminal Law Committee; and, he is a frequent lecturer at law enforcement seminars.

The terms of the employment agreement clarify that this is an exempt "at will" position. The agreement includes a salary of \$116,000.00. It also includes the salary increases, insurance, PTO and other benefits consistent with the Personnel Policies for non-bargaining staff, standard notice and severance language, on-call pay consistent with union-negotiated on-call pay, and a leave of absence from his Assistant County Attorney-Division Manager position, not to exceed 10 years.

ACTION REQUESTED:

Approval of the employment agreement between the County Attorney and the Chief Deputy County Attorney, Peter Ivy.

FISCAL IMPACT: <input type="text" value="Included in current budget"/> If "Other", specify: <input type="text"/>	FUNDING County Dollars = <input type="text"/> <input type="text"/> Total <input type="text" value="\$0.00"/>
FTE IMPACT: <input type="text" value="None"/>	

Related Financial/FTE Comments:

Filling this position will not increase costs for 2013 and is included in the budget.

Office use only:

RBA 2012- 1566

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Recommended change to the Budget and LTFP Policy (part of the Board approved Financial Policy Manual)

Primary Originating Division/Dept: <input type="text" value="Finance"/>	Meeting Date: <input type="text" value="1/22/2013"/>
Contact: <input type="text" value="David Frischmon"/> Title: <input type="text" value="Financial Services Director"/>	Item Type: Consent <input type="text"/>
Amount of Time Requested: <input type="text"/> minutes Presenter: <input type="text"/> Title: <input type="text"/>	Attachments: <input checked="" type="radio"/> Yes <input type="radio"/> No

Strategic Initiative:

BACKGROUND/JUSTIFICATION:

County Staff recently realized that the "Budget and Long-Term Financial Plan Policy" section of the County's Financial Policy Manual references Fund Balance so this policy needs to be updated to reflect Governmental Accounting Standards Board's ("GASB") directive that the County can not designate Fund Balance for cash flow purposes under GASB #54. The Board approved changing its "Fund Balance Policy" on 11/20/12 to reflect the new directive under GASB #54 and County staff is now recommending a similar change in the "Budget and Long-Term Financial Plan Policy" section of the County's Financial Policy Manual.

ACTION REQUESTED:

Motion to approved the recommended change to the "Budget and Long-Term Financial Plan Policy" section of the County's Financial Policy Manual, consistent with the County's "Fund Balance Policy" and GASB #54.

FISCAL IMPACT: <input type="text" value="None"/> If "Other", specify: <input type="text"/>	FUNDING County Dollars = <input type="text"/> <input type="text"/> Total <input type="text" value="\$0.00"/>
FTE IMPACT: <input type="text" value="None"/>	

Related Financial/FTE Comments:

Office use only:

RBA 2012- 1551



Carver County – Financial Policy Manual

Budget and Long-Term Financial Plan

SECTION: Financial Planning
AUTHORITY: Res. 17-08

EFFECTIVE: 3/3/08
REVISED: 1/22/13

Purpose

In response to the County Board’s direction to connect financial strategies to the county’s short-term and long-term strategic goals and objectives. To provide a general set of guiding principles for developing the annual budget and the long-term financial plan, along with an overview of the process and schedule.

Policy

Budget Philosophy: Carver County is committed to having a budget and a long-term financial plan that incorporates a long-term vision and supports the principle of a balanced budget, defined as a budget in which the total available resources equal the projected use of funds during normal circumstances. Balancing the county budget will include the planned use of fund balance for a one-time specific project(s) to close any gap between revenues and expenditures.

The county’s budget will finance operations from current revenues, avoid the use of one-time revenues for ongoing costs, and minimize reliance on volatile or unpredictable revenues for funding ongoing operations. Fees and charges for select services will be based on the actual costs associated with providing those services. The county will invest all cash holdings in accordance with the Investment Policy to maximize holdings.

It is the county’s policy to prepare a budget and a long-term financial plan that meets the following guidelines:

Balanced Budget: Financial planning policies and practices will be designed to maintain a commitment to a balanced budget. The Carver County Board of Commissioners will review actual expenditures to the budgeted amounts on a quarterly basis and decide what action, if any, is needed to bring the budget into balance. The public will be informed of any deviation from a balanced budget if it is planned or occurs.

