

EXTRACT OF MINUTES OF A MEETING
OF THE CITY COUNCIL OF THE
CITY OF RAMSEY, MINNESOTA

HELD: May 8, 2012

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Ramsey, Anoka County, Minnesota, was duly held at the City Hall on May 8, 2012, at 7:00 o'clock P.M., for the purpose, in part, of authorizing the issuance and awarding the sale of \$16,875,000 General Obligation Capital Improvement Plan Bonds, Series 2012A.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION ACCEPTING PROPOSAL ON THE SALE OF \$16,875,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2012A, PROVIDING FOR THEIR ISSUANCE AND LEVYING A TAX FOR THE PAYMENT THEREOF

A. WHEREAS, on March 13, 2012, after a public hearing on the same, the City of Ramsey, Minnesota (the "City") adopted the 2012-2016 Five-Year Capital Improvement Plan for the City of Ramsey, Minnesota (the "Plan") in accordance with the provisions of Minnesota Statutes, Section 475.521, Subd. 3, which provided for the acquisition of the existing city hall and public safety facility, located in the City (the "Facilities"); and

B. WHEREAS, on March 13, 2012, after publication of notice of public hearing, the City held a hearing on the proposed issuance of general obligation capital improvement plan bonds pursuant to Minnesota Statutes, Section 475.521, Subd. 2 and all persons who wished to speak or to provide written information relative to the public hearing were afforded the opportunity to do so; and

C. WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 475.521, Subd. 2(c): (i) a petition requesting a vote on the question of issuing the general obligation capital improvement plan bonds, signed by voters equal to five percent of the votes cast in the last municipal general election, may be filed within thirty days of the public hearing and (ii) upon receipt of such petition within the prescribed time period, the City may issue the general obligation capital improvement plan bonds only after obtaining the approval of a majority of the voters voting on the question of the issuance of the general obligation capital improvement plan bonds, consequently, the authorizations and approvals contained herein are subject to and contingent upon the City not receiving such a petition, or, in the event such a petition is filed, the approving vote of a majority of the voters voting on the question of the issuance of the general obligation capital improvement plan bonds; and

D. WHEREAS, the City Council has heretofore determined that it is necessary and expedient to issue \$16,875,000 General Obligation Capital Improvement Plan Bonds, Series 2012A (the "Bonds" or individually, a "Bond") pursuant to Minnesota Statutes, Section 475.521

and Chapter 475 to provide funds to acquire the Facilities pursuant to an advance refunding of the outstanding Public Project Lease Revenue Bonds, Series 2005A (City of Ramsey, Minnesota, Lease Obligation) of the Economic Development Authority of the City of Ramsey, Minnesota (the "EDA"), dated June 1, 2005 (the "Prior Bonds"), as provided in the Plan; and

E. WHEREAS, the City has heretofore determined, in accordance with Minnesota Statutes, Section 475.521, Subd. 4, that the maximum amount of principal and interest to become due in any year on all the outstanding bonds issued under Minnesota Statutes, Section 475.521, including the Bonds, will not equal or exceed 0.16 percent of taxable market value of property of the City; and

F. WHEREAS, \$14,585,000 aggregate principal amount of the Prior Bonds which matures, or are subject to mandatory redemption, on and after December 15, 2015, is callable on December 15, 2014 (the "Callable Prior Bonds"), as provided in the Indenture of Trust adopted on June 1, 2005 (the "Indenture"), the refunding of the Callable Prior Bonds is consistent with covenants made with the holders of the Prior Bonds; and

G. WHEREAS, \$2,455,000 aggregate principal amount of the Prior Bonds which matures on December 15, 2012, through and including December 15, 2014 (the "Noncallable Prior Bonds"), will be paid on December 15, 2012, December 15, 2013 and December 15, 2014, respectively, and the payment of the Noncallable Prior Bonds is also consistent with the covenants made with the holders of the Prior Bonds; and

H. WHEREAS, the City has retained David Drown Associates, Inc. , in Minneapolis, Minnesota, as its independent financial advisor for the sale of the Bonds, and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 473.60, Subdivision 2(9); and

I. WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereafter provided.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA, as follows:

1. Acceptance of Proposal. The offer Northland Securities, Inc. (the "Purchaser"), to purchase the Bonds at the rates of interest hereinafter set forth, and to pay therefor the sum of \$17,227,351.65, plus interest accrued to settlement, is hereby accepted.

