

BALDWIN TOWNSHIP REGULAR MEETING

July 7, 2009

Present – Supervisors Larry Handshoe, Jeff Holm, Bryan Lawrence and Jay Swanson. Supervisor Jim Oliver absent.

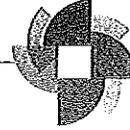
Call to Order – The July 7, 2009 regular meeting of Baldwin Township was called to order by Chairman Jeff Holm at 7:02 p.m.

Pledge of Allegiance – All present recited the Pledge of Allegiance.

Additions/Corrections to Agenda – None.

Approval of Regular Meeting Agenda With/Without Additions/Corrections – Lawrence/Handshoe unanimous to approve regular meeting agenda without additions or corrections.

Evaluate Finance Options for Fire Truck – Included in the minutes is the handout from Carolyn Drude, representing Ehlers and Associates dated July 7, 2009 regarding fire truck financing options.



TO: Baldwin Town Board
 FROM: Carolyn Drude
 DATE: July 7, 2009
 RE: Fire Truck Financing

We understand you will need financing for a new fire truck which will cost an estimated \$250,000 - \$300,000. Options available for this financing include:

- (1) Certificates of Indebtedness (similar to general obligation bonds) permitted by Minnesota Statutes, Section 366.095 (see attached). These Certificates may be made payable over not to exceed 10 years (new maximum length passed by the 2009 Legislature). It would not be necessary to publish a notice. The dollar amount must be within the Town's statutory debt limit which is computed as follows: 2009 Taxable Market Value of \$632,072,000 times 3% = \$18,962,160 debt limit.
- (2) Lease purchase financing authorized by Minnesota Statutes, Section 465.71 (similar to the previous financing of the fire hall and fire truck which mature in 2012 and 2014).

Both options would have issuance costs of about \$6,000 which includes both a financial advisor and a bond/finance attorney. The role of the attorney is to provide a legal opinion assuring the purchase of the debt that the Town followed appropriate procedures, that the financing is valid and binding and that it is also tax exempt for the purchaser of the Certificates or Lease Purchase Financing. Generally, the lease purchase financing will have a higher interest rate because it does not pledge the Town's full faith, credit and taxing powers like the Certificates do. The Town, according to statute, must also have the ability to opt out of the lease purchase agreement at the end of any fiscal year by not appropriating the money for the following year.

Attached are equal annual principal and interest schedules which illustrate the following:

5 YEAR CERTIFICATES: \$250,000 @ 3.75% = \$56,000 X 1.05% (required by law) = \$58,800/yr

\$58,800/yr. divided by Net Tax Capacity of \$6,505,414 = tax rate of .90

Tax rate of .90 = \$18.08 per year on a \$200,000 residential homestead

7 YEAR CERTIFICATES: \$250,000 @ 4% = \$41,657 X 1.05% (required by law) = \$43,740/yr

\$43,740/yr. divided by Net Tax Capacity of \$6,505,414 = tax rate of .67

Tax rate of .67 = \$13.45 per year on a \$200,000 residential homestead



Minnesota
 Offices also in Wisconsin and Illinois

phone 651-697-8500
 fax 651-697-8555

www.ehlers-inc.com

3080 Centre Pointe Drive
 Roseville, MN 55113-1122

Baldwin Town Board

July 7, 2007

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Other options for structuring the issue include longer or shorter terms or "wrap round financing" which would coordinate the new financing with the existing debt in order to keep the combined payments as low as possible.

I look forward to discussing this further and answering your questions.

2008 Minnesota Statutes

366.095 AUTHORITY TO ISSUE CERTIFICATES OF INDEBTEDNESS.

Subdivision 1. **Certificates of indebtedness.** The town board may issue certificates of indebtedness within the debt limits for a town purpose otherwise authorized by law. The certificates shall be payable in not more than five years and be issued on the terms and in the manner as the board may determine. If the amount of the certificates to be issued exceeds 0.25 percent of the market value of the town, they shall not be issued for at least ten days after publication in a newspaper of general circulation in the town of the board's resolution determining to issue them. If within that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular town election is filed with the clerk, the certificates shall not be issued until their issuance has been approved by a majority of the votes cast on the question at a regular or special election. A tax levy shall be made to pay the principal and interest on the certificates as in the case of bonds.