Fund Balance: The budget will include a diversity of revenue sources and will maintain adequate financial reserves to meet emergencies, short-term capital improvement, and operating cash-flow needs. ~~Funds will be transferred to the Treasury Internal Service (IS)~~

~~Fund to respond to unexpected changes in revenues or expenditures, such as reductions in state aid. The County Board will designate 37% of the following year's expenditures as an amount in all operating budgets to be transferred to the Treasury IS Fund.~~ A fund balance will be maintained to respond to unexpected changes in revenues or expenditures, such as reduction in state aid. The County Board will designate 37% of the following year's expenditures as a fund balance for working capital/cash flow purposes in in the General Fund, Road and Bridge Fund, and Community Social Services Fund. Additionally, up to 5% of the following year's operating budget will be ~~placed in the Year End Savings (YES) account~~ transferred to the Capital Improvement Project Funds, based on percentage, to make up the Year End Savings (YES) account. The YES account is used to accumulate funds for future one-time capital purchases and/or significant budget variances.

Long-Term Planning: The Long-Term Financial Plan is a non-binding assertion of future intent. The Plan includes updated Capital Improvement Plans (Buildings, Road & Bridge, Park & Trail, etc.), a Facilities, Vehicles & Equipment Replacement Schedule and identifies strategies to address future operating budget financial challenges.

Asset Inventory: County staff will inventory and assess the condition of all major capital assets (defined as assets with an initial, individual cost equal to or greater than \$5,000 to more than \$50,000 (amount not rounded) depending on the asset type and category and an estimated life equal to or greater than two years) on an annual basis as part of the budget process for use in the long-term financial planning process.

Accounting Practice: Carver County will maintain a high standard of accounting practices and internal controls. It will follow Generally Accepted Accounting Principles (GAAP) for year-end finance reporting and budget purposes as outlined by the Governmental Accounting Standards Board (GASB). The State Auditor's office will audit county records annually and will issue a financial opinion pursuant to M.S. 6.48 and a management and compliance report.

The Financial Services Division will prepare a comprehensive annual financial report. This report will be available to elected officials, county management, bond-rating agencies, creditors and citizens. The county will submit its comprehensive annual financial report to the Government Finance Officers Association (GFOA) to determine its eligibility to receive the GFOA's Certificate of Achievement for Excellence in Financial Reporting.

Public Information: The Financial Services Division will make financial reports and publications available to the public and respond to any requests for additional financial information made by the public. The division will publish an annual budget summary and a summary of financial statements.

Process

The budget will be constructed by line item, and division budgets will be initiated within each division. Division directors will have the authority to exercise maximum flexibility

within their approved budget to accomplish the goals and mission of their division and manage the resources provided to the departments in their division.

Division directors are responsible for operating within the approved budget amount. Division budgets will include the cost of software maintenance contracts developed after consultation with the Information Services (IS) Department. The emphasis on expenditure control will be within the separate departments that comprise the divisions. Any adjustments to the approved department budgets, requested by the originating department and approved by the division director, will be reviewed by the Financial Services Division for transfer of funds from the existing budget or addition of new revenue sources.

The County Administrator or his/her designee is delegated the authority to fill newly created employee classifications or remove incumbents from existing classifications that have been eliminated from the adopted budget. Divisions that have received Board approval for budgets that include itemized Full-Time Equivalent (FTE) capital expenditures, new positions and revised FTEs (revisions that change one classification for another without increasing the total number of FTEs in the department or division) will not have to request Board approval prior to hiring individuals to fill those positions.

Divisions that have received Board approval for budgets that include itemized Furniture, Fixtures and Equipment (FF&E) capital expenditures in their budgets will not have to request prior approval for those expenditures, unless the item is one that requires competitive bidding.

Divisions that have received Board approval for budgets that include itemized expenditures for out-of-state travel for conferences and trainings will not have to request prior approval for those expenditures.

At the end of each budget year, divisions can request that uncompleted professional service obligations, capital appropriations and/or unexpended grants be extended to the subsequent year by submitting a listing to the County Administrator for approval.

The ultimate authority for determining budgetary priorities rests with the County Board. The following schedule will be used to direct the annual budget process.

Schedule

May: County Administrator recommends a strategy for developing next year's annual budget to the County Board.