2. Bond Terms.

(a) Original Issue Date; Denominations; Maturities; and Term Bond Option. The Bonds shall be dated June 1, 2012, as the date of original issue and shall be issued forthwith on or after such date in fully registered form. The Bonds shall be numbered from R-1 upward in the denomination of \$5,000 each or in any integral multiple thereof of a single maturity (the "Authorized Denominations") and shall mature on December 15 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2012	\$685,000	2022	\$875,000
2013	450,000	2023	920,000
2014	495,000	2024	965,000
2015	540,000	2025	1,010,000
2016	580,000	2026	1,040,000
2017	630,000	2027	1,070,000
2018	675,000	2028	1,105,000
2019	720,000	2029	1,135,000
2020	770,000	2030	1,175,000
2021	820,000	2031	1,215,000

As may be requested by the Purchaser, one or more term Bonds may be issued having mandatory sinking fund redemption and final maturity amounts conforming to the forgoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

(b) Book Entry Only System. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York or any of its successors or successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

(i) The Bonds shall be initially issued and, so long as they remain in book entry form only (the "Book Entry Only Period"), shall at all times be in the form of a separate single fully registered certificate for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 5 and 10 Authorized Denominations for any Bond shall be deemed to be limited during the Book Entry Only Period to the outstanding principal amount of that Bond.

(ii) Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Registrar (as hereinafter defined) in the name of CEDE & CO., as the nominee (it or any nominee of the existing or a successor Depository, the "Nominee").

(iii) With respect to the Bonds neither the City nor the Registrar shall have any responsibility or obligation to any broker, dealer, bank, or any other financial institution for which the Depository holds Bonds as securities depository (the "Participant") or the person for which a Participant holds an interest in the Bonds shown on the books and records of the Participant (the "Beneficial Owner"). Without limiting the immediately preceding sentence, neither the City, nor the Registrar, shall have any such responsibility or obligation with respect to (A) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in the Bonds, or (B) the delivery to any Participant, any Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant, any Beneficial Owner or any other person, other than the

Depository, of any amount with respect to the principal of or premium, if any, or interest on the Bonds, or (D) the consent given or other action taken by the Depository as the Registered Holder of any Bonds (the "Holder"). For purposes of securing the vote or consent of any Holder under this Resolution, the City may, however, rely upon an omnibus proxy under which the Depository assigns its consenting or voting rights to certain Participants to whose accounts the Bonds are credited on the record date identified in a listing attached to the omnibus proxy.

(iv) The City and the Registrar may treat as and deem the Depository to be the absolute owner of the Bonds for the purpose of payment of the principal of and premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to the Bonds, for the purpose of obtaining any consent or other action to be taken by Holders for the purpose of registering transfers with respect to such Bonds, and for all purpose whatsoever. The Registrar, as paying agent hereunder, shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the Holder of the Bonds as shown on the register, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid.

(v) Upon delivery by the Depository to the Registrar of written notice to the effect that the Depository has determined to substitute a new Nominee in place of the existing Nominee, and subject to the transfer provisions in paragraph 10, references to the Nominee hereunder shall refer to such new Nominee.

(vi) So long as any Bond is registered in the name of a Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, by the Registrar or City, as the case may be, to the Depository as provided in the Letter of Representations to the Depository required by the Depository as a condition to its acting as book-entry Depository for the Bonds (said Letter of Representations, together with any replacement thereof or amendment or substitute thereto, including any standard procedures or policies referenced therein or applicable thereto respecting the procedures and other matters relating to the Depository's role as book-entry Depository for the Bonds, collectively hereinafter referred to as the "Letter of Representations").

(vii) All transfers of beneficial ownership interests in each Bond issued in book-entry form shall be limited in principal amount to Authorized Denominations and shall be effected by procedures by the Depository with the Participants for recording and transferring the ownership of beneficial interests in such Bonds.

(viii) In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Registrar with respect to any consent or other action to be taken by Holders, the Depository shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action; provided, that the City or the Registrar may establish a special record date for such consent or other action. The City or the Registrar shall, to the extent possible, give

the Depository notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(ix) Any successor Registrar in its written acceptance of its duties under this Resolution and any paying agency registrar agreement, shall agree to take any actions necessary from time to time to comply with the requirements of the Letter of Representations.

(x) In the case of a partial prepayment of a Bond, the Holder may, in lieu of surrendering the Bonds for a Bond of a lesser denomination as provided in paragraph 5, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

(c) Termination of Book-Entry Only System. Discontinuance of a particular Depository's services and termination of the book-entry only system may be effected as follows:

(i) The Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the City and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of the Depository with respect to the Bonds if it determines that the Depository is no longer able to carry out its functions as securities depository or the continuation of the system of book-entry transfers through the Depository is not in the best interests of the City or the Beneficial Owners.

