

PRELIMINARY OFFICIAL STATEMENT DATED MAY 5, 2025

NEW ISSUE
BANK QUALIFIED

BOOK ENTRY ONLY
S&P RATING “AA+”

In the opinion of Taft Stettinius & Hollister LLP, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings, and decisions, at the time of the issuance of the Certificates, the interest on the Certificates is excluded from gross income for federal income tax purposes and is excluded, to the same extent, from both gross income and taxable net income for State of Minnesota income tax purposes (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions). Interest on the Certificates is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or for purposes of the Minnesota alternative minimum tax applicable to individuals, estates or trusts; however, interest on the Certificates is taken into account in determining “annual adjusted financial statement income” for the purpose of computing the federal alternative minimum tax imposed on certain corporations for tax years beginning after December 31, 2022. No opinion will be expressed by Bond Counsel regarding other state or federal tax consequences. See “Tax Exemption” and “Other Federal and State Tax Considerations” herein for additional information.

WEST LAKELAND TOWNSHIP, MINNESOTA \$5,340,000* General Obligation Certificates of Indebtedness, Series 2025A

Dated Date: Date of Delivery (Estimated to be June 12, 2025)

Interest Due: Each February 1 and August 1
Commencing February 1, 2026

<u>Maturity*</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Maturity*</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>
2/1/2026	\$555,000	_____%	_____%	_____	2/1/2034	\$325,000	_____%	_____%	_____
2/1/2027	505,000	_____	_____	_____	2/1/2035	335,000	_____	_____	_____
2/1/2028	270,000	_____	_____	_____	2/1/2036	345,000	_____	_____	_____
2/1/2029	275,000	_____	_____	_____	2/1/2037	360,000	_____	_____	_____
2/1/2030	285,000	_____	_____	_____	2/1/2038	375,000	_____	_____	_____
2/1/2031	295,000	_____	_____	_____	2/1/2039	390,000	_____	_____	_____
2/1/2032	305,000	_____	_____	_____	2/1/2040	405,000	_____	_____	_____
2/1/2033	315,000	_____	_____	_____					

The General Obligation Certificates of Indebtedness, Series 2025A (the “Certificates” or the “Issue”) are being issued by West Lakeland Township, Minnesota (the “Township” or the “Issuer”) pursuant to Minnesota Statutes, Chapters 475 and Section 366.095, as amended. Proceeds of the Certificates will be used to finance road reconstruction projects and to pay costs associated with issuance of the Certificates. See *Authority and Purpose* herein for additional information.

The Certificates are valid and binding general obligations of the Township and are payable from ad valorem taxes. The full faith and credit of the Township is also pledged to their payment. In the event of any deficiency in the Debt Service Account established for this Issue, the Township has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the Township, without limitation of amount. See *Security/Sources and Uses of Funds* herein for additional information.

The Certificates maturing on February 1, 2034 and thereafter are subject to redemption, in whole or in part, on February 1, 2033 and on any date thereafter at a price of par plus accrued interest.

Principal due with respect to the Certificates is payable annually on February 1, commencing February 1, 2026. Interest due with respect to the Certificates is payable semiannually on February 1 and August 1, commencing February 1, 2026. The Certificates will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof. Purchasers will not receive physical delivery of Certificates. See “Book-Entry System” in *Description of the Certificates* herein for additional information. The Paying Agent/Registrar will be Northland Bond Services, a division of First National Bank of Omaha, Minneapolis, Minnesota.

Proposals: Monday, May 12, 2025 10:30 A.M., Central Time

Award: Monday, May 12, 2025 7:00 P.M., Central Time

Bids may contain a maturity schedule providing for any combination of serial or term certificates. All term certificates shall be subject to mandatory sinking fund redemption and must conform to the maturity schedule set forth above at a price of par plus accrued interest. Bids must be for not less than \$5,278,590 (98.85%) and accrued interest on the total principal amount of the Certificates. **Bids will not be subject to cancellation – see “Establishment of Issue Price” in the Notice of Sale herein for additional details.** The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. A Good Faith Deposit (the “Deposit”) in the amount of \$106,800, in the form of a federal wire transfer payable to the order of the Township, will only be required from the apparent winning bidder, and must be received within two hours after the receipt of bids. See Notice of Sale for additional details. Award of the Certificates will be on the basis of True Interest Cost (TIC).