Subd. 2. **Bonds; other obligations.** A town authorized to exercise powers under section 368.01 may issue bonds or other obligations to acquire or better warming systems. Bonds or other obligations authorized by this subdivision must be sold, issued, and secured as provided in chapter 475.

History: 1984 c 562 s 27; 1985 c 169 s 10; 1986 c 314 s 1; 1987 c 384 art 1 s 35; 1988 c 719 art 5 s 84; 1989 c 1 s 3; 1989 c 197 art 7 s 1

Baldwin Township, MN
\$250,000 G.O. Bonds, Series 2009
5 Year Term

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2009	-	-	-	-	-
02/01/2010	-	-	4,687.50	4,687.50	4,687.50
08/01/2010	-	-	4,687.50	4,687.50	-
02/01/2011	45,000.00	3.750%	4,687.50	49,687.50	54,375.00
08/01/2011	-	-	3,843.75	3,843.75	-
02/01/2012	50,000.00	3.750%	3,843.75	53,843.75	57,687.50
08/01/2012	-	-	2,906.25	2,906.25	-
02/01/2013	50,000.00	3.750%	2,906.25	52,906.25	55,812.50
08/01/2013	-	-	1,968.75	1,968.75	-
02/01/2014	50,000.00	3.750%	1,968.75	51,968.75	53,937.50
08/01/2014	-	-	1,031.25	1,031.25	-
02/01/2015	55,000.00	3.750%	1,031.25	56,031.25	57,062.50
Total	\$250,000.00	-	\$33,562.50	\$283,562.50	-

Yield Statistics

Bond Year Dollars	\$895.00
Average Life	3.580 Years
Average Coupon	3.7500000%

Net Interest Cost (NIC)	3.7500000%
True Interest Cost (TIC)	3.7500000%
Bond Yield for Arbitrage Purposes	3.7500000%
All Inclusive Cost (AIC)	3.7500000%

IRS Form 8038

Net Interest Cost	3.7500000%
Weighted Average Maturity	3.580 Years

Set 09 \$250k GO Bds 5Yr | SINGLE PURPOSE | 7/7/2009 | 2:58 PM

Baldwin Township, MN**\$250,000 G.O. Bonds, Series 2009****7 Year Term****Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2009	-	-	-	-	-
02/01/2010	-	-	5,000.00	5,000.00	5,000.00
08/01/2010	-	-	5,000.00	5,000.00	-
02/01/2011	30,000.00	4.000%	5,000.00	35,000.00	40,000.00
08/01/2011	-	-	4,400.00	4,400.00	-
02/01/2012	35,000.00	4.000%	4,400.00	39,400.00	43,800.00
08/01/2012	-	-	3,700.00	3,700.00	-
02/01/2013	35,000.00	4.000%	3,700.00	38,700.00	42,400.00
08/01/2013	-	-	3,000.00	3,000.00	-
02/01/2014	35,000.00	4.000%	3,000.00	38,000.00	41,000.00
08/01/2014	-	-	2,300.00	2,300.00	-
02/01/2015	35,000.00	4.000%	2,300.00	37,300.00	39,600.00
08/01/2015	-	-	1,600.00	1,600.00	-
02/01/2016	40,000.00	4.000%	1,600.00	41,600.00	43,200.00
08/01/2016	-	-	800.00	800.00	-
02/01/2017	40,000.00	4.000%	800.00	40,800.00	41,600.00
Total	\$250,000.00	-	\$46,600.00	\$296,600.00	-

Yield Statistics

Bond Year Dollars	\$1,165.00
Average Life	4.660 Years
Average Coupon	4.0000000%
Net Interest Cost (NIC)	4.0000000%
True Interest Cost (TIC)	4.0000000%
Bond Yield for Arbitrage Purposes	4.0000000%
All Inclusive Cost (AIC)	4.0000000%
IRS Form 8038	
Net Interest Cost	4.0000000%
Weighted Average Maturity	4.660 Years

