

Extract of Minutes of Meeting
of the City Council of the
City of Breezy Point, Crow Wing County, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Breezy Point, Minnesota, was duly held in the City Hall in said City on Monday, December 2, 2024, commencing at 6:30 p.m.

The following members were present:

and the following were absent:

* * *

* * *

* * *

The Mayor announced that the next order of business was consideration of the proposals which had been received for the purchase of the City's General Obligation Equipment Certificates, Series 2024A, to be issued in the original aggregate principal amount of \$_____.

The City Administrator presented a tabulation of the proposals that had been received in the manner specified in the Terms of Proposal for the Equipment Certificates. The proposals are as set forth in EXHIBIT A attached.

After due consideration of the proposals, Member _____ then introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

**RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION
EQUIPMENT CERTIFICATES, SERIES 2024A, IN THE ORIGINAL AGGREGATE
PRINCIPAL AMOUNT OF \$_____; FIXING THEIR FORM AND
SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY;
PROVIDING FOR THEIR PAYMENT; AND TAKING OTHER ACTIONS IN
CONNECTION WITH THE ISSUANCE THEREOF**

BE IT RESOLVED By the City Council (the "Council") of the City of Breezy Point, Minnesota (the "City") as follows:

Section 1. Background.

1.01. Authorization for Sale of Certificates. Pursuant to a resolution adopted by the City Council on November 4, 2024, the City authorized the issuance and sale of its General Obligation Equipment Certificates, Series 2024A (the "Equipment Certificates"), to reimburse the City for costs related to the acquisition of various items of capital equipment, including a ladder truck (the "Capital Equipment"), pursuant to Minnesota Statutes, Chapter 475, as amended, and Minnesota Statutes, Section 412.301, as amended (collectively, the "Act").

1.02. Award to the Purchaser and Interest Rates. The proposal of _____, _____, _____ (the "Purchaser"), to purchase the Equipment Certificates is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Equipment Certificates at a price of \$_____ (par amount of \$_____, [plus original issue premium of \$_____,] [less original issue discount of \$_____], less underwriter's discount of \$_____), plus accrued interest, if any, to date of delivery for Equipment Certificates bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2026	%	2034	%
2027		2035	
2028		2036	
2029		2037	
2030		2038	
2031		2039	
2032		2040	
2033			

True interest cost: _____%

1.03. Purchase Contract. Any amount paid by the Purchaser over the minimum purchase price shall be credited to the Debt Service Fund hereinafter created or deposited in the Project Fund hereinafter created, as determined by the City Administrator of the City in consultation with Baker Tilly Municipal Advisors, LLC, the City's municipal advisor (the "Municipal Advisor"). The City Administrator is directed to deposit the good faith check or deposit of the Purchaser, pending completion of the sale of the Equipment Certificates, and to return the good faith deposits of the unsuccessful proposers. The Mayor and City Administrator of the City are directed to execute a contract with the Purchaser on behalf of the City.

1.04. Terms and Principal Amounts of the Equipment Certificates. The City will forthwith issue and sell the Equipment Certificates pursuant to the Act in the original aggregate principal amount of \$_____, originally dated the date of delivery (currently anticipated to be December 19, 2024), in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1, upward, bearing interest as above set forth, and maturing serially on December 15 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2026	\$	2034	\$
2027		2035	
2028		2036	
2029		2037	
2030		2038	
2031		2039	
2032		2040	
2033			

1.05. Optional Redemption. The City may elect on December 15, 2034, and on any day thereafter to prepay Equipment Certificates due on or after December 15, 2035. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Equipment Certificates of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

Section 2. Registration and Payment.

