

RESOLUTION NO. 24-27

**TOWN OF BALDWIN
COUNTY OF SHERBURNE, MINNESOTA**

**RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE**

BE IT RESOLVED by the Town Board (the "Board") of the Town of Baldwin, Minnesota (the "Town"), as follows:

1. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of the Town's bonds used to reimburse the Town for any project expenditure paid by the Town prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the Town make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The Town heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The Town's bond counsel has advised the Town that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application to payments of Town project costs first made by the Town out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the Town to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Board hereby authorizes the Town Clerk to make the Town's Declarations or to delegate from time to time that responsibility to other appropriate Town employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the Town reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the Town, or its authorized representatives under this Resolution, not make Declarations in cases where the Town does not reasonably expect to issue reimbursement bonds to finance the subject project costs, and the Town officials are hereby authorized to consult with bond counsel to the Town concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Board shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the Town has made Declarations.

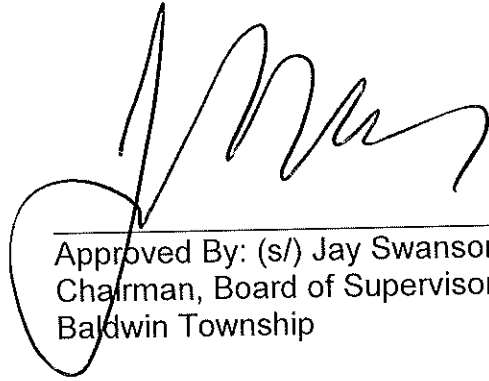
3. Reimbursement Allocations. The designated Town officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the Town's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the Town for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

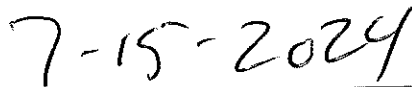
Adopted this 15th day of July, 2024, by the Town Board.



Submitted By: (s/) Joan Heinen
Clerk/Treasurer
Baldwin Township



Approved By: (s/) Jay Swanson
Chairman, Board of Supervisors
Baldwin Township



Date

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting Town Clerk of the Town of Baldwin, Minnesota (the "Town"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states, and certifies on behalf of the Town as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Town Board to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the Town.

2. This Declaration relates to the following project, property, or program (the "Project") and the costs thereof to be financed:

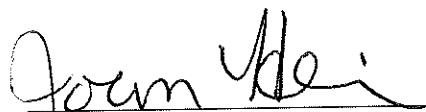
(1) Pierce Enforcer Pumper

3. The Town reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued by the Town after the date of payment of such costs. As of the date hereof, the Town reasonably expects that \$1,098,309.00 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: July 15th, 2024



Joan Heinen, Town Clerk
Town of Baldwin, Minnesota

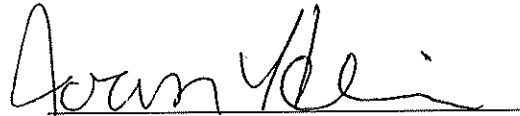
CERTIFICATION

The undersigned, being the duly qualified and acting Town Clerk of the Town of Baldwin, Minnesota, hereby certifies the following:

The foregoing is a true and correct copy of a Resolution on file and of official, publicly available record in the offices of the Town, which Resolution relates to procedures of the Town for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the Town (the "Board") at a regular or special meeting of the Board held on July 15th, 2024. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Board are regularly held. Board Member Case moved the adoption of the Resolution, which motion was seconded by Board Member Walker. A vote being taken on the motion, the following members of the Board voted in favor of the motion to adopt the Resolution: Case, Walker, Holm, Swanson and the following voted against the same: Rush

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Board which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the Town Clerk of the Town of Baldwin, Minnesota, this 15th day of July, 2024.

A handwritten signature in black ink, appearing to read "Joan Heinen". The signature is written in a cursive style with a horizontal line underneath it.

Joan Heinen, Town Clerk
Town of Baldwin, Minnesota