Ser 09 1250K G.O.Bds 7 Yr | SINGLE PURPOSE | 7/7/2009 | 3:00 PM

SHERBURNE COUNTY
2009 ACTUAL TAX CAPACITY VALUES
February 1, 2009

Cities			Hospital District			Total		
	Real	Personal	Total		Real	Personal	Total	
60 Becker	15,418,141	785,335	15,455,576	Becker Twp	5,016,546	70,918	5,087,464	
	Less 10% of 200 KV Lines		1,734		Less 10% 200 KV Lines		1,813	
			15,453,842				5,085,651	
65 Big Lake	8,665,070	96,419	8,761,549	Big Lake Twp	2,622,630	87,542	2,710,172	
	Less TIF		671,156	Big Lake City	8,665,070	96,419	8,761,549	
			8,090,393		Less TIF Added		671,156	
							8,090,393	
70 Clear Lake	484,037	13,056	497,143	Hospital District	21,204,246	254,939	21,559,185	
75 Elk River	26,550,310	302,166	26,852,376		Less 10% 200 KV Lines		1,813	
	Less TIF		899,895		Less TIF Added		691,156	
			25,952,481				20,868,116	
85 E. St Cloud	2,811,010	58,056	2,869,066	*TIF = Tax Increment Finance District				
90 Princeton	918,161	17,451	930,736					
95 Zimmerman	4,091,159	94,162	4,095,321					
	Less TIF		239,719					
			3,855,602					
Cities	58,760,661	763,766	59,461,767					Percent Increase
	Less 10% of 200 KV Lines		1,734					-Decrease
	Less TIF Added		1,810,810	Taxable Market Value	2009 Taxes	8,577,831,000	2.61%	
			57,649,223	Net Tax Capacity		57,312,995	2.65%	
Townships	Real	Personal	Total					
01 Baldwin	6,353,132	159,782	6,505,414	Taxable Market Value	2008 Taxes	8,358,744,640	2.15%	
				Net Tax Capacity		54,769,210	2.23%	
05 Becker	5,016,546	70,918	5,087,464					
	Less 10% KV Lines		1,813	Taxable Market Value	2007 Taxes	7,860,821,500	18.11%	
			5,085,651	Net Tax Capacity		48,387,303	19.83%	
10 Big Lake	2,622,630	87,542	2,710,172					
15 Blue Hill	1,822,565	32,495	1,855,161	Taxable Market Value	2006 Taxes	6,899,038,810	13.81%	
20 Clear Lake	2,106,172	22,666	2,128,838	Net Tax Capacity		78,195,614	11.41%	
25 Haven	2,565,402	58,570	2,623,972					
	Less 10% 200 KV Lines		2,477	Taxable Market Value	2005 Taxes	6,049,659,464	15.63%	
			2,621,495	Net Tax Capacity		69,557,314	11.48%	
30 Heald	5,587,204	85,275	5,672,579					
35 Orrock	3,285,926	51,041	3,336,973	Taxable Market Value	2004 Taxes	5,231,850,218	12.88%	
40 Palmer	3,625,455	22,070	3,698,155	Net Tax Capacity		61,339,933	11.39%	
	Less 10% 200 KV Lines		4,705					
			3,693,450	Taxable Market Value	2003 Taxes	4,634,926,461	14.83%	
45 Santiago	1,549,285	3,888	1,553,173	Net Tax Capacity		55,065,845	11.43%	
Towns	39,034,747	637,551	39,672,198					
	Less 10% 200 KV Lines		9,025	Taxable Market Value	2002 Taxes	4,664,500,820	16.97%	
			39,663,173	Net Tax Capacity		42,418,974	-12.76%	
Grand Total	97,734,833	1,399,257	99,134,055					
	Less 10% 200 KV Lines		10,169	Taxable Market Value	2001 Taxes	3,633,385,741	10.63%	
	Less TIF Added		1,810,810	Net Tax Capacity		63,916,198	8.19%	
			97,312,995					
				Taxable Market Value	1999 Taxes	3,033,822,777	8.41%	
				Net Tax Capacity		56,503,852	-2.91%	
School Districts	Real	Personal	Total					
Ind. Dist #716	21,391,754	307,193	21,699,447					
	Less 10% 200 KV Lines		5,813	Taxable Market Value	1998 Taxes	2,787,523,016	9.61%	
			21,693,634	Net Tax Capacity		58,246,430	-1.21%	
Ind. Dist #717	16,042,139	159,137	16,241,267					
	Less TIF Added		671,156	Taxable Market Value	1997 Taxes	2,543,091,033	7.85%	
			15,570,111	Net Tax Capacity		61,136,692	6.15%	
Ind. Dist #718	37,054,258	520,624	37,574,882					
	Less TIF Added		1,139,554	Taxable Market Value	1996 Taxes	2,358,061,663	8.34%	
			38,435,318	Net Tax Capacity		57,579,856	6.13%	
Ind. Dist #742	9,023,035	148,578	9,221,613					
	Less 10% 200 KV Lines		2,477					
			9,219,136					
Ind. Dist #882	1,681,193	4,601	1,686,599					
Ind. Dist #817	9,274,164	197,662	9,471,726					
Ind. District #81	217,659	21,762	239,431					
	Less 10% 200 KV Lines		1,935					
			237,496					
Grand Total	97,734,833	1,399,257	99,134,055					
	Less 10% 200 KV Lines		10,169					
	Less TIF Added		1,810,810					
			97,312,995					