June: Divisions return completed budget and Capital Improvement Program (CIP) requests to the Financial Services Division and New Personnel Requests to the Employee Relations Division.

July/August: Budget hearings conducted with individual divisions, Administration, and County Board. .

Prior to September 15: County Board sets the preliminary levy for next year in accordance with state statute.

October/November: County Administrator recommends an annual budget and levy for the next year and a long-term financial plan.

December: County conducts a public meeting in accordance with state statute. County Board adopts next year's levy, budget, and a long-term financial plan.

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Call for a \$5,225,000 General Obligation Refunding Bond Sale, Series 2013A

Primary Originating Division/Dept:

Meeting

Date:

Contact: Title:

Item Type:

Amount of Time Requested: minutes

Attachments: Yes No

Presenter: Title:

Strategic Initiative:

Finances: Improve the County's financial health and economic profile

BACKGROUND/JUSTIFICATION:

The attached 2013A Presale Report explains that the proposed issue includes financing to execute partial net cash advance refunding of the callable portion of the County's existing \$10,000,000 General Obligation Capital Improvement Bonds, Series 2005A ("the 2005A Bonds"). The 2005A Bonds were originally issued to finance County highway improvements. The 2005A Bonds are callable on February 1, 2014. Interest rates on the obligations to be refunded average 4.04%. Rates on the proposed refunding Bonds are expected to average under 1.25%. The refunding is expected to reduce interest expense by approximately \$400,000 over the next seven years. The net present value benefit of the refunding is estimated to be over 7% of the refunded principal. Minnesota Statutes require at least 3% present value savings in order to enter into an advance refunding.

ACTION REQUESTED:

Adopt the Resolution Providing for the Sale of \$5,225,000 General Obligation Refunding Bonds, Series 2013A

FISCAL IMPACT:

If "Other", specify:

FUNDING

County Dollars =

FTE IMPACT:

Total

Related Financial/FTE Comments:

For the 2014 Budget, the refunding is expected to save the County \$70,000 in interest costs.

Office use only:

RBA 2012- 1561

Resolution No. _____

Commissioner _____ introduced the following resolution and moved its adoption:

**Resolution Providing for the Sale of
\$5,225,000 General Obligation Refunding Bonds, Series 2013A**

- A. WHEREAS, the Board of Commissioners of Carver County, Minnesota, has heretofore determined that it is necessary and expedient to issue the County's \$5,225,000 General Obligation Refunding Bonds, Series 2013A (the "Bonds"), to undertake an advance refunding of the callable balance of the County's \$10,000,000 Capital Improvement Bonds, Series 2005A; and
- B. WHEREAS, the County has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the Bonds and is therefore authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

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

- 1. Authorization; Findings. The Board of Commissioners hereby authorizes Ehlers to solicit proposals for the sale of the Bonds.
- 2. Meeting; Proposal Opening. The Board of Commissioners shall meet at 9:00 a.m. on February 5, 2013, for the purpose of considering sealed 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 Commissioner _____ and, after full discussion thereof and upon a vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted.

Dated this ____ day of _____, ____.

County Administrator

January 22, 2013

Pre-Sale Report for

\$ 5,225,000 General Obligation Refunding
Bonds, Series 2013A

Carver County, Minnesota



Prepared and Presented by:

