

TOWN OF BALDWIN, MINNESOTA

RESOLUTION NO. 13-06

**DECLARING THE OFFICIAL INTENT OF THE
TOWN OF BALDWIN TO REIMBURSE
CERTAIN EXPENDITURES FROM THE PROCEEDS
OF CERTIFICATE TO BE ISSUED BY THE TOWN**

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the Town expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the Town has determined to make this declaration of official intent ("Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN BOARD OF THE TOWN OF BALDWIN AS FOLLOWS:

1. The Town expects to acquire various items of capital equipment, specifically a John Deere 1565 Series II Commercial Front Mower and attachments (the "Equipment").

2. The Town reasonably expects to reimburse expenditures made by the Town for all or a portion of the cost of the Equipment from the proceeds of certificates or bonds (referred to as the "bonds") in an estimated maximum principal amount of \$50,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) "preliminary expenditures" up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the Town to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

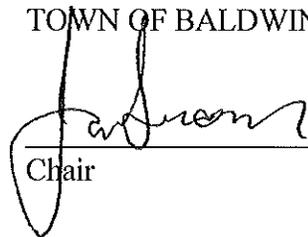
4. This Declaration is an expression of the reasonable expectations of the Town based on the facts and circumstances known to the Town as of the date hereof. The anticipated original expenditures for the Equipment and the principal amount of the bonds described in paragraph 2 are

consistent with the Town's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the Town are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the Town's budget or financial policies to pay such Equipment expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved by the Town Board of the Town of Baldwin this 16th day of April 2013.

TOWN OF BALDWIN, MINNESOTA



Chair

Attest:



Town Clerk/Treasurer