BALDWIN TWP
\$632,072,000

There was discussion from the Township Board and Carolyn Drude regarding the best time to borrow money which, in Ms. Drude's opinion, would be in February or March since rates are generally good at those times.

Open Forum for Citizens – Dawn Othoudt of 142nd Street wondered about the status of the Elk Lake landing. She also inquired about the goals of the Strategic Planning Committee.

Calvin Schmock of 283rd Avenue initiated a formal request for Baldwin Township to remain unincorporated.

CONDITIONAL USE PERMITS: None.

PLATS:

Approve/Disapprove Renewal of Letter of Credit for Wolf Ridge 2nd – Lawrence/Swanson unanimous to renew the letter of credit for Wolf Ridge 2nd based on the comments from Bogart, Pederson through the end of the full warranty period of July 8, 2010.

Approve/Disapprove 2-Year Extension, Baldwin Estates – Lawrence/Swanson unanimous to approve the 2 year extension for Baldwin Estates. Even though the plat has not yet been recorded, but the road is in.

OLD BUSINESS:

Township Attorney Issues: The clerk informed the town board that the township attorney is still working on the right-of-way ordinance.

Status of Cool Spring Acres Road Vacation – Bob Makowski presented an overview of the Cool Spring Acres septic drain field dispute. He had asked the board to change the terminology from vacate to easement and/or also condemn. Lawrence said that is a civil issue between the parties, and typically the township does not get involved in disputes such as this. The only difference is that a board action may or may not have caused some of the challenges. Perhaps the Association of Townships could be contacted for an opinion. Mr. Makowski stated that does not believe this is a civil matter. Holm suggested writing a letter to the county and find out what they are doing and what their stance is.

Lawrence/Handshoe unanimous to send a letter to the county attorney's office and ask about the status of Cool Spring Acres and the vacation/easement dispute. Holm stated that there is no action that the board can take at this point as it would be risky to do anything without consulting an attorney.

Road Report – Terry Carlile reported that in June all mowing was completed, but maintenance is behind on road patching. The east side has been finished, and work is starting on the west side. Carlile reported that the road thickness in Railside is minimal. Swanson will work with Carlile to find out more and update the board next month. Swanson and Carlile will look at the bike path at Deer Trail to determine if repair should come out of park dollars or road and bridge dollars.

Results of Road Tour – Holm said they looked at known road issues, and other areas of the township. Swanson received a call from Charles Brinwall concerning his driveway. It was determined that it's Brinwall's responsibility to get his driveway to the asphalt. Lawrence/Handshoe unanimous to move that it is not the township's intent to extend 299th Street any further than it is currently.

County Planning & Zoning Report – According to Holm there is no language limited the number of extensions of plats. There was discussion regarding Baldwin Estates.

Status of 2009 Road Projects Per Capital Improvement Plan – Swanson said that 283rd Avenue came in less that what was thought. The county will be called to find out the exact dollar amount. 104th Street is on the agenda for this year and ready to go out for bids.

Joint Committee with City of Princeton Status – There is another meeting in September. Right now the City of Princeton is in their public comment period for the wastewater treatment plant expansion.

Update on Headwall Concerns Throughout Township – Swanson said that there is a need to sit down and go through what has been done in the past. Letters will need to sent, and the board needs to decide on how tough they want to be in headwall removal. Holm suggested waiting until the ordinance is completed.

Discuss Obtaining Quotes for Blacktopping 290th Cul-De-Sac, Baldwin Meadows – Carlile reported that the drain system is functioning properly. The concern is with two large cracks across the road that could be either sawcut or blacktopped. Swanson said he will look at the situation and then talk to the township engineer.