(ii) Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository can be found which, in the opinion of the City, is willing and able to assume the functions of the Depository hereunder upon reasonable or customary terms, or if the City determines that it is in the best interests of the City or the Beneficial Owners of the Bonds that the Beneficial Owners be able to obtain certificates for the Bonds, the Bonds shall no longer be registered as being registered in the bond register in the name of the Nominee, but may be registered in whatever name or names the Holder of the Bonds shall designate at that time, in accordance with paragraph 10. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 10, the Bonds will be delivered to the Beneficial Owners.

(iii) Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 10.

(d) Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part hereof. If and to the extent any such provisions are inconsistent with the other provisions of this resolution, the provisions in the Letter of Representations shall control.

3. Purpose; Refunding Findings. The Bonds shall provide funds for a full net cash advance refunding of the outstanding Callable Prior Bonds and the Noncallable Prior Bonds (the "Refunding"). It is hereby found, determined and declared that the Refunding is pursuant to

Minnesota Statutes, Section 475.67, and as a result of the Refunding, the average life of the maturities is extended by at least three years.

4. Interest The Bonds shall bear interest payable semiannually on December 15 and June 15 of each year (each, an "Interest Payment Date"), commencing December 15, 2012, calculated on the basis of a 360-day year of twelve 30-day months, at the respective rates per annum set forth opposite the maturity years as follows:

<u>Maturity Year</u>	<u>Interest Rate</u>	<u>Maturity Year</u>	<u>Interest Rate</u>
2012	3.00%	2022	3.00%
2013	3.00	2023	3.00
2014	3.00	2024	3.00
2015	3.00	2025	3.00
2016	4.00	2026	3.00
2017	4.00	2027	3.00
2018	4.00	2028	3.00
2019	4.00	2029	3.125
2020	4.00	2030	3.25
2021	4.00	2031	3.375

The maximum annual principal and interest on the Bonds (\$1,256,006.26), is less than 0.16% of the taxable market value of the City (\$2,841,662.00).

5. Redemption. All Bonds maturing on December 15, 2022, and thereafter, shall be subject to redemption and prepayment at the option of the City on December 15, 2021, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the City shall determine the maturities and the principal amounts within each maturity to be prepaid, and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected registered holder of the Bonds at least thirty days prior to the date set for redemption.

To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar prior to giving notice of redemption shall assign to each Bond having a common maturity date a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers so assigned to such Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the City or the Bond Registrar so requires, a written instrument of transfer in form satisfactory to the

City and the Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the City shall execute and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds of the same series having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

6. Bond Registrar. Northland Trust Services, Inc., in Minneapolis, Minnesota, is appointed to act as bond registrar and transfer agent with respect to the Bonds (the "Bond Registrar"), and shall do so unless and until a successor Bond Registrar is duly appointed, all pursuant to any contract the City and Bond Registrar shall execute which is consistent herewith. The Bond Registrar shall also serve as paying agent unless and until a successor paying agent is duly appointed. Principal and interest on the Bonds shall be paid to the registered holders (or record holders) of the Bonds in the manner set forth in the form of Bond and paragraph 12.

7. Form of Bond. The Bonds, together with the Bond Registrar's Certificate of Authentication, the form of Assignment and the registration information thereon, shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MINNESOTA
ANOKA COUNTY
CITY OF RAMSEY

R-_____

\$_____

GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BOND, SERIES 2012A

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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December 15, ____

June 1, 2012

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The City of Ramsey, Anoka County, Minnesota (the "Issuer"), certifies that it is indebted and for value received promises to pay to the registered owner specified above, or registered assigns, in the manner hereinafter set forth, the principal amount specified above, on the maturity date specified above, unless called for earlier redemption, and to pay interest thereon semiannually on December 15 and June 15 of each year (each, an "Interest Payment Date"), commencing December 15, 2012, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months) until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or, if no interest has been paid, from the date of original issue hereof. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the principal office of Northland Trust Services, Inc, in Minneapolis, Minnesota (the "Bond Registrar"), acting as paying agent, or any successor paying agent duly appointed by the Issuer. Interest on this Bond will be paid on each Interest Payment Date by check or draft mailed to the person in whose name this Bond is registered (the "Holder" or "Bondholder") on the registration books of the Issuer maintained by the Bond Registrar and at the address appearing thereon at the close of business on the first day of the calendar month of such Interest Payment Date (the "Regular Record Date"). Any interest not so timely paid shall cease to be payable to the person who is the Holder hereof as of the Regular Record Date, and shall be payable to the person who is the Holder hereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given to Bondholders not less than ten days prior to the Special Record Date. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America. So long as this Bond is registered in the name of the Depository or its Nominee as provided in the Resolution hereinafter described, and as those terms are defined therein, payment of principal of, premium, if any, and interest on this Bond and notice with respect thereto shall be made as provided in the Letter of Representations, as defined in the Resolution, and surrender of this Bond shall not be required for payment of the redemption price upon a partial redemption of this Bond. Until termination of the book-entry only system pursuant to the Resolution, Bonds may only be registered in the name of the Depository or its Nominee.