Mark Ruff, CIPFA
Financial Advisor

And

Carolyn Drude, CIPFA
Financial Advisor

Executive Summary of Proposed Debt

Proposed Issue:	\$5,225,000 General Obligation Refunding Bonds, Series 2013A.
Authority:	<p>The Bonds are being issued pursuant to Minnesota Statutes, Chapter 475. The Bonds will be general obligations of the County, for which its full faith, credit and taxing powers are pledged.</p> <p>The Bonds count against the County's General Obligation Debt Capacity Limit of 3% of taxable market value. Annual CIP debt service is also limited to 0.12% of taxable market value. The County's 2012 taxable market value was \$9.7 billion. Including this issue, the County has over \$260 million in debt capacity and over \$10.7 million in annual CIP debt service capacity remaining.</p>
Purposes/Funding Sources:	<p>The proposed issue includes financing to execute a partial net cash advance refunding of the callable portion of the County's existing \$10,000,000 General Obligation Capital Improvement Bonds, Series 2005A ("the 2005A Bonds").</p> <p>The 2005A Bonds were originally issued to finance County highway improvements. The 2005A Bonds are callable on February 1, 2014. Interest rates on the obligations proposed to be refunded average 4.04%. Rates on the proposed refunding Bonds are expected to average under 1.25%. The refunding is expected to reduce interest expense by approximately \$400,000 over the next seven years. The net present value benefit of the refunding is estimated to be over 7% of the refunded principal. Minnesota Statutes require at least 3% present value savings in order to enter into an advance refunding.</p> <p>This refunding is considered an advance refunding as the new Bonds will be issued more than 90 days prior to the call date of the obligations being refunded.</p> <p>In a partial net cash refunding, the proceeds of the Bonds are invested in open market securities and held in escrow until that call date. The money in the escrow is used to pay principal and interest only on the callable 2015 to 2020 maturities of the 2005A Bonds until February 1, 2014; when they are defeased. In essence, prior to the call date the County makes payment on two sets of bonds: the non-callable 2014 maturity of the 2005A Bonds, and the initial principal and interest payment of the new Bonds. As such, the County will not see significant debt service savings until its payments starting August 1, 2014 and afterward.</p>



Term/Call Feature	<p>The Bonds are being issued for a seven year term, the same term as the original Bonds. Principal on the Bonds will be due on February 1 in the years 2014 through 2020. Interest is payable every six months beginning August 1, 2013.</p> <p>Because of the relatively short term, the Bonds are being issued without the option for early redemption.</p>
Bank Qualification	<p>Because the County is issuing less than \$10,000,000 of tax-exempt debt in the calendar year, the County will be able to designate the Bonds as “bank qualified” obligations. Bank qualified status broadens the market for the Bonds, which can result in lower interest rates.</p>
Rating:	<p>The County’s most recent bond issues were rated “AAA” by Standard & Poor’s. The County will request a new rating for the Bonds.</p>
Method of Sale/Placement:	<p>In order to obtain the lowest interest cost to the County, we will solicit competitive bids for purchase of the Bonds from local banks in your area, as well as regional and national underwriters.</p> <p>We have included an allowance for discount bidding equal to 1.0% of the principal amount of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of its compensation in the transaction.</p> <p>If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.</p>
Risk Factors	<p>When undertaking an advance refunding ahead of the call date of the Prior Bonds, the County is determining that interest rates today meet its refunding savings goals and that interest rates are unlikely to stay the same or be lower over the next year.</p>
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the County and find that, other than the obligations proposed to be refunded with the Bonds, there are no other refunding opportunities at this time.</p> <p>We will continue to monitor the market and the call dates for the County’s outstanding debt and will alert you to any future refunding opportunities.</p>





<p>Continuing Disclosure:</p>	<p>Because the County has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the County will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually as well as providing notices of the occurrence of certain “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 prepares and files the reports on their own.</p>
<p>Arbitrage Monitoring:</p>	<p>Because the Bonds are tax-exempt securities/tax credit securities, the Issuer must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction compliance) are common subjects of IRS inquiries. Your specific responsibilities will be detailed in the Tax and Arbitrage Certificate prepared by your Bond Attorney and provided at closing. We recommend that you regularly monitor compliance with these rules and/or retain the services of a qualified firm to assist you. We also recommend that you establish written procedures regarding compliance with IRS rules.</p>



Proposed Debt Issuance Schedule

Pre-Sale Review by Board of Commissioners:	January 22, 2013
Distribute Official Statement:	Week of January 28 th
Conference with Rating Agency:	Week of January 28 th
Receive bids	February 4, 2013
County Board Meeting to Award Sale of the Bonds:	February 5, 2013
Estimated Closing Date:	On or about March 5, 2013

Attachments

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

Ehlers Contacts:

Financial Advisors:	Carolyn Drude	(651) 697-8511
	Mark Ruff	(651) 697-8505
	Nick Anhut	(651) 697-8507
Disclosure Coordinator:	Wendy Lundberg	(651) 697-8540
Bond Sale Coordinator:	Alicia Baldwin	(651) 697-8523
Financial Analyst:	Alicia Gage	(651) 697-8551

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



Carver County, MN

\$5,225,000 G.O. Refunding Bonds, Dated: February 15, 2013
Proposed Partial Net Cash Refunding of G.O. CIP Bonds, Series 2005A
Assuming Current G.O. BQ "AAA" Market Rates (Open Markets)