* Preliminary, subject to change.



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THE CERTIFICATES ARE OFFERED, SUBJECT TO PRIOR SALE, WHEN, AS AND IF ACCEPTED BY THE UNDERWRITER(S) NAMED ON THE FRONT COVER OF THIS OFFICIAL STATEMENT AND SUBJECT TO AN OPINION AS TO VALIDITY OF THE CERTIFICATES BY BOND COUNSEL. SUBJECT TO APPLICABLE SECURITIES LAWS AND PREVAILING MARKET CONDITIONS, THE UNDERWRITER(S) INTENDS, BUT IS NOT OBLIGATED, TO EFFECT SECONDARY MARKET TRADING FOR THE CERTIFICATES. CLOSING DATE IS ESTIMATED TO BE JUNE 12, 2025.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERS MADE HEREBY, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE TOWNSHIP OR THE UNDERWRITER(S). NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TOWNSHIP SINCE THE DATE HEREOF. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE TOWNSHIP AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY, THE UNDERWRITER(S).

WITHIN THE MEANING OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12, THE INFORMATION INCLUDED IN THE PRELIMINARY OFFICIAL STATEMENT IS DEEMED FINAL BY THE ISSUER AS OF ITS DATE AND IS ACCURATE AND COMPLETE IN ALL MATERIAL RESPECTS, EXCEPT FOR THE OMISSION OF THE OFFERING PRICE(S), INTEREST RATE(S), SELLING COMPENSATION, AGGREGATE PRINCIPAL AMOUNT, PRINCIPAL AMOUNT PER MATURITY, DELIVERY DATE, RATING(S), OTHER TERMS OF THE ISSUE DEPENDING ON SUCH MATTERS, AND THE IDENTITY OF THE UNDERWRITER(S).

SUMMARY OF OFFERING

West Lakeland Township, Minnesota \$5,340,000 * General Obligation Certificates of Indebtedness, Series 2025A (Book-Entry Only)