2.01. Registered Form. The Equipment Certificates will be issued only in fully registered form. The interest thereon and, upon surrender of each Equipment Certificate, the principal amount thereof, is payable by check, draft, or wire issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Equipment Certificate will be dated as of the last interest payment date preceding the date of authentication to which interest on the Equipment Certificate has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Equipment Certificate will be dated as of the date of authentication; or (ii) the date of authentication is prior to the first interest payment date, in which case the Equipment Certificate will be dated as of the date of original issue. The interest on the Equipment Certificates is payable on June 15 and December 15 of each year, commencing December 15, 2025, to the registered owners of record thereof as of the close of business on the first day of the month of such payment date, whether or not that day is a business day.

2.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent, and paying agent (the "Registrar" and "Paying Agent"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of

Equipment Certificates and the registration of transfers and exchanges of Equipment Certificates entitled to be registered, transferred or exchanged.

(b) Transfer of Equipment Certificates. Upon surrender for transfer of an Equipment Certificate duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Equipment Certificates of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Equipment Certificates. When Equipment Certificates are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Equipment Certificates of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Equipment Certificates surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When an Equipment Certificate is presented to the Registrar for transfer, the Registrar may refuse to transfer the Equipment Certificate until the Registrar is satisfied that the endorsement on the Equipment Certificate or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name an Equipment Certificate is registered in the bond register as the absolute owner of the Equipment Certificate, whether the Equipment Certificate is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Equipment Certificate and for all other purposes and payments so made to registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Equipment Certificate to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Equipment Certificates, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Equipment Certificates. If an Equipment Certificate becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Equipment Certificate of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Equipment Certificate or in lieu of and in substitution for an Equipment Certificate destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of an Equipment Certificate destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Equipment Certificate was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the

Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Equipment Certificates so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Equipment Certificate has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Equipment Certificate prior to payment.

(i) Redemption. In the event any of the Equipment Certificates are called for redemption, notice thereof identifying the Equipment Certificates to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Equipment Certificate to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Equipment Certificates. Equipment Certificates so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar. The City appoints U.S. Bank Trust Company, National Association, Saint Paul, Minnesota, as the initial Registrar. The Mayor and the City Administrator are authorized to execute and deliver, on behalf of the City, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The City agrees to pay the reasonable and customary charges of the Registrar for the services performed. The City reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Equipment Certificates in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the City Council, the City Administrator must transmit to the Registrar monies sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication, and Delivery. The Equipment Certificates will be prepared under the direction of the City Administrator and executed on behalf of the City by the signatures of the Mayor and the City Administrator, provided that those signatures may be printed, engraved, or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Equipment Certificates ceases to be such officer before the delivery of an Equipment Certificate, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, an Equipment Certificate will not be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on the Equipment Certificate has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Equipment Certificates need not be signed by the same representative. The executed certificate of authentication on an Equipment Certificate is conclusive evidence that it has been authenticated and delivered under this resolution. When the Equipment Certificates have been so prepared, executed, and authenticated, the City Administrator will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 3. Form of Equipment Certificate.

3.01. Execution of the Equipment Certificates. The Equipment Certificates will be printed or typewritten in substantially the form set forth in EXHIBIT B attached hereto.

3.02. Approving Legal Opinion. The City Administrator is directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, and to cause the opinion to be printed on or accompany each Equipment Certificate.

Section 4. Payment; Security; Pledges; and Covenants.

4.01. Debt Service Fund. The Equipment Certificates are payable from the General Obligation Equipment Certificates, Series 2024A Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered by the Finance Specialist as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. Ad valorem taxes herein levied for the Capital Equipment are hereby pledged to the Debt Service Fund. There is hereby appropriated to the Debt Service Fund all investment earnings on amounts in the Debt Service Fund and any other funds of the City for the payment of the principal of, premium, if any, and interest on the Debt Service Fund. There is also appropriated to the Debt Service Fund a pro rata portion of (i) capitalized interest financed from proceeds of the Equipment Certificate, if any; and (ii) amounts over the minimum purchase price of the Equipment Certificates paid by the Purchaser, to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

4.02. Project Fund. The City hereby creates the General Obligation Equipment Certificates, Series 2024A Project Fund (the "Project Fund"). The proceeds of the Equipment Certificates, less the appropriations made in Section 4.01 hereof, together with any other funds appropriated for the purchase of the Capital Equipment, will be deposited in the Project Fund to be used solely to purchase the Capital Equipment. When the Capital Equipment is purchased and the costs thereof paid, the Project Fund is to be closed and any balance therein is to be deposited in the Debt Service Fund.

