

OFFICIAL CITY COUNCIL PROCEEDINGS
REGULAR SESSION
NOVEMBER 4, 2013

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:30 p.m., Monday, November 4th, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Steve Nordaune, Steve Schaub, Joe Fagnano and Scott Peterson. Staff present: City Manager Bill Lavin, Finance Director Michael Betker and City Clerk Joan Taylor. Others in attendance included Todd Hagen from Ehlers & Associates, Hospital Administrator George Gerlach, City Attorney Holmstrom Greg Holmstrom and Advocate News Editor Scott Tedrick.

MINUTES: M/S NORDAUNE/ SCHAUB TO APPROVE THE MINUTES OF THE OCTOBER 21st REGULAR MEETING. Motion carried unanimously.

BILLS: M/S GALOW/NORDAUNE TO APPROVE BILLS PRESENTED FOR PAYMENT. Motion carried unanimously.

REPORTS: The Building Inspector report and Fire Department report were acknowledged at this time.

FIRE DEPARTMENT: Following execution of a contract with Huston/Galveston Area Council the Fire Department received a quote for the purchase of a new pumper truck from North Star Fire Apparatus out of Apple Valley, Minnesota. Following discussion it was the consensus of council to go forward with obtaining a contract from North Star Fire Apparatus for council consideration.

REPORTS: The following reports were acknowledged at this time: Kilowatt Community Center, Public Works Department and Utilities Commission.

BONDS: Todd Hagen from Ehlers & Associates was in attendance to review with council the bid tabulation sheet for the sale of \$1,995,000 Electric Revenue Bond, Series 2013B. Ehlers & Associates presented bid information from two proposals received. Following discussion, Nordaune introduced a resolution and moved its adoption to accept the bid from Northland Securities, Inc., Minneapolis, Minnesota at a true interest rate of 3.5357% for the sale of the above referenced bonds.

RESOLUTION NO. 13-134

RESOLUTION ACCEPTING PROPOSAL ON
SALE OF \$1,995,000 ELECTRIC REVENUE BONDS,
SERIES 2013B, AND PROVIDING FOR THEIR ISSUANCE

WHEREAS, the City of Granite Falls, Minnesota (the "City"), has retained Ehlers and Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the sale of \$1,995,000 Electric Revenue Bonds, Series 2013B (the "Bonds") and was therefore authorized to sell the Bonds by private negotiation in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

WHEREAS, proposals to purchase the Bonds have been solicited by Ehlers; and

WHEREAS, the proposals set forth on Exhibit A attached hereto were received pursuant to the terms established for the Bonds by the Clerk at the City Hall at 11:00 A.M., Central Time, this same day; and

WHEREAS, the City owns and operates a municipal electric light and power plant and system hereinafter referred to as "Electric Utility" and the City deems it necessary and expedient to finance improvements (the "Improvements") to the Electric Utility and it is necessary for the City to borrow \$1,995,000 to make said Improvements; and

WHEREAS, by resolution dated July 5, 2011 (the "Prior Resolution") this City authorized the issuance and sale of \$2,455,000 Electric Revenue Refunding Bonds, Series 2011B, dated July 13, 2011 (the "Prior Bonds"). There are presently outstanding \$_____ in principal amount and paragraph 4 of the Prior Resolution provides as follows:

<u>Month/Day/Year</u>	<u>Amount</u>	<u>Month/Day/Year</u>	<u>Amount</u>
-----------------------	---------------	-----------------------	---------------

WHEREAS, the City Council has heretofore determined that it is necessary and expedient to provide moneys in the amount of \$1,995,000 to improve the Electric Utility by the issuance of the Bonds pursuant to Minnesota Statutes, Chapter 453, payable solely from the net revenues of the Electric Utility; and

WHEREAS, it is in the best interests of the City that the Bonds be issued in book-entry form as hereinafter provided; and

NOW, THEREFORE, BE IT RESOLVED by the City of Granite Falls, Minnesota, as follows:

Findings. It is hereby found, determined and declared that:

Parity of Lien Test. All of the payments required to be made into the various funds and accounts provided for in the Prior Resolution authorizing the issuance of the Prior Bonds, have been made and there is sufficient money in the Parity Revenue Bond Debt Service Account of the Electric Fund to pay all principal and interest on all obligations payable from the revenues of the Electric Utility, coming due during the twelve (12) month period next succeeding the issuance of the Bonds authorized by this resolution.

The gross revenues, expenses of operation and maintenance, and net revenues of said Electric Utility from all sources for the past completed two (2) (calendar) (fiscal) years have been as follows:

	Year Ended _____	Year Ended _____
OPERATING REVENUES	\$	\$

OPERATING EXPENSES	- _____	- _____
OPERATING PROFIT (Exclusive of Depreciation)	\$ _____	\$ _____
ADD: Non-Operating Revenue	+ _____	+ _____
AVERAGE NET REVENUES LAST TWO YEARS	\$ _____	

The net revenues for each of the preceding two (2) completed (calendar) (fiscal) years have averaged at least (i) one hundred twenty-five percent (125%) of the average annual principal and interest coming due during the remaining term of the Prior Bonds plus the issue herein authorized, computed to May 1, 2023 (the final maturity date of the Prior Bonds), which average annual principal and interest requirements, based on the schedule of maturities herein set forth and a net interest cost on the new issue of not exceeding _____% per annum, will be approximately the sum of \$ _____, and (ii) equal to or greater than the maximum annual principal and interest coming due thereafter on all outstanding obligations payable from the revenues of the Electric Fund, including any subordinate lien obligations and the additional obligations so to be issued, and the City is therefore authorized to issue the Bonds on a parity of lien with the Prior Bonds.

The City presently has no other outstanding bonds, warrants, certificates or other obligations or evidences of indebtedness of money borrowed for or on account of said Electric Utility or indebtedness for which any of the net revenues of the Electric Utility have been appropriated or pledged.

Sufficiency of Net Revenues. The estimated revenues to be derived from the operation of the Electric Utility during the term of the Bonds authorized by this resolution will be more than sufficient to produce net revenues after current costs of operation and maintenance adequate to pay principal and interest when due on the Bonds authorized herein and to maintain reasonable reserves therefor.

Acceptance of Proposal. The proposal of _____ (the "Purchaser"), to purchase the Bonds of the City (or individually, a "Bond"), in accordance with the terms established therefor, at the rates of interest hereinafter set forth, and to pay therefor the sum of \$ _____, plus interest accrued to settlement, is hereby found, determined and declared to be the most favorable proposal received and is hereby accepted, and the Bonds are hereby awarded to the Purchaser. The Clerk is directed to retain the deposit of the Purchaser and to forthwith return to the unsuccessful proposal makers their good faith checks or drafts.