AMOUNT -	\$5,340,000*																																
ISSUER -	West Lakeland Township, Minnesota (the “Township” or the “Issuer”)																																
AWARD DATE -	May 12, 2025																																
MUNICIPAL ADVISOR -	Northland Securities, Inc. (the “Municipal Advisor”), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402, telephone: 612-851-5900 or 800-851-2920																																
TYPE OF ISSUE -	General Obligation Certificates of Indebtedness, Series 2025A (the “Certificates” or the “Issue”)																																
AUTHORITY, PURPOSE & SECURITY -	The General Obligation Certificates of Indebtedness, Series 2025A (the “Certificates”) are being issued by West Lakeland Township, Minnesota (the “Township”) pursuant to Minnesota Statutes, Chapters 475 and Section 366.095, as amended. Proceeds of the Certificates will be used to finance road reconstruction projects and to pay costs associated with issuance of the Certificates. The Certificates are valid and binding general obligations of the Township and are payable from ad valorem taxes. The full faith and credit of the Township is also pledged to their payment. In the event of any deficiency in the Debt Service Account established for this Issue, the Township has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the Township, without limitation of amount. See <i>Authority and Purpose</i> as well as <i>Security/Sources and Uses of Funds</i> herein for additional information.																																
DATE OF ISSUE -	Date of Delivery (Estimated to be June 12, 2025)																																
INTEREST PAID -	Semiannually on each February 1 and August 1, commencing February 1, 2026, to registered owners of the Certificates appearing of record in the bond register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date (the “Record Date”).																																
MATURITIES* -	<table><tr><td>2/1/2026</td><td>\$555,000</td><td>2/1/2030</td><td>\$285,000</td><td>2/1/2034</td><td>\$325,000</td><td>2/1/2038</td><td>\$375,000</td></tr><tr><td>2/1/2027</td><td>505,000</td><td>2/1/2031</td><td>295,000</td><td>2/1/2035</td><td>335,000</td><td>2/1/2039</td><td>390,000</td></tr><tr><td>2/1/2028</td><td>270,000</td><td>2/1/2032</td><td>305,000</td><td>2/1/2036</td><td>345,000</td><td>2/1/2040</td><td>405,000</td></tr><tr><td>2/1/2029</td><td>275,000</td><td>2/1/2033</td><td>315,000</td><td>2/1/2037</td><td>360,000</td><td></td><td></td></tr></table>	2/1/2026	\$555,000	2/1/2030	\$285,000	2/1/2034	\$325,000	2/1/2038	\$375,000	2/1/2027	505,000	2/1/2031	295,000	2/1/2035	335,000	2/1/2039	390,000	2/1/2028	270,000	2/1/2032	305,000	2/1/2036	345,000	2/1/2040	405,000	2/1/2029	275,000	2/1/2033	315,000	2/1/2037	360,000		
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2/1/2029	275,000	2/1/2033	315,000	2/1/2037	360,000																												
REDEMPTION -	The Certificates maturing on February 1, 2034 and thereafter are subject to redemption, in whole or in part, on February 1, 2033 and on any date thereafter at a price of par plus accrued interest. See <i>Description of the Certificates</i> herein for additional information.																																
BOOK-ENTRY -	The Certificates will be issued as fully registered and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, to which principal and interest payments will be made. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof. Purchasers will not receive physical delivery of the Certificates.																																
PAYING AGENT/REGISTRAR -	Northland Bond Services, a division of First National Bank of Omaha, Minneapolis, Minnesota																																
TAX DESIGNATIONS -	<u>NOT Private Activity Bonds</u> - The Certificates are not “private activity bonds” as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”). <u>Bank Qualified Tax-Exempt Obligations</u> - The Township will designate the Certificates as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.																																
LEGAL OPINION -	Taft Stettinius & Hollister LLP, Minneapolis, Minnesota (“Bond Counsel”)																																
CERTIFICATE RATING -	The Township received an underlying rating of “AA+” from S&P Global Ratings (“S&P”). See <i>Certificate Rating</i> herein for additional information.																																
CLOSING -	Estimated to be June 12, 2025																																
PRIMARY CONTACTS -	Carrie Seifert, Town Clerk, West Lakeland Township, Minnesota 651-436-4773 George Eilertson, Managing Director, Northland Securities, Inc., 612-851-5906																																

* Preliminary, subject to change.

WEST LAKELAND TOWNSHIP, MINNESOTA

PRINCIPAL TOWNSHIP OFFICIALS

Elected Officials

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Philip Moosbrugger	Board Chair	03/14/2028
John Buelow	Supervisor	03/10/2026
Rachel Dana	Supervisor	03/09/2027

Primary Contacts

Carrie Seifert	Clerk
Marsha Olson	Treasurer

BOND COUNSEL

Taft Stettinius & Hollister LLP
Minneapolis, Minnesota

MUNICIPAL ADVISOR

Northland Securities, Inc.
Minneapolis, Minnesota

NOTICE OF SALE

\$5,340,000*

GENERAL OBLIGATION CERTIFICATES OF INDEBTEDNESS, SERIES 2025A

WEST LAKELAND TOWNSHIP, MINNESOTA
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that these Certificates will be offered for sale according to the following terms:

TIME AND PLACE:

Proposals (also referred to herein as “bids”) will be opened by the Township’s Town Clerk, or designee, on Monday, May 12, 2025, at 10:30 A.M., CT, at the offices of Northland Securities, Inc. (the Township’s “Municipal Advisor”), 150 South 5th Street, Suite 3300, Minneapolis, Minnesota 55402. Consideration of the Proposals for award of the sale will be by the Township Board at its meeting at the Town Offices beginning Monday, May 12, 2025 at 7:00 P.M., CT.

SUBMISSION OF PROPOSALS

Proposals may be:

- a) submitted to the office of Northland Securities, Inc.,
- b) emailed to PublicSale@northlandsecurities.com
- c) for proposals submitted prior to the sale, the final price and coupon rates may be submitted to Northland Securities, Inc. by telephone at 612-851-5900 or 612-851-5915, or
- d) submitted electronically.