Sources & Uses

Dated 02/15/2013 | Delivered 02/15/2013

Sources Of Funds

Par Amount of Bonds	\$5,225,000.00
Total Sources	\$5,225,000.00

Uses Of Funds

Total Underwriter's Discount (1.000%)	52,250.00
Costs of Issuance	54,000.00
Deposit to Net Cash Escrow Fund	5,114,050.10
Rounding Amount	4,699.90
Total Uses	\$5,225,000.00

Carver County, MN

\$5,225,000 G.O. Refunding Bonds, Dated: February 15, 2013

Proposed Partial Net Cash Refunding of G.O. CIP Bonds, Series 2005A

Assuming Current G.O. BQ "AAA" Market Rates (Open Markets)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/15/2013	-	-	-	-	-
08/01/2013	-	-	18,197.75	18,197.75	-
02/01/2014	155,000.00	0.300%	19,732.50	174,732.50	192,930.25
08/01/2014	-	-	19,500.00	19,500.00	-
02/01/2015	830,000.00	0.450%	19,500.00	849,500.00	869,000.00
08/01/2015	-	-	17,632.50	17,632.50	-
02/01/2016	840,000.00	0.550%	17,632.50	857,632.50	875,265.00
08/01/2016	-	-	15,322.50	15,322.50	-
02/01/2017	840,000.00	0.700%	15,322.50	855,322.50	870,645.00
08/01/2017	-	-	12,382.50	12,382.50	-
02/01/2018	845,000.00	0.850%	12,382.50	857,382.50	869,765.00
08/01/2018	-	-	8,791.25	8,791.25	-
02/01/2019	855,000.00	0.950%	8,791.25	863,791.25	872,582.50
08/01/2019	-	-	4,730.00	4,730.00	-
02/01/2020	860,000.00	1.100%	4,730.00	864,730.00	869,460.00
Total	\$5,225,000.00	-	\$194,647.75	\$5,419,647.75	-

Yield Statistics

Bond Year Dollars	\$22,866.81
Average Life	4.376 Years
Average Coupon	0.8512241%
Net Interest Cost (NIC)	1.0797212%
True Interest Cost (TIC)	1.0849045%
Bond Yield for Arbitrage Purposes	0.8498035%
All Inclusive Cost (AIC)	1.3311294%

IRS Form 8038

Net Interest Cost	0.8512241%
Weighted Average Maturity	4.376 Years

Carver County, MN

\$5,225,000 G.O. Refunding Bonds, Dated: February 15, 2013
 Proposed Partial Net Cash Refunding of G.O. CIP Bonds, Series 2005A
 Assuming Current G.O. BQ "AAA" Market Rates (Open Markets)

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
02/01/2014	192,930.25	746,642.00	934,872.35	936,687.31	1,814.96
02/01/2015	869,000.00	-	869,000.00	942,735.00	73,735.00
02/01/2016	875,265.00	-	875,265.00	944,052.50	68,787.50
02/01/2017	870,645.00	-	870,645.00	943,827.50	73,182.50
02/01/2018	869,765.00	-	869,765.00	941,627.50	71,862.50
02/01/2019	872,582.50	-	872,582.50	943,227.50	70,645.00
02/01/2020	869,460.00	-	869,460.00	942,557.50	73,097.50
Total	\$5,419,647.75	\$746,642.00	\$6,161,589.85	\$6,594,714.81	\$433,124.96

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	413,950.27
Net PV Cashflow Savings @ 0.850% (Bond Yield).....	413,950.27
Contingency or Rounding Amount.....	4,699.90
Net Present Value Benefit	\$418,650.17
Net PV Benefit / \$5,638,950.27 PV Refunded Debt Service	7.424%
Net PV Benefit / \$4,935,000 Refunded Principal...	8.483%
Net PV Benefit / \$5,225,000 Refunding Principal..	8.012%

Refunding Bond Information

Refunding Dated Date	2/15/2013
Refunding Delivery Date	2/15/2013

Carver County, MN

\$5,225,000 G.O. Refunding Bonds, Dated: February 15, 2013
Proposed Partial Net Cash Refunding of G.O. CIP Bonds, Series 2005A
Assuming Current G.O. BQ "AAA" Market Rates (Open Markets)