Bond Terms.

Original Issue Date; Denominations; Maturities; Term Bond Option. The Bonds shall be dated December 3, 2013, as the date of original issue and shall be issued as fully registered bonds. 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"). The Bonds shall mature on May 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
-------------	---------------	-------------	---------------

2015	2022
2016	2023
2017	2024
2018	2025
2019	2026
2020	2027
2021	2028

All dates are inclusive. 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 foregoing principal repayment schedule, and corresponding additions may be made to the provisions of the applicable Bond(s).

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 its successors to its functions hereunder (the "Depository") will act as securities depository for the Bonds, and to this end:

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 Bond for each maturity of the Bonds; and for purposes of complying with this requirement under paragraphs 6 and 11 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.

Upon initial issuance, ownership of the Bonds shall be registered in a bond register maintained by the Bond 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").

With respect to the Bonds neither the City nor the Bond 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 Bond 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 Register 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.

The City and the Bond 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 Bond 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 bond 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.

Upon delivery by the Depository to the Bond 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 11 hereof, references to the Nominee hereunder shall refer to such new Nominee.

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 Bond 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").

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.

In connection with any notice or other communication to be provided to the Holders pursuant to this Resolution by the City or Bond 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 Bond Registrar may establish a special record date for such consent or other action. The City or the Bond 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.

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

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 6 hereof, make a notation of the reduction in principal amount on the panel provided on the Bond stating the amount so redeemed.

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:

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 Bond 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.

Upon termination of the services of the Depository as provided in the preceding paragraph, and if no substitute securities depository is willing to undertake the functions of the Depository hereunder can be found which, in the opinion of the City, is willing and able to assume such functions 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 Bond 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 11 hereof. To the extent that the Beneficial Owners are designated as the transferee by the Holders, in accordance with paragraph 11 hereof, the Bonds will be delivered to the Beneficial Owners.

Nothing in this subparagraph (c) shall limit or restrict the provisions of paragraph 11 hereof.

Letter of Representations. The provisions in the Letter of Representations are incorporated herein by reference and made a part of the resolution, and 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.

Interest. The Bonds shall bear interest payable semiannually on May 1 and November 1 of each year commencing May 1, 2014 at the respective rates per annum set forth opposite the maturity years as follows:

<u>Year</u>	<u>Interest Rates</u>	<u>Year</u>	<u>Interest Rates</u>
2015	%	2022	%
2016		2023	
2017		2024	
2018		2025	
2019		2026	
2020		2027	

2021

2028

Redemption. All Bonds of this issue maturing in the years 2024 to 2028, both inclusive, shall be subject to redemption and prepayment at the option of the City on May 1, 2023 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 maturities and the principal amounts within each maturity to be redeemed shall be determined by the City; 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 shall cease to accrue from and after the redemption date. Notice of redemption shall be given by registered or certified mail at least thirty (30) days prior to the date fixed for redemption to the paying agent and to each affected registered Holder of the Bonds at the address shown on the registration books.

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 his attorney duly authorized in writing) and the City shall execute (if necessary) and the Bond Registrar shall authenticate and deliver to the holder of such 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 such holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Bond Registrar. Bond Trust Services Corporation, in Roseville, 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 holder) of the Bonds in the manner set forth in the form of Bond and paragraph 14 of this resolution.

Form of Bonds. The Bonds to be issued hereunder, 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

YELLOW MEDICINE AND CHIPPEWA COUNTIES
CITY OF GRANITE FALLS

R-_____

\$_____

ELECTRIC REVENUE
BOND, SERIES 2013B

INTEREST <u>RATE</u>	MATURITY <u>DATE</u>	DATE OF <u>ORIGINAL ISSUE</u>	<u>CUSIP</u>
-------------------------	-------------------------	----------------------------------	--------------

May 1, ____

December 3, 2013

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Granite Falls, Yellow Medicine and Chippewa Counties, Minnesota (the "Issuer"), hereby 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 May 1 and November 1 of each year (each, an "Interest Payment Date") commencing May 1, 2014 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 Bank Trust Services Corporation, in Roseville, 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 and 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 fifteenth day of the calendar month next preceding 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.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota and the Charter of the Issuer 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 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 or statutory or Charter limitation of indebtedness; and that the Issuer will maintain rates and charges for the electric service furnished by the electric utilities sufficient in an amount to promptly meet the principal and interest requirements of this issue.

IN WITNESS WHEREOF, the City of Granite Falls, Yellow Medicine and Chippewa Counties, Minnesota, has caused this Bond to be executed on its behalf by the facsimile signatures of the Mayor and the Clerk, the corporate seal of the Issuer having been intentionally omitted as permitted by law.

Date of Registration:

Registrable by: BOND TRUST SERVICES CORPORATION

Payable at: BOND TRUST SERVICES CORPORATION

BOND REGISTRAR'S
CERTIFICATE OF
AUTHENTICATION

CITY OF GRANITE FALLS,
YELLOW MEDICINE AND CHIPPEWA
COUNTIES, MINNESOTA

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

/s/ Facsimile

Mayor

BOND TRUST SERVICES
CORPORATION
Roseville, Minnesota
Bond Registrar

/s/ Facsimile

Clerk

By _____
Authorized Signature

ON REVERSE OF BOND

Redemption. All Bonds of this issue maturing in the years 2024 to 2028, both inclusive, are subject to redemption and prepayment at the option of the Issuer on May

1, 2023 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 maturities and the principal amounts within each maturity to be redeemed shall be determined by the Issuer; 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. Notice of redemption shall be given by registered or certified mail at least thirty (30) days prior to the date fixed for redemption to the paying agent and to each affected Holder of the Bonds at the address shown on the registration books.

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 (if necessary) and the Bond Registrar shall authenticate and deliver to the Holder of such 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 such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Issuance; Purpose; Special Obligations. This Bond is one of an issue in the total principal amount of \$1,995,000, all of like date of original issue and tenor, except as to number, maturity, interest rate, denomination and redemption privilege, which Bond has been issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota and the Charter of the Issuer and pursuant to a resolution adopted by the City Council on November 4, 2013 (the "Resolution"), for the purpose of providing money to finance the cost of improvements to the municipal electric light and power plant and system (the "Electric Utility"). The Bonds and the interest thereon are payable solely and exclusively from the net revenues of the Electric Utility pledged to the payment thereof, and do not constitute a debt of the Issuer, within the meaning of any constitutional or statutory limitation of indebtedness. In the event of any default hereunder, the Holder of this Bond may exercise any of the rights and privileges granted by the laws of the State of Minnesota subject to the provisions of the Resolution. The Bonds of this issue are on a parity lien upon the net revenues of the Electric Utility with the outstanding Electric Revenue Refunding Bonds, Series 2011B, except that the Issuer is authorized under certain conditions to issue additional revenue obligations on a parity of lien with these Bonds, all as provided in the Resolution.