TABLED ITEMS:

Approve/Disapprove Quote for 111-1/2 Street Culvert (Per 5/5/09 Mtg) – Quotes were received from Essig Construction, West Branch and Weissenfluh. Swanson said that the most responsible quote is from West Branch. It's not the cheapest, but it covers the entire project. Swanson/Handshoe motion to approve West Branch Construction for \$2,350.00 that includes: Furnish and install 70' of new 18' metal culvert with aprons, 14 yds of class 5, and 5 yds of topsoil with appropriate seed and straw blanket. Voice vote taken with Swanson, Handshoe and Holm in favor with Lawrence opposed. Motion carried.

NEW BUSINESS: None.

ANNOUNCEMENTS:

Swanson said that David Becker of 122nd Street wanted to thank the Baldwin Fire Department for their quick response.

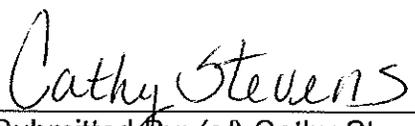
Holm reported that the Governor's unallotment for the township will be \$14,991 for 2009 and \$31,629 for 2010.

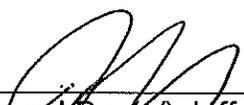
ANY OTHER BUSINESS:

Swanson/Handshoe unanimous to approve Monday, July 13th as a vacation day for the clerk.

Swanson/Handshoe unanimous to approve check numbers 13956 through 13960 and 1 EFT payment totaling \$1,337.20.

Adjournment – Swanson/Handshoe unanimous to adjourn at 8:32 p.m.


Submitted By: (s/) Cathy Stevens
Clerk/Treasurer
Baldwin Township


Approved By: (s/) Jeff Holm
Chairman, Board of Supervisors
Baldwin Township

Attendees: Lester Kriesel, Carl Leuthard, Jo Leuthard, Don Deppa, LeRoy Jopp, Dawn Othoudt, Jesse Ewert, Lloyd Campbell, Melinda Campbell, Terry Carlile, Elaine Philippi, Calvin Schmock, Bob Makowski

PRELIMINARY

Handwritten signatures and initials at the top right of the page.

CHECK	TO WHOM	FOR WHAT	AMOUNT	GEN	R & B	ENG.	SPECIALREV	CAPITAL	CEIM	FIRE
13936	Qwest	phone & internet	\$198.04							\$198.04
13937	Qwest	phone & internet	\$170.56	\$170.56						
13938	ECM Publishers	envelopes	\$40.47	\$40.47						
13939	Plaisted Companies	class 5 gravel	\$155.96		\$155.96					
13940	Circle 9 Conoco	fuel	\$70.35		\$20.00				\$23.35	\$27.00
13941	Princeton Animal Clinic	animal impounding	\$298.20	\$298.20						
13942	Commercial Asphalt	hot mix	\$388.43		\$388.43					
13943	Plaisted Companies	class 5 gravel	\$240.28		\$240.28					
13944	Princeton Animal Clinic	animal impounding	\$265.35	\$265.35						
13945	Commercial Asphalt	hot mix	\$64.25		\$64.25					
13946	BlueCrossBlueShield	health insurance - august	\$791.00		\$791.00					
13947	East Central Sanitation	garbage service	\$45.64	\$22.82						\$22.82
13948	CenterPoint Energy	gas utilities	\$27.11	\$27.11						
13949	CenterPoint Energy	gas utilities	\$17.09							\$17.09
13950	Neft Auto Supply	supplies	\$24.09		\$24.09					
13951	AT&T Mobility	r&b cell phone	\$46.00		\$46.00					
13952	Jims Millie Lacs Dis	clean up day late charge	\$63.70	\$63.70						
13953	O'Reilly Auto Parts	supplies	\$96.26		\$96.26					
13954	Eggens Bulk Service	fuel	\$1,120.10		\$679.47					\$440.63
13955	NE Sherb Fire Relief	wachovia	\$3,749.17				\$3,749.17			
Auto	PERA	town board contribution	\$54.00	\$54.00						
13956	Jeffrey Holm	wages	\$449.04	\$449.04						
13957	Jim Oliver	wages	\$423.31	\$423.31						
13958	Jim Oliver	mileage	\$34.10	\$34.10						
13959	Bryan Lawrence	wages	\$290.00	\$290.00						
13960	Bryan Lawrence	mileage	\$16.50	\$16.50						
Auto	PERA	town board contribution	\$124.26	\$124.26						
		totals	\$36,451.66	\$6,266.85	\$12,037.82	\$825.00	\$11,748.10	\$3,324.93	\$76.53	\$2,172.43