Escrow Fund Cashflow

Date	Principal	Rate	Receipts	Disbursements	Cash Balance
02/15/2013	-	-	45.31	-	45.31
07/31/2013	92,000.00	-	92,000.00	-	92,045.31
08/01/2013	-	-	-	91,177.81	867.50
01/31/2014	5,033,000.00	-	5,033,000.00	-	5,033,867.50
02/01/2014	-	-	-	5,033,867.50	-
Total	\$5,125,000.00	-	\$5,125,045.31	\$5,125,045.31	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	45.31
Cost of Investments Purchased with Bond Proceeds	5,114,004.79
Total Cost of Investments	\$5,114,050.10
Target Cost of Investments at bond yield	\$5,083,828.93
Actual positive or (negative) arbitrage	(30,221.17)
Yield to Receipt	0.2256963%
Yield for Arbitrage Purposes	0.8498035%

Carver County, MN

\$5,225,000 G.O. Refunding Bonds, Dated: February 15, 2013
Proposed Partial Net Cash Refunding of G.O. CIP Bonds, Series 2005A
Assuming Current G.O. BQ "AAA" Market Rates (Open Markets)

Escrow Summary Cost

Maturity	Type	Coupon	Yield	\$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Escrow								
07/31/2013	STRIPS-I	-	0.175%	99.9200000%	92,000	91,926.40	-	91,926.40
01/31/2014	STRIPS-I	-	0.227%	99.7830000%	5,033,000	5,022,078.39	-	5,022,078.39
Subtotal		-	-	-	\$5,125,000	\$5,114,004.79	-	\$5,114,004.79
Total		-	-	-	\$5,125,000	\$5,114,004.79	-	\$5,114,004.79

Escrow

Cash Deposit	45.31
Cost of Investments Purchased with Bond Proceeds	5,114,004.79
Total Cost of Investments	\$5,114,050.10

Delivery Date 2/15/2013

Carver County, MN

\$10,000,000 General Obligation Capital Improvement Bonds, Series 2005A

Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+	Fiscal Total
08/01/2013	-	-	103,959.81	103,959.81	-
02/01/2014	720,000.00	3.850%	112,727.50	832,727.50	936,687.31
08/01/2014	-	-	98,867.50	98,867.50	-
02/01/2015	745,000.00	3.850%	98,867.50	843,867.50	942,735.00
08/01/2015	-	-	84,526.25	84,526.25	-
02/01/2016	775,000.00	3.900%	84,526.25	859,526.25	944,052.50
08/01/2016	-	-	69,413.75	69,413.75	-
02/01/2017	805,000.00	4.000%	69,413.75	874,413.75	943,827.50
08/01/2017	-	-	53,313.75	53,313.75	-
02/01/2018	835,000.00	4.000%	53,313.75	888,313.75	941,627.50
08/01/2018	-	-	36,613.75	36,613.75	-
02/01/2019	870,000.00	4.100%	36,613.75	906,613.75	943,227.50
08/01/2019	-	-	18,778.75	18,778.75	-
02/01/2020	905,000.00	4.150%	18,778.75	923,778.75	942,557.50
Total	\$5,655,000.00	-	\$939,714.81	\$6,594,714.81	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/15/2013
Average Life	4.114 Years
Average Coupon	4.0391637%
Weighted Average Maturity (Par Basis)	4.114 Years

Refunding Bond Information

Refunding Dated Date	2/15/2013
Refunding Delivery Date	2/15/2013

Carver County, MN

\$10,000,000 General Obligation Capital Improvement Bonds, Series 2005A

Current Outstanding Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2013	-	-	12,782.00	12,782.00	-
02/01/2014	720,000.00	3.850%	13,860.00	733,860.00	746,642.00
Total	\$720,000.00	-	\$26,642.00	\$746,642.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/15/2013
Average Life	0.961 Years
Average Coupon	3.8500000%
Weighted Average Maturity (Par Basis)	0.961 Years