Remedies. The Holders of 20% or more in aggregate principal amount of Bonds at any time outstanding may, either by law or in equity, by suit, action, or other proceedings, protect and enforce the rights of all Holders of Bonds then outstanding, or enforce and compel the performance of any and all of the covenants and duties specified in the Resolution to be performed by the Issuer or its officers and agents; provided, however, that nothing shall affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest on each of the Bonds issued to the respective Holders thereof at the time and place, from the source and in the manner provided in the Resolution.

Denominations; Exchange; Resolution. The Bonds are issuable solely as fully registered bonds 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 the 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 provided on the reverse side hereof 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.

Qualified Tax-Exempt Obligations. The Bonds have been designated by the Issuer as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the federal Internal Revenue Code of 1986, as amended.

ABBREVIATIONS

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

TEN COM - as tenants in common

TEN ENT - as tenants by the entirety

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

UTMA - _____ as custodian for _____
(Cust) (Minor)
under the _____ Uniform
(State)
Transfers to Minors Act

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
Bond and does hereby irrevocably constitute and appoint _____ attorney to
transfer the Bond on the books kept for the registration thereof, 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 Bond
in every particular, without alteration or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm
having a membership in one of the major stock exchanges or any other "Eligible Guarantor
Institution" as defined in 17 CFR 240.17 Ad-15(a)(2).

The Bond Registrar will not effect transfer of this Bond unless the information
concerning the transferee requested below is provided.

Name and Address: _____

(Include information for all joint owners
if the Bond is held by joint account.)

PREPAYMENT SCHEDULE

This Bond has been prepaid in part on the date(s) and in the amount(s) as follows:

<u>DATE</u>	<u>AMOUNT</u>	<u>AUTHORIZED SIGNATURE OF HOLDER</u>
<hr/>	<hr/>	<hr/>

Execution; Temporary Bonds. The Bonds shall be printed (or, at the request of the Purchaser, typewritten) and shall be executed on behalf of the City by the signatures of its Mayor and Clerk and be sealed with the seal of the City; provided, however, that the seal of the City may be a printed (or, at the request of the Purchaser, photocopied) facsimile; and provided further that both of such signatures may be printed (or, at the request of the Purchaser, photocopied) facsimiles and the corporate seal may be omitted on the Bonds as permitted by law. In the event of disability or resignation or other absence of either such officer, the Bonds may be signed by the manual or facsimile signature of that officer who may act on behalf of such absent or disabled officer. In case either such 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, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. The City may elect to deliver, in lieu of printed definitive bonds, one or more typewritten temporary bonds in substantially the form set forth above, with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Such temporary bonds may be executed with photocopied facsimile signatures of the Mayor and

Clerk. Such temporary bonds shall, upon the printing of the definitive bonds and the execution thereof, be exchanged therefor and canceled.

Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this resolution unless and until 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, which date is December 3, 2013. The executed Certificate of Authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution.

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 10 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 authentication 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 canceled 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 special 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 his 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.

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.

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.

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 fifteenth day of the calendar month next preceding 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 (10) days prior to the Special Record Date.

Treatment of Registered Owner. The City and the 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 13 above) 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.

Funds and Accounts. The Operation and Maintenance Account heretofore established by the City shall continue to be maintained in the manner heretofore and herein provided by the City. All moneys remaining after paying or providing for the items set forth in the Prior Resolution shall constitute and are referred to as "net revenues" until the Bonds and the Prior Bonds have been paid. For the convenience and proper administration of the proceeds derived from the sale of the Bonds and for the payment of principal of and interest on the Bonds, the Electric Fund shall continue to be in effect, subject to the following accounts which are hereby established:

Capital Account. To the Capital Account there shall be credited the proceeds of the sale of the Bonds less any accrued interest paid by the Purchaser upon delivery and less any amount paid for the Bonds in excess of the minimum bid and less capitalized interest in the amount of \$_____ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Bonds on or before May 1, 2014). From the Capital Account shall be paid all costs of the improvements to be financed by the Bonds, including legal, engineering, financing and other such expenses incidental thereto. Any balance remaining in the account after the payment of such costs shall be transferred to the Parity Revenue Bond Debt Service Account herein established.

Parity Revenue Bond Debt Service Account. To the Parity Revenue Bond Debt Service Account shall be credited and to which there is hereby irrevocably pledged (i) accrued interest paid by the Purchaser upon delivery of the Bonds; (ii) all funds paid for the Bonds in excess of the minimum bid; (iii) capitalized interest in the amount of \$ _____ (together with interest earnings thereon and subject to such other adjustments as are appropriate to provide sufficient funds to pay interest due on the Bonds on or before May 1, 2014); and (iv) from the net revenues of the operation of the Electric Utility monthly commencing as of May 1, 2014 a sum equal to at least 1/12th of the total principal and interest due during the ensuing 12 months on the Bonds and any other bonds issued on a parity therewith (collectively the "Parity Bonds"); provided, however, that no further payments need be made to the account when the moneys held therein are sufficient for the payment of all principal and interest due on the Parity Bonds on or before the next maturity date of each issue thereof. No money shall be paid out of the account except to pay principal and interest on the Parity Bonds.

Reserve Account. The Reserve Account shall be used only when and if moneys in the Parity Revenue Bond Debt Service Account or other moneys available therefor are insufficient to pay principal and interest on the Parity Bonds; provided, however, that the moneys in the Reserve Account may be used to prepay the Parity Bonds, when such prepayment will retire all of the Parity Bonds then outstanding. There is hereby pledged and appropriated from the proceeds of the Bonds the sum of \$ _____. The sums in the Reserve Account allocated to the Bonds shall be maintained in the amount of \$ _____. Any amounts in the Reserve Account allocated to the Bonds in excess of \$ _____ shall be transferred to the Operation and Maintenance Account. Whenever any moneys constituting the Reserve Account shall be used to pay principal and interest, the Reserve Account shall be restored from the next available net revenues, provided however, that the Reserve Account shall terminate whenever there are sufficient funds in the Parity Revenue Bond Debt Service Account to pay principal and interest on all outstanding Parity Bonds. In no event may sums in the Reserve Account be used to fund the Parity Revenue Bond Debt Service Account so long as there are sufficient net revenues therefor. The balance in the Reserve Account shall be deemed to be the sum of all cash and the cost of all securities held in the account.