4.03. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Equipment Certificates, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Equipment Certificates and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

4.04. Pledge of Tax Levy. For the purpose of paying a the principal of and interest on the Equipment Certificates, there is levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City (the "Taxes"), which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Taxes in the years and amounts set forth in EXHIBIT C attached hereto will be credited to the Debt Service Fund as provided above. The tax levy herein provided is irrevocable until all of the Equipment Certificates are paid, provided that at the time the City makes its annual tax levies the City Administrator may certify to the County Auditor-Treasurer of Crow Wing County, Minnesota (the "County Auditor-Treasurer") the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and

the County Auditor-Treasurer will thereupon reduce the levy collectible during such year by the amount so certified.

4.05. Debt Service Coverage. It is hereby determined that the estimated collection of Taxes levied hereunder will produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Equipment Certificates.

4.06. Filing of Resolution. The City Administrator is authorized and directed to file a certified copy of this resolution with the County Auditor-Treasurer and to obtain the certificates required by Section 475.63 of the Act.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Equipment Certificates certified copies of proceedings and records of the City relating to the Equipment Certificates and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Equipment Certificates, and such instruments, including any heretofore furnished, may be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor and the City Administrator are authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Equipment Certificates and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement.

5.03. Other Certificates. The Mayor and the City Administrator are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Equipment Certificates or the organization of the City or incumbency of its officers, at the closing the Mayor and the City Administrator shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the City Administrator shall also execute and deliver a certificate as to payment for and delivery of the Equipment Certificates. If an officer whose signature or a facsimile of whose signature appears on any aforementioned certificate or other similar document ceases to be such officer before the delivery of such document, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

5.04. Electronic Signatures. The electronic signature of the Mayor and the City Administrator to this resolution and/or to any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the City thereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

Section 6. Tax Covenants.

6.01. Tax-Exempt Equipment Certificates. The City covenants and agrees with the holders from time to time of the Equipment Certificates that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Equipment Certificates to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Equipment Certificates.

6.02. No Rebate. For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements, the City hereby finds, determines, and declares that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the City (and all subordinate entities of the City) during the calendar year in which the Equipment Certificates are issued and outstanding at one time is not reasonably expected to exceed \$5,000,000, all within the meaning of Section 148(f)(4)(D) of the Code.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Equipment Certificates or to cause or permit them or any of them to be used, in such a manner as to cause the Equipment Certificates to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. Qualified Tax-Exempt Obligations. In order to qualify the Equipment Certificates as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City makes the following factual statements and representations:

(a) the Equipment Certificates are not "private activity bonds" as defined in Section 141 of the Code;

(b) the City designates the Equipment Certificates as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2024 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the City during calendar year 2024 have been designated for purposes of Section 265(b)(3) of the Code.

6.05. Post-Issuance Compliance Policy. Under Sections 103 and 140 to 150 of the Code and related regulations, the City is required to take certain actions after the issuance of tax-exempt bonds to ensure that interest on those bonds remains tax exempt. There has been presented before the City Council a Post-Issuance Compliance Procedure and Policy for Tax-Exempt Governmental Bonds (the "Policy"), which constitutes the City's written procedures regarding how the City will carry out its bond compliance responsibilities with respect to the Equipment Certificates and other obligations that may be issued by the City on a tax-exempt basis. For all conduit bonds issued by the City, the City shall rely on the conduit bond borrower to perform or cause to be performed the duties laid out in the Policy. The Council hereby approves the Policy in substantially the form on file with the City.