Notice is hereby given that electronic proposals will be received via PARITY™, or its successor, in the manner described below, until 10:30 A.M., CT, on Monday, May 12, 2025. Proposals may be submitted electronically via PARITY™ or its successor, pursuant to this Notice until 10:30 A.M., CT, but no Proposal will be received after the time for receiving Proposals specified above. To the extent any instructions or directions set forth in PARITY™, or its successor, conflict with this Notice, the terms of this Notice shall control. For further information about PARITY™, or its successor, potential bidders may contact Northland Securities, Inc. or i-Deal® at 1359 Broadway, 2nd floor, New York, NY 10018, telephone 212-849-5021.

Neither the Township nor Northland Securities, Inc. assumes any liability if there is a malfunction of PARITY™ or its successor. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the Township to purchase the Certificates regardless of the manner in which the Proposal is submitted.

BOOK-ENTRY SYSTEM

The Certificates will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Certificates will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Certificates maturing in each year, will be registered in the name of Cede & Co. as nominee of Depository Trust Company (“DTC”), New York, New York, which will act as securities depository of the Certificates.

* The Township reserves the right to increase or decrease the principal amount of the Certificates. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.

Individual purchases of the Certificates may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Township through Northland Bond Services, a division of First National Bank of Omaha, Minneapolis, Minnesota (the “Paying Agent/Registrar”), to DTC, or its nominee as registered owner of the Certificates. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The successful bidder, as a condition of delivery of the Certificates, will be required to deposit the bond certificates with DTC. The Township will pay reasonable and customary charges for the services of the Paying Agent/Registrar.

DATE OF ORIGINAL ISSUE OF CERTIFICATES

Date of Delivery (Estimated to be June 12, 2025)

AUTHORITY/PURPOSE/SECURITY

The Certificates are being issued pursuant to Minnesota Statutes, Chapter 475 and Section 366.095, as amended. Proceeds will be used to finance road reconstruction projects and to pay the costs associated with the issuance of the Certificates. The Certificates are payable from ad valorem taxes. The full faith and credit of the Township is pledged to their payment and the Township has validly obligated itself to levy ad valorem taxes in the event of any deficiency in the debt service account established for this issue.

INTEREST PAYMENTS

Interest is due semiannually on each February 1 and August 1, commencing February 1, 2026, to registered owners of the Certificates appearing of record in the Bond Register as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date.

MATURITIES

Principal is due annually on February 1, inclusive, in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2026	\$555,000	2031	\$295,000	2036	\$345,000
2027	505,000	2032	305,000	2037	360,000
2028	270,000	2033	315,000	2038	375,000
2029	275,000	2034	325,000	2039	390,000
2030	285,000	2035	335,000	2040	405,000

Proposals for the Certificates may contain a maturity schedule providing for any combination of serial Certificates and term Certificates, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above.

INTEREST RATES

All rates must be in integral multiples of 1/20th or 1/8th of 1%. *The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity.* All Certificates of the same maturity must bear a single uniform rate from date of issue to maturity.

**ESTABLISHMENT OF ISSUE PRICE
(HOLD-THE-OFFERING-PRICE RULE MAY APPLY – BIDS NOT CANCELLABLE)**

The winning bidder shall assist the Township in establishing the issue price of the Certificates and shall execute and deliver to the Township at closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Certificates, together with the supporting pricing

wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Township and Bond Counsel. All actions to be taken by the Township under this Notice of Sale to establish the issue price of the Certificates may be taken on behalf of the Township by the Township's Municipal Advisor and any notice or report to be provided to the Township may be provided to the Township's Municipal Advisor.

The Township intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Certificates) will apply to the initial sale of the Certificates (the "competitive sale requirements") because:

- (1) the Township shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Township may receive bids from at least three underwriters of municipal Certificates who have established industry reputations for underwriting new issuances of municipal Certificates; and
- (4) the Township anticipates awarding the sale of the Certificates to the bidder who submits a firm offer to purchase the Certificates at the highest price (or lowest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Certificates, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the Township shall promptly so advise the winning bidder. The Township may then determine to treat the initial offering price to the public as of the award date of the Certificates as the issue price of each maturity by imposing on the winning bidder the Hold-the-Offering-Price Rule as described in the following paragraph (the "Hold-the-Offering-Price Rule"). Bids will **not** be subject to cancellation in the event that the Township determines to apply the Hold-the-Offering-Price Rule to the Certificates. **Bidders should prepare their bids on the assumption that the Certificates will be subject to the Hold-the-Offering-Price Rule in order to establish the issue price of the Certificates.**