Subordinate Revenue Bond Debt Service Account. To the Subordinate Revenue Bond Debt Service Account shall be credited and to which there shall be irrevocably pledged from the net revenues of the operation of the Electric Utility monthly commencing as of May 1, 2014 a sum equal to at least 1/12th of the total principal and interest due during the ensuing 12 months on any obligations secured by a lien on said net revenues second and subordinate to the pledge of net revenues for the security of the Parity Bonds; provided, however, that no further payments need be made to the account when the moneys held therein are sufficient for the payment of all principal and interest due on the subordinate lien bonds payable therefrom on or before the next maturity date of each issue thereof. No money shall be paid out of the account except to pay principal and interest on the Parity Bonds (on a priority of lien) or any subordinate lien bonds payable from said account.

Renewal and Replacement Account. To the Renewal and Replacement Account net revenues in excess of those required under paragraphs (c), (d) and (e) shall, to the extent herein provided, be paid and used for extraordinary maintenance, repairs and to pay the cost of renewals, replacements, extensions or additions to the Electric Utility. There

shall be credited to the account monthly commencing as of May 1, 2014 a sum which will be not less than \$___ until there has been credited to the account an amount equal to \$_____. Thereafter the Renewal and Replacement Account shall be maintained in said amount, or such greater amount as the City and the City in their sole discretion deem appropriate, until there are sufficient funds in the Parity Revenue Bond Debt Service Account, the Subordinate Revenue Bond Debt Service Account and the Reserve Account to pay principal and interest on all outstanding bonds payable from the accounts. Whenever moneys are withdrawn from the Renewal and Replacement Account, the monthly payments above provided for in this paragraph (f) after making provision for the requirements of subparagraphs (c), (d) and (e) shall be resumed until the account is restored. In the event the moneys in the Parity Revenue Bond Debt Service Account, the Subordinate Revenue Bond Debt Service Account and in the Reserve Account shall at any time be insufficient to pay principal or interest payable from the funds, moneys in the Renewal and Replacement Account may be used for such purpose, but in such case, the Renewal and Replacement Account shall be restored as above provided.

Excess Net Revenues. Net revenues in excess of those required for the foregoing purposes may be used for any proper purpose.

Investments. Moneys on deposit in the "Reserve Account", "Parity Revenue Bond Debt Service Account", "Subordinate Revenue Bond Debt Service Account" and the "Renewal and Replacement Account" may be invested in any securities described in Minnesota Statutes, Chapter 118A, as from time to time amended. Such investment may at any time be liquidated and the proceeds thereof applied for the purpose or purposes for which the fund was created. All income derived from such investment shall constitute net revenues of the Electric Utility.

Allocation of Money. The money in the Electric Fund shall be allotted and paid to the various accounts herein established in the order in which the funds are listed on a cumulative basis, and if in any month the money in the accounts is insufficient to place the required amount in any account, the deficiency shall be made up in the following month or months after payment into all other funds having a prior claim on the revenues have been made in full.

Separate Accounting. All money held in any of the accounts created by this resolution shall be kept separate and apart from all municipal funds and accounts and shall be deposited in any bank or banks selected by the City.

Arbitrage Covenants. The Parity Revenue Bond Debt Service Account, Reserve Account and Subordinate Revenue Bond Debt Service Account shall be used solely to pay the principal and interest and any premiums for redemption of all Parity Bonds. 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 (5%) 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 Parity Revenue Bond Debt Service Account, Reserve Account and the Subordinate Revenue Bond 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 the applicable federal arbitrage regulations may be invested 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 federal Internal Revenue Code of 1986, as amended (the "Code").

Additional Parity Bonds. The Bonds issued hereunder shall be secured by a parity lien with the Prior Bonds upon the net revenues of the Electric Utility. No additional obligations shall be hereafter issued unless they are secured by a lien on said net revenues which is expressly made second and subordinate to the lien upon the net revenues securing the Parity Bonds; provided however, that additional obligations may be issued on a parity of lien with outstanding Parity Bonds, if the annual net revenues of the Electric Utility (with adjustments as hereinafter provided) for the two (2) completed fiscal or calendar years immediately preceding the issuance of such additional obligations shall have averaged at least (a) 125% of the average annual principal and interest to become due on all outstanding Parity Bonds, including the proposed additional Parity Bonds, on or before the longest maturity of any of the then outstanding Parity Bonds; and (b) equal to the maximum annual principal and interest coming due thereafter on all outstanding obligations payable from the revenues of the Electric Fund, including any subordinate lien obligations and the additional obligations so to be issued; and provided also, that the interest to become due on any such additional Parity Bonds shall commence on May 1 of the year in which such interest first becomes payable and shall be payable semiannually thereafter on May 1 and November 1 of each year and the principal to become due on such additional Parity Bonds shall be payable on May 1 of each year in which any such principal becomes due.

For the purpose of determining the net revenues of the Electric Utility for each of the preceding calendar or fiscal years as aforesaid, the amount of the gross revenues of the Electric Utility for such years may be adjusted by a Consulting Engineer or by the independent certified public accountant who prepared the last audit report covering the operations of the Electric Utility so as to reflect any changes in the amount of such revenues which would have resulted if any revision of the schedule of rates and charges imposed at least six months prior to the time of issuance of any additional bonds had been in effect. The amount of the revenues may be further adjusted for such purpose by a Consulting Engineer or such certified public accountant to the extent that either person estimates that: (a) any demand charges (as opposed to charges for the purchase of electric energy paid under any interconnection agreement or contract with another utility system for the interchange of electric service during the preceding calendar or fiscal years would have been eliminated or reduced by reason of the improvements and extensions then to be constructed, (b) net revenues of the Electric Utility would have increased if the customers using the Electric Utility as of the date of issuance of the additional obligations had been customers during said preceding years, (c) a reduction in base load energy costs or savings in the cost of purchased power would have been affected if the improvements and extensions then to be constructed had been in operation during said preceding years, and (d) the annual net revenues of the Electric Utility during the first calendar or fiscal year of operation after completion of the improvements and extensions then to be constructed will increase because of the sale of surplus power resulting from the addition to the Electric Utility of the improvements and extensions, provided, however, that such sale or sales may be considered

only to the extent the same are supported by firm contracts requiring the Purchaser to pay for available surplus power or capacity whether or not it is in fact accepted by the Purchaser. The term "Consulting Engineer" means an engineer or firm of engineers who is not an officer or regular employee of the City or the City and is not devoting substantially all of his, hers or its time and effort to the affairs of the Electric Utility.