Optional Redemption. The Bonds of this issue (the "Bonds") maturing on December 15, 2022, and thereafter, are subject to redemption and prepayment at the option of the Issuer on December 15, 2021, and on any date thereafter at a price of par plus accrued interest. Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the Issuer shall determine the maturities and the principal amounts within each maturity to be prepaid; and if only part of the Bonds having a common maturity date are called for prepayment, the specific Bonds to be prepaid shall be chosen by lot by the Bond Registrar. Bonds or portions thereof called for redemption shall be due and payable on the redemption date, and interest thereon shall cease to accrue from and after the redemption date. Mailed notice of redemption shall be given to the paying agent and to each affected Holder of the Bonds at least thirty days prior to the date set for redemption.

Prior to the date on which any Bond or Bonds are directed by the Issuer to be redeemed in advance of maturity, the Issuer will cause notice of the call thereof for redemption identifying the Bonds to be redeemed to be mailed to the Bond Registrar and all Bondholders, at the addresses shown on the Bond Register. All Bonds so called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption have been duly deposited.

Selection of Bonds for Redemption; Partial Redemption. To effect a partial redemption of Bonds having a common maturity date, the Bond Registrar shall assign to each Bond having a common maturity date, a distinctive number for each \$5,000 of the principal amount of such Bond. The Bond Registrar shall then select by lot, using such method of selection as it shall deem proper in its discretion from the numbers assigned to the Bonds, as many numbers as, at \$5,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided, however, that only so much of the principal amount of such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. If a Bond is to be redeemed only in part, it shall be surrendered to the Bond Registrar (with, if the Issuer or the Bond Registrar so requires, a written instrument of transfer in form satisfactory to the Issuer and the Bond Registrar duly executed by the Holder thereof or the Holder's attorney duly authorized in writing) and the Issuer shall execute and the Bond Registrar shall authenticate and deliver to the Holder of the Bond, without service charge, a new Bond or Bonds having the same stated maturity and interest rate and of any Authorized Denomination or Denominations, as requested by the Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; General Obligation. This Bond is one of an issue in the total principal amount of \$16,875,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, issued pursuant to and in full conformity with the City Charter, the Constitution and laws of the State of Minnesota and pursuant to a resolution adopted by the City Council on May 8, 2012 (the "Resolution"), for the purpose of providing funds to finance the acquisition of capital improvements, as defined in Minnesota Statutes, Section 475.521 and described in the Issuer's Capital Improvement Plan, including the acquisition of the Facilities pursuant to an advance refunding of the outstanding Public Project Lease Revenue Bonds, Series 2005A (City of Ramsey, Minnesota Lease Obligation) of the Economic Development Authority of the City of Ramsey, Minnesota, dated June 1, 2005,

pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapter 475. This Bond is payable out of the General Obligation Capital Improvement Plan Bonds, Series 2012A Fund of the Issuer. This Bond constitutes a general obligation of the Issuer, and to provide moneys for the prompt and full payment of its principal, premium, if any, and interest when the same become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

Denominations; Exchange; Resolution. The Bonds are issuable solely in fully registered form in Authorized Denominations (as defined in the Resolution) and are exchangeable for fully registered Bonds of other Authorized Denominations in equal aggregate principal amounts at the principal office of the Bond Registrar, but only in the manner and subject to the limitations provided in the Resolution. Reference is hereby made to the Resolution for a description of the rights and duties of the Bond Registrar. Copies of the Resolution are on file in the principal office of the Bond Registrar.

