

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, SEPTEMBER 15, 2025
11:15 A.M. – CITY HALL

The Council for the City of Crosslake held a Special Session on Monday, September 15, 2025. The following Council Members were present: Mayor Jackson Purfeerst, Robin Sylvester, and Jayme Knapp. Sandy Farder and Bob Heales were absent. Also present were City Administrator Lori Conway, City Clerk Char Nelson, Fire Chief Chip Lohmiller, and Deputy Clerk/Treasurer Sharyl Murphy.

1. Mayor Purfeerst called the meeting to order at 11:15 A.M.
2. MOTION 09SP2-01-25 WAS MADE BY ROBIN SYLVESTER AND SECONDED BY JAYME KNAPP TO APPROVE RESOLUTION NO. 25-27 ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE. MOTION CARRIED WITH ALL AYES.
3. MOTION 09SP2-02-25 WAS MADE BY JAYME KNAPP AND SECONDED BY ROBIN SYLVESTER TO APPROVE RESOLUTION NO. 25-28 IN SUPPORT OF APPLYING FOR \$50,000 SOURCEWELL LOCAL GOVERNMENT IMPACT FUNDING. MOTION CARRIED WITH ALL AYES.
4. MOTION 09SP2-03-25 WAS MADE BY ROBIN SYLVESTER AND SECONDED BY JAYME KNAPP TO APPROVE THE AUTOMATIC AID AGREEMENT WITH MISSION FIRE DEPARTMENT FOR THE ADNEY LAKE AREA. MOTION CARRIED WITH ALL AYES.
5. MOTION 09SP2-04-25 WAS MADE BY JACKSON PURFEERST AND SECONDED BY JAYME KNAPP TO SET THE TRUTH IN TAXATION PUBLIC HEARING FOR MONDAY, DECEMBER 8, 2025 AT 6:00 P.M. MOTION CARRIED WITH ALL AYES.
6. MOTION 09SP2-05-25 WAS MADE BY ROBIN SYLVESTER AND SECONDED BY JAYME KNAPP TO ADJOURN THE SPECIAL MEETING AT 11:19 A.M. MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson
City Clerk

RESOLUTION NO. 25 - 27

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

BE IT RESOLVED by the City Council (the "Council") of the City of Crosslake, Minnesota (the "City"), as follows:

1. Recitals.

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

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

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

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

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

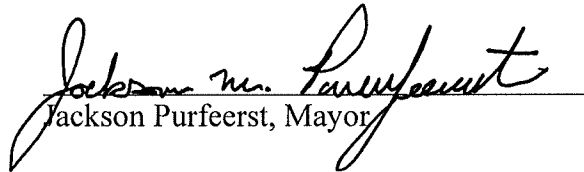
(c) Care shall be taken so that the City, or its authorized representatives under this Resolution, not make Declarations in cases where the City does not reasonably expect that

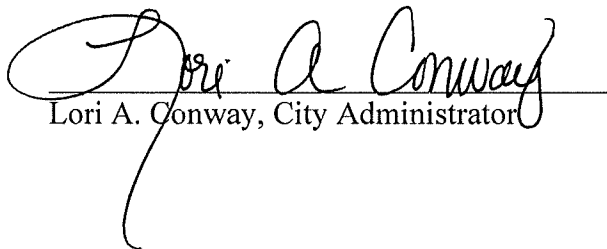
reimbursement bonds will be issued to finance the applicable project costs, and the City officials are hereby authorized to consult with bond counsel to the City concerning the requirements of the Regulations and their application in particular circumstances.

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

3. Reimbursement Allocations. If the City is acting as the issuer of the reimbursement bonds, the designated City officials shall also be responsible for making the “reimbursement allocations” described in the Regulations, being generally written allocations that evidence the City’s use of the applicable bond proceeds to reimburse the original expenditures.
4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the City for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted on September 15, 2025, by the City Council of the City of Crosslake, Minnesota.


Jackson Purfeerst, Mayor


Lori A. Conway, City Administrator

CERTIFICATION

The undersigned, being the duly qualified and City Clerk of the City of Crosslake, Minnesota, hereby certifies the following:

The foregoing is true and correct copy of a Resolution on file and of official, publicly available record in the offices of the City, which Resolution relates to procedures of the City for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the City (the "Council") at a special meeting of the Council held on September 15, 2025. The Council meeting was duly called, open to the public, and held at the place at which meetings of the Council are regularly held. Councilmember Sylvester moved the adoption of the Resolution, which motion was seconded by Councilmember Knapp. A vote being taken on the motion, the following members of the Council voted in favor of the motion to adopt the Resolution: Jackson Purfeerst, Robin Sylvester, Jayme Knapp.

and the following voted against the same: None.

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

WITNESS MY HAND officially as the City Clerk of the City of Crosslake, Minnesota, on September 15, 2025.



City Clerk
City of Crosslake, Minnesota

EXHIBIT A

CITY OF CROSSLAKE, MINNESOTA
DECLARATION OF OFFICIAL INTENT
TO REIMBURSE FROM BOND PROCEEDS

The undersigned, being the duly appointed and acting City Administrator of the City of Crosslake, Minnesota (the "City"), for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies as follows:

1. The undersigned is on the date hereof duly authorized by the City Council of the City pursuant to Resolution No. 25-27 to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the City.

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

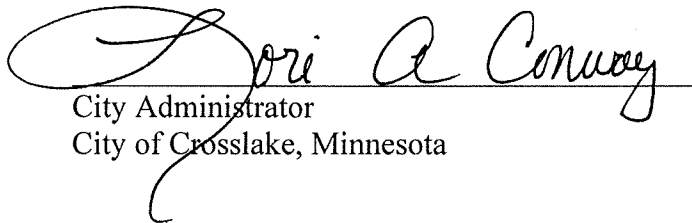
2025 Local Road Improvement Project

3. The City reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued after the date of payment of such costs. As of the date hereof, the City reasonably expects that \$1,500,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

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

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

Date: September 15, 2025.


City Administrator
City of Crosslake, Minnesota

**CITY OF CROSSLAKE
RESOLUTION NO. 25-28
RESOLUTION IN SUPPORT OF APPLYING FOR
\$50,000 SOURCEWELL LOCAL GOVERNMENT IMPACT FUNDING**

WHEREAS, Sourcewell exists for one reason: to assist government, education, and nonprofits work more efficiently; and

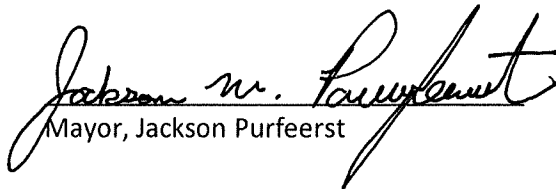
WHEREAS, the City of Crosslake has been a participating agency with Sourcewell since 2010; and

WHEREAS, Sourcewell allows cities to address basic needs projects. Applicants may apply for one Local Government Impact Funds up to \$50,000 per fiscal year, no match required.

WHEREAS, the City of Crosslake intends to construct a cold-storage building for the Parks and Recreation Department to replace the space lost with the removal of the former warming house/storage garage.

NOW, THEREFORE, BE IT RESOLVED, that the Crosslake City Council is in full support of the Crosslake Parks and Recreation Department applying for a \$50,000 Local Government Impact Funding from Sourcewell to be used to construct a cold-storage building.

Adopted by the City Council of Crosslake this 15th day of September, 2025

 _____ Mayor, Jackson Purfeerst	 _____ Lori Conway, City Administrator
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