Subject to the provisions of paragraph 27, additional Parity Bonds may also be issued, without complying with the coverage provisions set forth above, to provide funds to:

(1) Finance the City's cost under any agreement entered into between the City and one or more other Electric Utility suppliers for the purchase of excess capacity of the facilities by such other suppliers until such time that the City no longer needs to utilize such excess capacity to meet its own power supply needs, including, but not limited to, any agreement between the City and their power supplier, covering the purchase of additional capacity.

(2) Finance the City's share of any cost incurred pursuant to a joint electrical agreement entered into under the authority of Minnesota Statutes, Sections 453.51 to 453.63.

Nothing herein shall be construed as prohibiting the City from treating the costs referred to in this paragraph 21 as an operating cost payable from the Operation and Maintenance Account so long as the obligation to pay such costs is not treated as debt under generally accepted accounting principles.

No additional Parity Bonds may be issued pursuant to this paragraph 21 unless the conditions and requirements of the resolutions authorizing all respective Parity Bonds are complied with and fully performed.

Refunding Bonds. The City also reserves the right and privilege of issuing additional Parity Bonds if and to the extent needed to refund bonds maturing within six months of the issuance of the refunding bonds in case the moneys in the Parity Revenue Bond Debt Service Account, Subordinate Revenue Bond Debt Service Account, Reserve Account, and the Renewal and Replacement Account of the Electric Fund are insufficient to pay the same at maturity, provided that such refunding Parity Bonds shall mature subsequent to all other Parity Bonds which are still outstanding upon completion of such refunding, and the City further reserves the right and privilege of issuing additional Parity Bonds in an amount not to exceed \$ _____ if necessary to defray the costs incurred in the completion of the improvements to be financed by the Bonds, but such additional Parity Bonds must be issued within twelve (12) months from the date of this issue.

Subordinate Lien Bonds. Except as authorized in paragraphs 21 and 22 hereof, the City covenants and agrees that it will issue or incur no obligations payable from the net revenues of all or a part of the Electric Utility or constituting in any manner a lien thereon, unless such obligations are secured by a lien on such net revenues which is expressly made junior and subordinate to the lien and charge of the Parity Bonds on the net revenues, except that the Parity Bonds, or any part thereof, may be refunded and the refunding bonds issued shall enjoy complete equality of lien with the portion of any Parity Bonds not refunded, if there are any, provided that if only a portion of the outstanding Parity Bonds shall be so refunded and if such Parity Bonds shall be refunded in such manner that the annual principal and interest to become due on the refunding Parity Bonds shall be

greater than the annual principal and interest to become due on the Parity Bonds to be refunded (assuming payment at their maturity), then such Parity Bonds may not be refunded without the consent of the holders of the unrefunded portion of the outstanding Parity Bonds.

Application of Funds Upon Default. In the event that the moneys in the Parity Revenue Bond Debt Service Account, Subordinate Revenue Bond Debt Service Account, the Reserve Account and the Renewal and Replacement Account shall be insufficient at any time to pay the principal then due and interest then accrued on all Parity Bonds payable therefrom, said moneys shall first be applied to the payment pro rata of the accrued interest on all such Parity Bonds, and any balance shall be applied in payment pro rata of the principal on all such Parity Bonds; provided further that if it shall ever be determined by a court of competent jurisdiction while any such Parity Bonds remain outstanding that the sums available and to become available for the payment of the principal thereof and interest thereon are insufficient whether or not then due, then the moneys in the Parity Revenue Bond Debt Service Account, the Reserve Account, the Subordinate Revenue Bond Debt Service Account and the Renewal and Replacement Account shall be applied in payment of all then outstanding principal whether or not then due and the interest accrued thereon to the date of payment ratably according to the aggregate amount thereof without any preference or priority.

Bondholder Remedies. The holders of 20% or more in aggregate principal amount of all outstanding Parity Bonds may, either at law or in equity, by suit, action, or other proceedings, protect and enforce the rights of all holders of all outstanding Parity Bonds or enforce or compel the performance of any and all of the covenants and duties specified in this resolution, to be performed by the City or its officers and agents, including the fixing and maintaining of rates and charges and the collection and proper segregation of revenues and the application and use thereof; provided, however, that nothing herein shall affect or impair the right of the holder of any Parity Bond to enforce the payment of the principal of and interest on any Parity Bond at and after the maturity thereof, or the obligation of the City to pay the principal of and interest on each of the Parity Bonds issued hereunder to the respective holders thereof at the time and place, from the source and in the manner provided in the Parity Bonds.

Additional Covenants. For the protection of the holders of the Bonds herein authorized and all other Parity Bonds from time to time outstanding, the City herein covenants and agrees to and with the holders thereof from time to time as follows:

It will at all times adequately maintain and efficiently operate the Electric Utility as a municipal utility. It will from time to time make all needful and proper repairs, replacements, additions and betterments to the equipment and facilities of the Electric Utility so that they may at all times be operated properly and advantageously, and whenever any equipment of the system shall have been worn out, destroyed or otherwise become insufficient for proper use, it shall be promptly replaced or repaired so that the value and efficiency of the Electric Utility shall be at all times fully maintained and its revenues unencumbered by reason thereof.

It will permit no free service to any consumer or utility. The rates for all electric service and the charges for all electricity supplied by the public utilities to the municipality and its residents and to all consumers shall be reasonable and just, taking into

account the cost and value of the Electric Utility, the cost of maintaining and operating the Electric Utility and the proper and necessary allowances for depreciation and the amounts required for the payment of principal and interest on the bonds payable from the net revenues of the Electric Utility.

It will establish, maintain and collect such charges and rates as will produce revenues sufficient to pay the reasonable cost of operation and maintenance of the Electric Utility and to pay one hundred twenty-five percent (125%) of the interest on and principal of all Parity Bonds and one hundred percent (100%) of the interest on and principal of all subordinate lien bonds as and when they become due as well as to provide sufficient money to make the required appropriations to the various accounts established herein.

The City will not sell, lease, mortgage, or in any manner dispose of the Electric Utility or any part thereof including any and all extensions and additions that may be made thereto until all bonds payable from the revenues of the Electric Utility or a part thereof have been paid in full; provided however, that the City may sell the Electric Utility or any part thereof if simultaneously with or prior to the sale all of the outstanding bonds are discharged in accordance with paragraph 29 of this resolution; and provided further that the City may sell or lease all or any part of the electric generating facilities of the Electric Utility to a municipal power agency of which it is a member provided that the City shall continue to operate and maintain an electric distribution system as part of the Electric Utility. This covenant shall not be construed to prevent the sale by the City at fair market value of real estate, equipment or other non-revenue-producing properties which in the judgment of the City have become unnecessary, uneconomical or inexpedient to use in connection with the Electric Utility provided that suitable facilities are obtained in place thereof or in the judgment of the City the sale will not adversely affect the Electric Utility earnings or ability to meet required financial obligations.