Transfer. This Bond is transferable by the Holder in person or by the Holder's attorney duly authorized in writing at the principal office of the Bond Registrar upon presentation and surrender hereof to the Bond Registrar, all subject to the terms and conditions provided in the Resolution and to reasonable regulations of the Issuer contained in any agreement with the Bond Registrar. Thereupon the Issuer shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Bond, one or more new fully registered Bonds in the name of the transferee (but not registered in blank or to "bearer" or similar designation), of an Authorized Denomination or Denominations, in aggregate principal amount equal to the principal amount of this Bond, of the same maturity and bearing interest at the same rate.

Fees upon Transfer or Loss. The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of this Bond and any legal or unusual costs regarding transfers and lost Bonds.

Treatment of Registered Owners. The Issuer and Bond Registrar may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except as otherwise provided herein with respect to the Record Date) and for all other purposes, whether or not this Bond shall be overdue, and neither the Issuer nor the Bond Registrar shall be affected by notice to the contrary.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security unless the Certificate of Authentication hereon shall have been executed by the Bond Registrar.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution, the laws of the State of Minnesota and the Charter of the City to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law, and that this Bond, together with all other debts of the Issuer outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional, statutory, or charter limitation of indebtedness.

IN WITNESS WHEREOF, the City of Ramsey, Minnesota, by its City Council has caused this Bond to be executed on its behalf by the facsimile signatures of the Mayor and the Administrator, the seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: NORTHLAND TRUST SERVICES, INC

Payable at: NORTHLAND TRUST SERVICES, INC.

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

This Bond is one of the Bonds
described in the Resolution
mentioned within.

CITY OF RAMSEY,
ANOKA COUNTY, MINNESOTA

/s/ Facsimile
Mayor

NORTHLAND TRUST
SERVICES, INC.
Minneapolis, Minnesota
Bond Registrar

/s/ Facsimile
Administrator

By:

Authorized Signature

8. Execution. The Bonds shall be in typewritten form, shall be executed on behalf of the City by the signatures of its Mayor and Administrator and be sealed with the seal of the City; provided, as permitted by law, both signatures may be photocopied facsimiles and the corporate seal has been omitted. In the event of disability or resignation or other absence of either officer, the Bonds may be signed by the manual or facsimile signature of the officer who may act on behalf of the absent or disabled officer. In case either officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

9. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless a Certificate of Authentication on such Bond, substantially in the form hereinabove set forth, shall have been duly executed by an authorized representative of the Bond Registrar. Certificates of Authentication on different Bonds need not be signed by the same person. The Bond Registrar shall authenticate the signatures of officers of the City on each Bond by execution of the Certificate of Authentication on the Bond and by inserting as the date of registration in the space provided the date on which the Bond is authenticated, except that for purposes of delivering the original Bonds to the Purchaser, the Bond Registrar shall insert as a date of registration the date of original issue of June 1, 2012. The Certificate of Authentication so executed on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

10. Registration; Transfer; Exchange. The City will cause to be kept at the principal office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the Bond Registrar shall provide for the registration of Bonds and the registration of transfers of Bonds entitled to be registered or transferred as herein provided.

Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration (as provided in paragraph 9 with respect to authentication) of, and deliver, in the name of the designated transferee or transferees, one or more new Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount, having the same stated maturity and interest rate, as requested by the transferor; provided, however, that no Bond may be registered in blank or in the name of "bearer" or similar designation.

At the option of the Holder, Bonds may be exchanged for Bonds of any Authorized Denomination or Denominations of a like aggregate principal amount and stated maturity, upon surrender of the Bonds to be exchanged at the principal office of the Bond Registrar. Whenever any Bonds are so surrendered for exchange, the City shall execute (if necessary), and the Bond Registrar shall authenticate, insert the date of registration of, and deliver the Bonds which the holder making the exchange is entitled to receive.

All Bonds surrendered upon any exchange or transfer provided for in this resolution shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the City.

All Bonds delivered in exchange for or upon transfer of Bonds shall be valid general obligations of the City evidencing the same debt, and entitled to the same benefits under this resolution, as the Bonds surrendered for such exchange or transfer.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the Bond Registrar, duly executed by the holder thereof or the Holder's attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange of any Bond and any legal or unusual costs regarding transfers and lost Bonds.

Transfers shall also be subject to reasonable regulations of the City contained in any agreement with the Bond Registrar, including regulations which permit the Bond Registrar to close its transfer books between record dates and payment dates.