6.06. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. The Depository Trust Company. The Equipment Certificates will be initially issued in the form of a separate single typewritten or printed fully registered Equipment Certificate for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Equipment Certificate will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns ("DTC"). Except as provided in this section, all of the outstanding Equipment Certificates will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Equipment Certificates registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the City, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Equipment Certificates as securities depository (the "Participants"), or to any other person on behalf of which a Participant holds an interest in the Equipment Certificates, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Equipment Certificates; (ii) the delivery to any Participant or any other person (other than a registered owner of Equipment Certificates, as shown by the registration books kept by the Registrar) of any notice with respect to the Equipment Certificates, including any notice of redemption; or (iii) the payment to any Participant or any other person, other than a registered owner of Equipment Certificates, of any amount with respect to principal of, premium, if any, or interest on the Equipment Certificates. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Equipment Certificate is registered in the registration books kept by the Registrar as the holder and absolute owner of such Equipment Certificate for the purpose of payment of principal, premium, and interest with respect to such Equipment Certificate, for the purpose of registering transfers with respect to such Equipment Certificates, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Equipment Certificates only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Equipment Certificates to the extent of the sum or sums so paid. No person other than a registered owner of Equipment Certificates, as shown in the registration books kept by the Registrar, will receive a certificated Equipment Certificate evidencing the obligation of this resolution. Upon delivery by DTC to the City Administrator of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." will refer to such new nominee of DTC; and upon receipt of such a notice, the City Administrator will promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which shall govern payment of principal of, premium, if any, and interest on the Equipment Certificates and notices with respect to the Equipment Certificates. Any Paying Agent or Registrar subsequently appointed by the City with respect to the Equipment Certificates will agree to take all action

necessary for all representations of the City in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Equipment Certificates that they be able to obtain Equipment Certificate certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Equipment Certificate certificates. In such event the City will issue, transfer, and exchange Equipment Certificate certificates as requested by DTC and any other registered owners in accordance with the provisions of this resolution. DTC may determine to discontinue providing its services with respect to the Equipment Certificates at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Registrar will authenticate Equipment Certificate certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this resolution to the contrary, so long as an Equipment Certificate is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Equipment Certificate and notices with respect to the Equipment Certificate will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Administrator and dated the date of issuance and delivery of the Equipment Certificates, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

8.02. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Equipment Certificates; however, any holder of the Equipment Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

8.03. Limited Continuing Disclosure. In order to qualify the Equipment Certificates for limited continuing disclosure under paragraph (d)(2) of Securities and Exchange Commission Rules, Section 15c2-12 (the "SEC Rule"), the City makes the following factual statement and representation: as of the date of delivery of the Equipment Certificates, the City will not be an obligated person (as defined in paragraph (f) of the SEC Rule) with respect to more than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds and excluding municipal securities that were exempt from the SEC Rule pursuant to paragraph (d)(1) thereof.

Section 9. Defeasance. When all Equipment Certificates and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Equipment Certificates will cease, except that the pledge of the full

faith and credit of the City for the prompt and full payment of the principal of and interest on the Equipment Certificates will remain in full force and effect. The City may discharge all Equipment Certificates which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Equipment Certificate should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

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The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

EXHIBIT A
PROPOSALS

EXHIBIT B
FORM OF BOND

No. R-_____

\$_____

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF CROW WING
CITY OF BREEZY POINT

GENERAL OBLIGATION EQUIPMENT CERTIFICATE
SERIES 2024A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	December 15, 20____	December 19, 2024	

Registered Owner: Cede & Co.