It will procure and keep in force insurance upon the Electric Utility of a kind and in an amount which would normally be carried by private companies in a like business, including public liability insurance, with an insurer or insurers in good standing; and it will keep in full force and effect fiduciary bonds on employees in charge of the utilities. In the event of any loss, the proceeds from such insurance (including liability insurance) or bonds shall be used to make good such loss or to repair or restore the utility or to discharge all of the outstanding Parity Bonds in accordance with paragraph 29 of this resolution. Insurance premiums shall be paid as a cost of operation.

The City shall cause to be kept proper books, records and accounts adapted to the Electric Utility separate from other accounts to be audited by a certified public accountant at the end of each fiscal year. A copy of the audit shall be furnished, without cost, to the original purchaser of any outstanding Parity Bonds within 90 days after the close of each fiscal year. If the City fails to provide such audit at such time, the holders of 20% or more of the outstanding Parity Bonds may cause such audit to be made at the expense of the City. The expense of preparing such audit shall be paid as current operating expenses of the utility. The original purchaser of the outstanding Parity Bonds and the holders thereof, or their duly appointed representatives, from time to time shall have the right at all reasonable times, to inspect the Electric Utility and to inspect and copy the books, records, accounts and data relating thereto. The City agrees to furnish copies of such audit, without cost, to any holder or holders of the Parity Bonds at their request within 90 days after the close of each fiscal year.

Output Contracts. The City herein covenants that it has not heretofore nor will it hereafter enter into any contract which will obligate any person or persons to purchase electric energy in a total aggregate amount which would cause any of the Parity Bonds herein authorized to become private activity bonds within the meaning of Section 103(b) of the Internal Revenue Code and the regulations promulgated thereunder, and in particular Federal Income Tax Regulations, Section 1.103-7(b)(5).

Amendments. No change, amendment, modification or alteration shall be made in the covenants made with holders of the Parity Bonds without the consent of the holders of not less than sixty percent (60%) in principal amount of then such outstanding Parity Bonds except for changes, amendments, modifications and alterations made (a) to cure any ambiguity or formal defect or omission, or (b) any other change which would not materially prejudice the holders of such outstanding Parity Bonds; provided, however, that nothing herein contained shall permit or be construed as permitting (1) an extension of the maturity of the principal of or the interest on any such Parity Bonds, or (2) a reduction in the principal amount of any such Parity Bond or the rate of interest thereon, or (3) a privilege or priority of any such Parity Bond or Bonds over any other Parity Bond or Bonds except as otherwise provided herein, or (4) a reduction in the aggregate principal amount of such Parity Bonds required for consent to any change, amendment, modification or alteration, or (5) permit the creation of any lien ranking prior to or on a parity with the lien of such Parity Bonds, except as hereinbefore expressly permitted, or (6) modify any of the provisions of this paragraph without the consent of the holders of one hundred percent (100%) of the principal amount of Parity Bonds outstanding, or, in the case of any modifications described in clauses (1) through (5) the holders of only those outstanding Parity Bonds adversely affected by the modifications.

Discharge. When any Parity Bonds and the interest due thereon, have been discharged as provided in this paragraph, all pledges, covenants and other rights granted by this resolution to the holders of such Parity Bonds shall cease. The City may discharge any Parity Bonds which are due on any date by depositing with the Bond Registrar for such Bonds on or before that date a sum sufficient for the payment thereof in full; or if any Parity 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. The City may also discharge any prepayable Parity Bonds which are 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 an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided in the resolution authorizing the Parity Bonds. The City may also at any time discharge any Parity Bonds of this issue by complying with the applicable provisions of Minnesota Statutes, Section 475.67, and any amendments thereto, except that the funds deposited in escrow in accordance with the provisions may but need not be in whole or part proceeds of advance refunding bonds. The City may discharge Parity Bonds as herein provided without the consent of the Holders of any outstanding Parity Bonds.

Compliance With Reimbursement Bond Regulations. The provisions of this paragraph are intended to establish and provide for the City's compliance with United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") applicable to the "reimbursement proceeds" of the Bonds, being those portions thereof which will be used by the City to reimburse itself for any expenditure which the City paid or will have paid prior to the Closing Date (a "Reimbursement Expenditure").

The City hereby certifies and/or covenants as follows:

Not later than sixty (60) days after the date of payment of a Reimbursement Expenditure, the City (or person designated to do so on behalf of the City) has made or will have made a written declaration of the City's official intent (a "Declaration") which effectively (i) states the City's reasonable expectation to reimburse itself for the payment of the Reimbursement Expenditure out of the proceeds of a subsequent borrowing; (ii) gives a general and functional description of the property, project or program to which the Declaration relates and for which the Reimbursement Expenditure is paid, or identifies a specific fund or account of the City and the general functional purpose thereof from which the Reimbursement Expenditure was to be paid (collectively the "Project"); and (iii) states the maximum principal amount of debt expected to be issued by the City for the purpose of financing the Project; provided, however, that no such Declaration shall necessarily have been made with respect to: (i) "preliminary expenditures" for the Project, defined in the Reimbursement Regulations to include engineering or architectural, surveying and soil testing expenses and similar prefatory costs, which in the aggregate do not exceed twenty percent (20%) of the "issue price" of the Bonds, and (ii) a *de minimis* amount of Reimbursement Expenditures not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Bonds.

Each Reimbursement Expenditure is a capital expenditure or a cost of issuance of the Bonds or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.

The "reimbursement allocation" described in the Reimbursement Regulations for each Reimbursement Expenditure shall and will be made forthwith following (but not prior to) the issuance of the Bonds and in all events within the period ending on the date which is the later of three years after payment of the Reimbursement Expenditure or one year after the date on which the Project to which the Reimbursement Expenditure relates is first placed in service.

Each such reimbursement allocation will be made in a writing that evidences the City's use of Bond proceeds to reimburse the Reimbursement Expenditure and, if made within thirty (30) days after the Bonds are issued, shall be treated as made on the day the Bonds are issued.

Provided, however, that the City may take action contrary to any of the foregoing covenants in this paragraph 30 upon receipt of an opinion of its Bond Counsel for the Bonds stating in effect that such action will not impair the tax-exempt status of the Bonds.

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:

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.

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.

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 occurrence.

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 Clerk 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.

Fiscal Year. As used in this resolution the words "Fiscal Year" shall mean the 12 month period beginning on January 1 of each year and ending on December 31 of the same year. Should it be deemed advisable at some later date to change its fiscal yearly basis, the same may be done by proper actions to that effect, with the approval of the original Purchaser of these Bonds, which change shall not constitute an amendment or modification of this resolution.

