

MINUTES OF

BOARD OF HARVEY COUNTY COMMISSIONERS SPECIAL MEETING

August 29, 2012

At 9:30 a.m. Commissioner Westfall made a motion to call a special meeting of the Board of Harvey County Commissioners to consider tax and securities compliance procedures for all future bond issues in the County. Commissioner Krehbiel seconded the motion and it was passed unanimously. All three Commissioners were present. Chairman Roberson called the meeting to order at 9:32 a.m.

John briefly reviewed the issue of who has permission to farm county-owned land, specifically the fairgrounds property. The sales contract for the property specified the rights of the tenant at the time of the sale that would be continued for a certain number of years. Although those years have expired, the current tenant has continued to farm the ground, splitting both the expenses and the revenues with 1/3 going to the county and 2/3 to the farmer. Kevin Cowan, Bond Counsel, explained that some of the fairgrounds property has tax exempt bonds and some of the property has taxable bonds because of the proposed commercial development of a portion of it. There are IRS regulations that limit the amount that can be collected as income on the property to 10% of the amount debt service of the bond measured over the life of the loan, which is 13 years.

Kevin reviewed tax and securities compliance procedures as required by the IRS. The procedures were changed by the IRS one year ago. In order to comply with the requirements the following four procedures need to be in place:

1. The adoption of separate written compliance procedures.
2. Identification of a specified bond compliance officer.
3. Preparation of a final written allocation of proceeds to expenditures.
4. Annual completion of a short tax compliance checklist.

Use of the facility that has been financed and monitoring of any changes with regard to its use is also important. The expenditure and investment of bond proceeds needs to be done in a timely manner. Commissioner Westfall made a motion to approve **Resolution No. 2012-17**, providing for the adoption of tax and securities compliance procedures relating to obligations issued and to be issued by Harvey County. Commissioner Krehbiel seconded the motion and it was passed unanimously.

Commissioner Krehbiel made a motion to authorize Anthony Swartzendruber, Assistant Administrator and appointed Bond Compliance Officer, and the Commission Chairman to execute the federal tax certificate for General Obligation Series 2012. Commissioner Westfall seconded the motion and it was passed unanimously.

John Waltner informed the Commissioners that a political candidate has reserved the West Park Community Building for what is believed to be a political rally. The candidate will be made aware that Park Regulations stipulate that any organized gathering for the purpose of showing

support for or against a political party or other special interest group is prohibited, except by prior written authorization from the Park Supervisor.

There being no further business to come before the board, the meeting was adjourned at 10:15 a.m.

THE BOARD OF HARVEY COUNTY COMMISSIONERS



ATTEST:

Joyce Truskett, County Clerk
Joyce Truskett, County Clerk

Marge Roberson
Marge Roberson, Chairman

George A. "Chip" Westfall
George A. "Chip" Westfall, Member

absent
Ron Krehbiel, Member