The City of Breezy Point, Minnesota, a duly organized and existing municipal corporation in Crow Wing County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum of \$_____ on the maturity date specified above, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360 day year of twelve 30 day months), payable June 15 and December 15 in each year, commencing December 15, 2025, to the person in whose name this Equipment Certificate is registered at the close of business on the first day (whether or not a business day) of the month of such payment date. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check, draft, or wire by U.S. Bank Trust Company, National Association, as Registrar, Paying Agent, Transfer Agent, and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on December 15, 2034, and on any day thereafter to prepay Equipment Certificates due on or after December 15, 2035. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Equipment Certificates of a maturity are called for redemption, the City will notify The Depository Trust Company ("DTC") of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Equipment Certificate is one of an issue in the aggregate principal amount of \$_____ all of like original issue date and tenor, except as to number, maturity date, interest rate, and redemption privilege, all issued pursuant to a resolution adopted by the City Council on December 2, 2024 (the "Resolution"), for the purpose of providing money to reimburse the City for costs incurred in acquiring items of capital equipment, pursuant to and in full conformity with

the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Section 412.301, as amended, and the principal hereof and interest hereon are payable from ad valorem taxes, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Equipment Certificate and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in ad valorem taxes pledged, which taxes may be levied without limitation as to rate or amount. The Equipment Certificates of this series are issued only as fully registered Equipment Certificates in denominations of \$5,000 or any integral multiple thereof of single maturities.

The City Council has designated the issue of Equipment Certificates of which this Equipment Certificate forms a part as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code") relating to disallowance of interest expense for financial institutions and within the \$10 million limit allowed by the Code for the calendar year of issue.

As provided in the Resolution and subject to certain limitations set forth therein, this Equipment Certificate is transferable upon the books of the City at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Equipment Certificates of other authorized denominations. Upon such transfer or exchange the City will cause a new Equipment Certificate or Equipment Certificates to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Equipment Certificate is registered as the absolute owner hereof, whether this Equipment Certificate is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED, AND AGREED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota, to be done, to exist, to happen, and to be performed preliminary to and in the issuance of this Equipment Certificate in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened, and have been performed as so required, and that the issuance of this Equipment Certificate does not cause the indebtedness of the City to exceed any constitutional or statutory limitation of indebtedness.

This Equipment Certificate is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of New Prague, Le Sueur and Scott Counties, Minnesota, by its City Council, has caused this Equipment Certificate to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Administrator and has caused this Equipment Certificate to be dated as of the date set forth below.

Dated: December 19, 2024

CITY OF BREEZY POINT, MINNESOTA

(Facsimile)
Mayor

(Facsimile)
City Administrator

CERTIFICATE OF AUTHENTICATION

This is one of the Equipment Certificates delivered pursuant to the Resolution mentioned within.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**

By _____
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Equipment Certificate, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

UNIF GIFT MIN ACT

Custodian _____
(Cust) _____ (Minor)

TEN ENT -- as tenants by entireties

under Uniform Gifts or Transfers to Minors
Act, State of _____

JT TEN -- as joint tenants with right of
survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Equipment Certificate and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Equipment Certificate on the books kept for registration of the within Equipment Certificate, with full power of substitution in the premises.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Equipment Certificate in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Equipment Certificate unless the information concerning the assignee requested below is provided.

Name and Address:

(Include information for all joint owners if this Equipment Certificate is held by joint account.)

Please insert social security or other
identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Equipment Certificate has been registered on the books of the Registrar in the name of the person last noted below.

Date of Registration

Registered Owner

Signature of
Officer of Registrar

Cede & Co.
Federal ID #13-2555119

EXHIBIT C
TAX LEVY SCHEDULE

<u>YEAR *</u>	<u>TAX LEVY</u>
	\$

** Year tax levy collected.*

STATE OF MINNESOTA)
)
COUNTY OF CROW WING) SS.
)
CITY OF BREEZY POINT)

I, the undersigned, being the duly qualified and acting Deputy City Clerk of the City of Breezy Point, Minnesota (the “City”), do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council of the City held on December 2, 2024, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to the issuance and sale of the City’s General Obligation Equipment Certificates, Series 2024A, in the original aggregate principal amount of \$_____.

WITNESS My hand officially as such Deputy City Clerk and the corporate seal of the City this _____ day of December, 2024.

(SEAL)

Deputy City Clerk
City of Breezy Point, Minnesota