Tax Exempt Status of the Bonds; Rebate. The City shall comply with requirements necessary under the Code to establish and maintain the exclusion from gross income under Section 103 of the Code of the interest on the Bonds, including without limitation (1) requirements relating to temporary periods for investments, (2) limitations on amounts invested at a yield greater than the yield on the Bonds, and (3) the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued and outstanding at one time in this calendar year) exceed the small-issuer exception amount of \$5,000,000.

For purposes of qualifying for the exception to the federal arbitrage rebate requirements for governmental units issuing \$5,000,000 or less of bonds, 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 Bonds 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.

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

the Bonds are issued after August 7, 1986;

the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

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

the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the City (and all entities treated as one issuer with the City, and all subordinate entities whose obligations are treated as issued by the City) during this calendar year 2013 will not exceed \$10,000,000; and

not more than \$10,000,000 of obligations issued by the City during this calendar year 2013 have been designated for purposes of Section 265(b)(3) of the Code.

The City shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designation made by this paragraph.

Negative Covenant as to Use of Improvements. The City hereby covenants not to use the Improvements or to cause or permit them to be used, or to enter into any deferred payment arrangements for the cost of the Improvements, 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.

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.

Records and Certificates. The Clerk is authorized and directed to prepare and furnish to the original Purchaser of the Bonds, and the attorneys approving the same, certified copies of all orders and resolutions of the City relating to the Electric Utility, and the issuance of the Bonds, and all other proceedings or records showing the right, power and authority of the City to issue the same and to provide funds for the payment thereof, and such certified copies and certificates shall be deemed representations of the City as to all statements therein.

Covenant With Bondholders. Each and all of the terms and provisions of this resolution shall be and constitute a covenant on the part of the City to and with each and every holder from time to time of the Bonds issued hereunder and any other Parity Bonds from time to time outstanding.

Certificates of Registration. The Clerk is authorized and directed to file a certified copy of this resolution with the County Auditor of Yellow Medicine and Chippewa

Counties, and obtain a certificate that the Bonds herein authorized have been duly entered in his Bond Register.

Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to KleinBank in Chaska, Minnesota on the closing date for further distribution as directed by the City's financial advisor, Ehlers.

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 Schaub and, after a full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Galow, Otaibi, Nordaune, Smiglewski, Schaub, Fagnano and Peterson

and the following voted against the same: None.

Whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA

COUNTIES OF YELLOW MEDICINE AND CHIPPEWA
CITY OF GRANITE FALLS

I, the undersigned, being the duly qualified and acting Clerk of the City of Granite Falls, Minnesota, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes of a meeting of said City, held on the date therein indicated, with the original minutes thereof on file in my office, and that the same is a full, true and correct transcript thereof insofar as said minutes relate to the adoption of the resolution authorizing and directing the issuance and sale of \$1,995,000 Electric Revenue Bonds, Series 2013B.

WITNESS my hand as such Clerk this 4th day of November, 2013.

Clerk

EXHIBIT A

PROPOSALS

[To be supplied by Ehlers and Associates, Inc.]

With second by Schaub, the resolution was adopted unanimously.

NURSING HOME: Hospital Administrator George Gerlach and City Attorney Greg Holmstrom were in attendance to review with council the draft nursing home annexation ordinance. Following discussion M/S NORDAUNE/FAGNANO TO HAVE FIRST READING OF AN ORDINANCE OF THE CITY OF GRANITE FALLS, MINNESOTA, ANNEXING PROPERTY LOCATED IN GRANITE FALLS TOWNSHIP, CHIPPEWA COUNTY, MINNESOTA, PURSUANT TO MINNESOTA STATUTES ' 414.033, SUBD. 2(1), PERMITTING ANNEXATION BY ORDINANCE. Motion carried unanimously.

GOLF CARTS: Council reviewed a draft ordinance which would allow motorized golf carts to be operated on city streets. Following discussion it was suggested to get input from the Police Department.

SANITARY LIFT STATION: Nordaune introduced the following resolution and moved its adoption authorizing execution of the Engineering Proposal submitted by Rodeberg & Berryman to provide construction management services for the 2013 WWTP Lift Station Replacement Project at a cost not to exceed \$162,500.

RESOLUTION NO. 13-135

RESOLUTION ACCEPTING PROPOSAL & AUTHORIZING
EXECUTION OF AGREEMENT FOR ENGINEERING SERVICES
RODEBERG & BERRYMAN

WHEREAS, a proposal has been submitted by Rodeberg & Berryman in an amount not to exceed \$162,500 to provide construction management services relative to the 2013 WWTP Lift Station Replacement Project - EDA Project No. 06-79-05787.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the proposal received from Rodeberg & Berryman and authorizing execution of the Engineering Agreement in an amount not to exceed \$162,500 to provide construction management services relative to the Wastewater Treatment Plant Lift Station.

Adopted by the City Council this 4th day of November, 2013.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously.

2014 BUDGET: In order to reduce the debt service payment as a result of the sale of Electric Revenue Bonds to finance hydro turbine repairs, Nordaune introduced the following resolution and moved its adoption amending the 2014 budget as follows:

Eliminate transfer from Light Fund to Flood Fund	\$ 44,000
Eliminate transfer from Light Fund to Severance Fund	\$ 9,500
Eliminate transfer from General Fund to Severance Fund	\$ 13,500
Reduce Light Fund transfer to Airport Construction	<u>\$ 13,500</u>
Total revenue available towards repayment of the new debt service	\$ 67,000

RESOLUTION NO. 13-136

RESOLUTION APPROVING AMENDMENTS TO 2014 BUDGET

WHEREAS, the following adjustments to the 2014 budget have been suggested to reduce the debt service payment as a result of the sale of Electric Revenue Bonds to finance hydro turbine repairs:

Eliminate transfer from Light Fund to Flood Fund (no additional revenue is needed to match funds received from the DNR)	\$ 44,000
Eliminate transfer from Light Fund to Severance Fund (the Severance Fund is fully funded.)	\$ 9,500
Eliminate transfer from General Fund to Severance Fund (begin to transfer this amount to Airport Construction)	\$ 13,500
Reduce Light Fund transfer to Airport Construction (this can be accomplished as the General Fund will transfer this amount due to the fact that the Severance fund is fully funded)	<u>\$ 13,500</u>
Total revenue available towards repayment of the new debt service	\$ 67,000

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving the suggested amendments to the 2014 budget in the total amount of \$67,000.

Adopted by the City Council this 4th day of November, 2013.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Galow, the resolution was adopted unanimously.