11. Rights Upon Transfer or Exchange. Each Bond delivered upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

12. Interest Payment; Record Date. Interest on any Bond shall be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Bond is registered (the "Holder") on the registration books of the City maintained by the Bond Registrar and at the address appearing thereon at the close of business on the first day of the calendar month of such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the Holder thereof as of the Regular Record Date, and shall be payable to the person who is the Holder thereof at the close of business on a date (the "Special Record Date") fixed by the Bond Registrar whenever money becomes available for payment of the defaulted interest. Notice of the Special Record Date shall be given by the Bond Registrar to the Holders not less than ten days prior to the Special Record Date.

13. Treatment of Registered Owner. The City and Bond Registrar may treat the person in whose name any Bond is registered as the owner of such Bond for the purpose of receiving payment of principal of and premium, if any, and interest (subject to the payment provisions in paragraph 12 with respect to interest payment and record date) on, such Bond and for all other purposes whatsoever whether or not such Bond shall be overdue, and neither the City nor the Bond Registrar shall be affected by notice to the contrary.

14. Delivery; Application of Proceeds. The Bonds when so prepared and executed shall be delivered by the Administrator to the Purchaser upon receipt of the purchase price, and the Purchaser shall not be obliged to see to the proper application thereof.

15. Fund and Accounts. There is hereby created a special fund to be designated the "General Obligation Capital Improvement Plan Bonds, Series 2012A Fund" (the "Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The Fund shall be maintained in the manner herein specified until all of the Bonds and the interest thereon have

been fully paid. There shall be maintained in the Fund separate accounts, to be designated the "Escrow Account" and "Debt Service Account", respectively.

(a) Escrow Account. The Escrow Account shall be maintained as an escrow account with U.S. Bank National Association (the "Escrow Agent") in St. Paul, Minnesota, which is a suitable financial institution within or without the State. All proceeds of the sale of the Bonds and proceeds of the Reserve Account established for the Prior Bonds under the Indenture shall be received by the Escrow Agent and applied to fund the Escrow Account or to pay costs of issuing the Bonds. Proceeds of the Bonds not used to pay costs of issuance or returned to the City are hereby pledged and appropriated to the Escrow Account, together with all investment earnings thereon. The Escrow Account shall be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as shall be required to provide sufficient funds, together with any cash or other funds retained in the Escrow Account, to pay when due the accrued interest, the principal amount of outstanding Prior Bonds to maturity or to the date called for redemption and to pay any premium required for redemption. The moneys in the Escrow Account shall be used solely for the purposes herein set forth and for no other purpose, except that any surplus in the Escrow Account may be remitted to the City, all in accordance with an Escrow Agreement (the "Escrow Agreement") by and between the City, the EDA and the Escrow Agent. A form of the Escrow Agreement is on file in the office of the Administrator. Any moneys remitted to the City pursuant to the Escrow Agreement shall be deposited in the Debt Service Account.

(b) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (i) all accrued interest received upon delivery of the Bonds; (ii) any collections of all taxes herein or hereafter levied for the payment of the Bonds and interest thereon; (iii) after December 15, 2014, any unexpended moneys in the Public Project Lease Revenue Bond Fund created by the Indenture; (iv) any sums remitted to the City pursuant to the Escrow Agreement; (v) all investment earnings on funds held in the Debt Service Account; and (vi) any and all other moneys which are properly available and are appropriated by the governing body of the City to the Debt Service Account. The Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of the Bonds and any other general obligation bonds of the City hereafter issued by the City and made payable from said account as provided by law.

No portion of the proceeds of the Bonds shall be used directly or indirectly to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except (1) for a reasonable temporary period until such proceeds are needed for the purpose for which the Bonds were issued and (2) in addition to the above in an amount not greater than the lesser of five percent of the proceeds of the Bonds or \$100,000. To this effect, any proceeds of the Bonds and any sums from time to time held in the Escrow Account or Debt Service Account (or any other City account which will be used to pay principal or interest to become due on the bonds payable therefrom) in excess of amounts which under then applicable federal arbitrage regulations may be invested without regard to yield shall not be invested at a yield in excess of the applicable yield restrictions imposed by said arbitrage regulations on such investments after taking into account any applicable "temporary periods" or "minor portion" made available under the federal arbitrage regulations. Money in the Fund shall not be invested in obligations or deposits issued by, guaranteed by or insured by the United

States or any agency or instrumentality thereof if and to the extent that such investment would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code").

16. Tax Levy; Coverage Test To provide moneys for payment of the principal and interest on the Bonds there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City for the years and in the amounts as follows:

<u>Year of Tax Levy</u>	<u>Year of Tax Collection</u>	<u>Amount</u>
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See Attached

In addition, the City has heretofore levied in the year 2011 for collection in the year 2012, a direct ad valorem tax in the amount of \$1,034,482.83, which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City.