Refunding Bond Information

Refunding Dated Date	2/15/2013
Refunding Delivery Date	2/15/2013

Carver County, MN

\$10,000,000 General Obligation Capital Improvement Bonds, Series 2005A

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/01/2013	-	91,177.81	91,177.81	-	-	91,177.81	91,177.81
02/01/2014	4,935,000.00	98,867.50	5,033,867.50	-	3.850%	98,867.50	98,867.50
08/01/2014	-	-	-	-	-	98,867.50	98,867.50
02/01/2015	-	-	-	745,000.00	3.850%	98,867.50	843,867.50
08/01/2015	-	-	-	-	-	84,526.25	84,526.25
02/01/2016	-	-	-	775,000.00	3.900%	84,526.25	859,526.25
08/01/2016	-	-	-	-	-	69,413.75	69,413.75
02/01/2017	-	-	-	805,000.00	4.000%	69,413.75	874,413.75
08/01/2017	-	-	-	-	-	53,313.75	53,313.75
02/01/2018	-	-	-	835,000.00	4.000%	53,313.75	888,313.75
08/01/2018	-	-	-	-	-	36,613.75	36,613.75
02/01/2019	-	-	-	870,000.00	4.100%	36,613.75	906,613.75
08/01/2019	-	-	-	-	-	18,778.75	18,778.75
02/01/2020	-	-	-	905,000.00	4.150%	18,778.75	923,778.75
Total	\$4,935,000.00	\$190,045.31	\$5,125,045.31	\$4,935,000.00	-	\$913,072.81	\$5,848,072.81

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/15/2013
Average Life	4.574 Years
Average Coupon	4.0449627%
Weighted Average Maturity (Par Basis)	4.574 Years

Refunding Bond Information

Refunding Dated Date	2/15/2013
Refunding Delivery Date	2/15/2013

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Soil and Water Committee Assignment

Primary Originating Division/Dept: Administration (County)

Meeting

Date: 1/22/2013

Contact: Dave Hemze Title: County Administrator

Item Type:

Regular Session

Amount of Time Requested: 5 minutes

Presenter: Dave Hemze Title:

Attachments: Yes No

Strategic Initiative:

Connections: Develop strong public partnerships and connect people to services and information

BACKGROUND/JUSTIFICATION:

At the Board's Organizational Session, the Board held the Soil and Water committee assignment pending further information. Administration has determined there is no legal requirement for a Board member to be appointed to attend the Soil and Water meetings and the County Board can assign a staff member to attend. Paul Moline and Randy Wolf, Public Health & Environment, have attended these meetings in the past and have kept the Soil and Water Board informed on issues.

ACTION REQUESTED:

Delete the Soil and Water County Board assignment and assign Paul Moline or Randy Wolf, Public Health and Environment, to attend the Soil and Water Board meetings on the County's behalf.

FISCAL IMPACT: None
If "Other", specify:

FUNDING
County Dollars =

FTE IMPACT: None

Total \$0.00

Related Financial/FTE Comments:

Office use only:

RBA 2012- 1559

Carver County Board of Commissioners Request for Board Action



Agenda Item:

Advisory Committee Appointments

Primary Originating Division/Dept: <input type="text" value="Administration (County)"/>	Meeting Date: <input type="text" value="1/22/2013"/>
Contact: <input type="text" value="Dave Hemze"/> Title: <input type="text" value="County Administrator"/>	Item Type: <input type="text" value="Regular Session"/>
Amount of Time Requested: <input type="text" value="5"/> minutes Presenter: <input type="text"/> Title: <input type="text"/>	Attachments: <input type="radio"/> Yes <input checked="" type="radio"/> No

Strategic Initiative:
 Connections:

BACKGROUND/JUSTIFICATION:

Following is a list of the vacancies on the Board of Adjustment and Personnel Board of Appeals:

Board of Adjustment-Vacancy District 2

Applicants:

Robert Lamkin, District 4
 Gino Businaro, District 3

Personnel Board of Appeals - Two Vacancies, any Commissioner District

Applicant:

Gino Businaro, District 3

There remains one vacancy in Commissioner District 3 on the Parks Commission, three mandated positions on the Mental Health Advisory Committee and two township appointments on the WENR Committee.

ACTION REQUESTED:

Approve appointments to Board of Adjustment and Personnel Board of Appeals.

FISCAL IMPACT: <input type="text" value="None"/> If "Other", specify: <input type="text"/>	FUNDING County Dollars = <input type="text"/> <input type="text"/>
FTE IMPACT: <input type="text" value="None"/>	Total <input type="text" value="\$0.00"/>

Related Financial/FTE Comments:

Office use only:

RBA 2012- 1568