BANKING SERVICES: Upon the recommendation of Finance Director Betker, Nordaune introduced the following resolution and moved its adoption requesting proposals for banking services; said proposal to be due November 20th to be considered by council at its December 2nd meeting.

RESOLUTION NO. 13-137

RESOLUTION REQUESTING PROPOSALS
BANKING SERVICES

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, requesting proposals for banking services, said proposal to be due November 20th for council consideration at the December 2nd meeting.

Adopted by the City Council this 4th day of November, 2013.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously.

CORRESPONDENCE: Council reviewed correspondence received from MVTV requesting the city extend its street lights from 15th Street to the city boundary along Highway 212 West. Electrical Superintendent Reznechek will be obtaining cost estimates for this project.

GRANITE AREA ARTS COUNCIL: Following discussion Galow introduced a resolution and moved its adoption authorizing a donation of \$1,500 to the Granite Area Arts Council to be used for programming.

RESOLUTION NO. 13-138

RESOLUTION APPROVING DONATION
TO GRANITE FALLS AREA ARTS COUNCIL

WHEREAS, the Granite Falls Area Arts Council has requested financial assistance for the 2014 budget year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving a donation of \$1,500 for calendar year 2014 to the Granite Falls Area Arts Council to be used for programming.

Adopted by the City Council this 4th day of November, 2013.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Peterson, the resolution was adopted by the following vote: Aye: Galow, Otaibi, Smiglewski, Schaub, Fagnano and Peterson; Nay, Nordaune.

FLOOD MITIGATION: Staff updated council relative to the on-going flood mitigation projects.

CABLE FRANCHISE RENEWAL: Staff advised council that as part of cable franchise renewal a survey has been developed and is now available on-line at www.granitefalls.com, or paper copies can be picked up at City Hall, the Library or the Kilowatt Community Center.

MAIN STREET BENCHES: Council discussed the possibility of replacing the wooden benches on Prentice Street with the black metal benches to match those on the plaza. It was the consensus of council to go ahead and replace a few benches each year until the wooden benches have been replaced.

PERSONNEL: The Wage & Salary Committee is scheduled to meet with MAPE to begin negotiations.

CHARITABLE GAMBLING: A gambling license application was acknowledged at this time for the Granite Falls Lions Club to hold it's a raffle on behalf of the American Cancer Society. This application was acknowledged with no waiting period.

ADJOURN: M/S/P NORDAUNE/SCHAUB TO ADJOURN at 8:44 p.m.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

BILLS PAID:

Total 2XL CORPORATION:	121.21
Total ABDO EICK & MEYERS:	950.00
Total ADOLPH KEIFER:	27.50
Total ADVOCATE-TRIBUNE:	1,786.91
Total AFFILIATED MED CENTER:	114.80
Total ALPHA WIRELESS:	89.78
Total ALTEC INDUSTRIES:	520.44
Total ARNESON DISTRIBUTING INC.:	216.00
Total BAKER & TAYLOR BOOKS:	15.90
Total BAKER BROS. CONSTRUCTION INC.:	1,705.00
Total BARR ENGINEERING CO.:	1,312.50
Total BOND TRUST SERVICES CORP:	22,330.00
Total BONNEMA SURVEYS:	1,598.25
Total BORDER STATES ELECTRIC SUPPLY:	354.67
Total CENTURYLINK:	200.68
Total CENTURYLINK-PHOENIX:	16.17
Total CHERVENY, RYAN:	50.23
Total CNH CAPITAL:	115.64
Total COLLECTION BUREAU:	12.35
Total CORPORATE MECHANICAL:	1,496.16
Total DAN'S SHOP INC:	50.00
Total Department of Human Resources:	19,294.82
Total Di-Mar Construction:	165,604.00
Total DUININCK BROS. INC.:	71,302.23
Total ECONOMART:	23.96
Total FASTENAL COMPANY:	172.77
Total G & K SERVICES:	100.33
Total GOPHER STATE ONE-CALL:	36.25
Total GRANITE FALLS AUTO PARTS:	185.24
Total GRAYMONT CAPITAL INC:	3,837.77
Total HAWKINS INC:	3,767.57
Total HD SUPPLY WATERWORKS:	944.18
Total HOERNEMANN, PAUL:	255.00
Total HOLMSTROM & KVAM:	1,314.50
Total JOHNSON BROS WHOLESALE LIQUOR:	8,334.89
Total KKRC-FM:	595.00
Total KRANITZ, FRANK:	325.00
Total LEAGUE OF MN CITIES INS TRUST:	2,500.00
Total LEE'S AUTO & DIESEL:	35.00
Total LIGHT FUND:	21,733.34
Total LOCHER BROTHERS:	12,346.05
Total MADISON BOTTLING CO.:	5,126.40
Total MARCO:	310.55
Total MARR VALVE COMPANY:	80.00
Total MARTIN MARIETTA AGGREGATES:	323.33

Total MCMASTER-CARR SUPPLY CO.:	408.64
Total MINNESOTA LIFE:	1.14
Total MINNESOTA VALLEY TECH. INC:	62.50
Total MN DPT OF LABOR & INDUSTRY:	1,078.69
Total MN DPT OF PUBLIC SAFETY:	20.00
Total MN NCPERS-496000:	80.00
Total MN VALLEY TESTING LAB INC.:	389.00
Total MONTEVIDEO PUBLISHING:	41.25
Total MVTV:	385.04
<hr/>	
Total NELSON, PATRICK:	42.63
Total OFFICE DEPOT:	41.95
Total OFFICE PEEPS:	358.61
Total PETERSEN, JODI:	342.50
Total PHILLIPS WINE & SPIRITS CO.:	2,144.28
Total PIONEERLAND LIBRARY SYSTEM:	20,035.00
Total RIVERVIEW APARTMENTS:	1,627.43
Total RODEBERG & BERRYMAN INC.:	18,312.86
Total SAVARIEGO, NANCY:	150.00
Total SMIGLEWSKI, DAVID:	33.90
Total SMITH, DENNIS:	208.16
Total SNORTUM'S NURSERIES INC.:	225.00
Total SOUTHERN WINE & SPIRITS OF MN:	417.84
Total SPECIALTY STORE SERVICES:	18.39
Total SW-WC SERVICE COOPERATIVES:	28,035.00
Total TIMM, DEREK:	352.69
Total TRI-STATE PUMP & CONTROL:	583.62
Total UPS:	12.27
Total WATER CONSERVATION SERVICE INC:	1,559.80
Total WBM WINE & SPIRITS:	6,789.17
Total YELLOW MEDICINE CO. AUDITOR:	2,929.65
Total ZEE MEDICAL SERVICES:	470.89
<hr/>	
Grand Totals:	438,790.27