The tax levies are such that if collected in full they, together with other revenues herein pledged for the payment of the Bonds, will produce at least five percent in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levies shall be irreparable so long as any of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

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

18. Continuing Disclosure. The City is the sole obligated person with respect to the Bonds. The City hereby agrees, in accordance with the provisions of Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended, and a Continuing Disclosure Undertaking (the "Undertaking") hereinafter described to:

(a) Provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB") by filing at www.emma.msrb.org in accordance with the Rule, certain annual financial information and operating data in accordance with the Undertaking. The City reserves the right to modify from time to time the terms of the Undertaking as provided therein.

(b) Provide or cause to be provided to the MSRB notice of the occurrence of certain events with respect to the Bonds in not more than ten (10) business days after the occurrence of the event, in accordance with the Undertaking.

(c) Provide or cause to be provided to the MSRB notice of a failure by the City to provide the annual financial information with respect to the City described in the Undertaking, in not more than ten (10) business days following such amendment.

(d) The City agrees that its covenants pursuant to the Rule set forth in this paragraph and in the Undertaking is intended to be for the benefit of the Holders of the Bonds and shall be enforceable on behalf of such Holders; provided that the right to enforce the provisions of these covenants shall be limited to a right to obtain specific enforcement of the City's obligations under the covenants.

The Mayor and Administrator of the City, or any other officer of the City authorized to act in their place (the "Officers") are hereby authorized and directed to execute on behalf of the City the Undertaking in substantially the form presented to the City Council subject to such modifications thereof or additions thereto as are (i) consistent with the requirements under the Rule, (ii) required by the Purchaser of the Bonds, and (iii) acceptable to the Officers.

19. Defeasance. When all Bonds have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the registered Holders of the Bonds shall, to the extent permitted by law, cease. The City may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full; or if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Bond Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The City may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Bond Registrar on or before that date a sum sufficient for the payment thereof in full, provided that notice of redemption thereof has been duly given. The City may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a suitable banking institution qualified by law as an escrow agent for this purpose, cash or securities described in Minnesota Statutes, Section 475.67, Subdivision 8, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without regard to sale and/or reinvestment, to pay all amounts to become due thereon to maturity or, if notice of redemption as herein required has been duly provided for, to such earlier redemption date.

20. Certificate of Registration. A certified copy of this resolution shall be filed in the office of the County Auditor of Anoka County, Minnesota, together with such other information as the County Auditor shall require and the County Auditor shall issue a certificate that the Bonds have been entered in the County Auditor's Bond Register and that the tax levy required by law has been filed and levied.

21. Records and Certificates. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser, and to the attorneys approving the legality of the issuance of the Bonds, certified copies of all proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other affidavits, certificates and information as are required to show the facts relating to the legality and marketability of the

Bonds as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

22. Negative Covenant as to Use of Bond Proceeds and Project. The City hereby covenants not to use the proceeds of the Bonds or to use the Project, or to cause or permit it to be used, or to enter into any deferred payment arrangements for the cost of the Project, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

23. Tax-Exempt Status of the Bonds; Rebate. The City is subject to the rebate requirement imposed by Section 148(f) of the Code because the Refunded Bonds did not qualify for the small issuer exception from rebate, as provided in Section 148(f)(4)(D) of the Code and Section 1.148-8 of the Regulations.

24. Escrow Agreement. On or prior to the delivery of the Bonds the Mayor and Administrator shall, and are hereby authorized and directed to, execute on behalf of the City the Escrow Agreement. The Escrow Agreement is hereby approved and adopted and made a part of this resolution and the City covenants that it will promptly enforce all provisions thereof in the event of default thereunder by the Escrow Agent.

25. Securities; Escrow Agent. Securities purchased from moneys in the Escrow Account shall be limited to securities set forth in Minnesota Statutes, Section 475.67, Subdivision 8, and any amendments or supplements thereto. Securities purchased from the Escrow Account shall be purchased simultaneously with the delivery of the Bonds. The City has investigated the facts and hereby finds and determines that the Escrow Agent is suitable to act as escrow agent.

26. Callable Prior Bonds. The Callable Prior Bonds shall be redeemed and prepaid in accordance with the terms and conditions set forth in the Notice of Call for Redemption substantially in the form attached to the Escrow Agreement, which terms and conditions are hereby approved and incorporated herein by reference. The Notice of Call for Redemption shall be given pursuant to the Escrow Agreement. Failure to give notice by mail to any registered owner, or any defect therein, will not affect the validity of any proceedings for the redemption of the Prior Bonds.

27. Purchase of SLGS or Open Market Securities. The Escrow Agent, as agent for the City, is hereby authorized and directed to purchase on behalf of the City and in its name the appropriate United States Treasury Securities, State and Local Government Series, and/or open market securities from the proceeds of the Bonds and, to the extent necessary, other available funds, all in accordance with the provisions of this resolution and the Escrow Agreement and to execute all such documents (including the appropriate subscription forms) required to effect such purchase in accordance with the applicable U.S. Treasury Regulations.

28. Termination of Lease and Ground Lease Agreement. The City hereby elects to exercise its option under Section 4.6 of the Lease Agreement between the City and the EDA, dated as of June 1, 2005 (the "Lease") to prepay the Purchase Option Price (as defined in the

Lease), and deposit funds sufficient to defease the outstanding Prior Bonds as provided in the Escrow Agreement. As provided in the Lease, the City hereby determines and declares that upon the issuance of the Bonds and the funding of the Escrow Account, the Lease and Ground Lease Agreement between the City and EDA, dated as of June 1, 2005, shall be terminated and the EDA shall have no further right, title and/or interest in and to the Facilities.

29. Official Statement. The Official Statement relating to the Bonds prepared and distributed by the Purchaser is hereby approved and the officers of the City are authorized in connection with the delivery of the Bonds to sign such certificates as may be necessary with respect to the completeness and accuracy of the Official Statement.

30. Governmental Bonds Post-Issuance Compliance Policies and Procedures. The City hereby approves the Governmental Bonds Post-Issuance Compliance Policies and Procedures in substantially the form presented to the City Council.

31. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

32. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

The motion for the adoption of the foregoing resolution was duly seconded by member _____ and, after a full discussion thereof and upon a 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.

STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF RAMSEY

I, the undersigned, being the duly qualified and acting Administrator of the City of Ramsey, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council, duly called and held on the date therein indicated, insofar as the minutes relate to providing for the sale of \$16,875,000 General Obligation Capital Improvement Plan Bonds, Series 2012A.

WITNESS my hand on May 8, 2012.

Administrator

Attachment to Resolution
City of Ramsey, Minnesota
 G.O. Capital Improvement Plan Bonds, Series 2012A
 2005A

105% Levy

Date	Fiscal Total	105% Levy	Year	Collection Year
06/07/2012	-	-	-	-
12/15/2012	985,221.74	1,034,482.83	*	*
06/15/2013	-			
12/15/2013	986,562.50	1,035,890.63	2012	2013
06/15/2014	-			
12/15/2014	1,018,062.50	1,068,965.63	2013	2014
06/15/2015	-			
12/15/2015	1,048,212.50	1,100,623.13	2014	2015
06/15/2016	-			
12/15/2016	1,072,012.50	1,125,613.13	2015	2016
06/15/2017	-			
12/15/2017	1,098,812.50	1,153,753.13	2016	2017
06/15/2018	-			
12/15/2018	1,118,612.50	1,174,543.13	2017	2018
06/15/2019	-			
12/15/2019	1,136,612.50	1,193,443.13	2018	2019
06/15/2020	-			
12/15/2020	1,157,812.50	1,215,703.13	2019	2020
06/15/2021	-			
12/15/2021	1,177,012.50	1,235,863.13	2020	2021
06/15/2022	-			
12/15/2022	1,199,212.50	1,259,173.13	2021	2022
06/15/2023	-			
12/15/2023	1,217,962.50	1,278,860.63	2022	2023
06/15/2024	-			
12/15/2024	1,235,362.50	1,297,130.63	2023	2024
06/15/2025	-			
12/15/2025	1,251,412.50	1,313,983.13	2024	2025
06/15/2026	-			
12/15/2026	1,251,112.50	1,313,668.13	2025	2026
06/15/2027	-			
12/15/2027	1,249,912.50	1,312,408.13	2026	2027
06/15/2028	-			
12/15/2028	1,252,812.50	1,315,453.13	2027	2028
06/15/2029	-			
12/15/2029	1,249,662.50	1,312,145.63	2028	2029
06/15/2030	-			
12/15/2030	1,254,193.76	1,316,903.45	2029	2030
06/15/2031	-			
12/15/2031	1,256,006.26	1,318,806.57	2030	2031
Total	\$23,216,584.26	-		

**Paid from available City funds.*