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Certificates to the public on or before the date of award at the offering price or prices (the "Initial Offering Price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Certificates, that the underwriters will neither offer nor sell unsold Certificates of any maturity to which the Hold-the-Offering Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the public during the period starting on the award date for the Certificates and ending on the **earlier** of the following:

- (1) the close of the fifth (5th) business day after the award date; or
- (2) the date on which the underwriters have sold at least 10% of a maturity of the Certificates to the public at a price that is no higher than the Initial Offering Price to the public (the "10% Test"), at which time only that particular maturity will no longer be subject to the Hold-the-Offering-Price Rule.

The Township acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Certificates, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Certificates, including but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Certificates, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Certificates, as set forth in the third-party distribution agreement and the related pricing wires. The Township further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Certificates, including but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Certificates, and that no

underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule if applicable to the Certificates.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A) to comply with the Hold-the-Offering-Price Rule, if applicable if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Certificates that to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public, and (ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the public to require each broker-dealer that is a party to such retail distribution agreement to comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Notes: Sales of any Certificates to any person that is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) "public" means any person other than an underwriter or a related party,*
- (2) "underwriter" means (A) any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the public).*
- (3) a purchaser of any of the Certificates is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation or another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and*
- (4) "sale date" means the date that the Certificates are awarded by the Township to the winning bidder.*

ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER PROPOSALS

The Township reserves the right to increase or decrease the principal amount of the Certificates. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread. Such adjustments shall be made promptly after the sale and prior to the award of Proposals by the Township and shall be at the sole discretion of the Township. The successful bidder may not withdraw or modify its Proposal once submitted to the Township for any reason, including post-sale adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

OPTIONAL REDEMPTION

Certificates maturing on February 1, 2034 through 2040 are subject to redemption and prepayment at the option of the Township on February 1, 2033 and any date thereafter, at a price of par plus accrued interest. Redemption may be in whole or in part of the Certificates subject to prepayment. If redemption is in part, the maturities and principal amounts within each maturity to be redeemed shall be determined by the Township and if only part of the Certificates having a common maturity date are called for prepayment, the specific Certificates to be prepaid shall be chosen by lot by the Bond Registrar.

CUSIP NUMBERS

If the Certificates qualify for assignment of CUSIP numbers such numbers will be printed on the Certificates, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Certificates in accordance with terms of the purchase contract. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the successful bidder.

DELIVERY

Delivery of the Certificates will be within forty days after award, subject to an approving legal opinion by Taft, Stettinius & Hollister LLP, Bond Counsel. The legal opinion will be paid by the Township and delivery will be anywhere in the continental United States without cost to the successful bidder at DTC.

TYPE OF PROPOSAL

Proposals of not less than \$5,278,950 (98.85%) and accrued interest on the principal sum of \$5,340,000 must be filed with the undersigned prior to the time of sale. Proposals must be unconditional except as to legality. Proposals for the Certificates should be delivered to Northland Securities, Inc. and addressed to:

Carrie Seifert, Town Clerk
959 Paris Ave. Circle N
West Lakeland Township, MN 55802

A good faith deposit (the "Deposit") in the amount of \$106,800 in the form of a federal wire transfer (payable to the order of the Township) is only required from the apparent winning bidder, and must be received within two hours after the time stated for the receipt of Proposals. The apparent winning bidder will receive notification of the wire instructions from the Municipal Advisor promptly after the sale. If the Deposit is not received from the apparent winning bidder in the time allotted, the Township may choose to reject their Proposal and then proceed to offer the Certificates to the next lowest bidder based on the terms of their original proposal, so long as said bidder wires funds for the Deposit amount within two hours of said offer.

The Township will retain the Deposit of the successful bidder, the amount of which will be deducted at settlement and no interest will accrue to the successful bidder. In the event the successful bidder fails to comply with the accepted Proposal, said amount will be retained by the Township. No Proposal can be withdrawn after the time set for receiving Proposals unless the meeting of the Township scheduled for award of the Certificates is adjourned, recessed, or continued to another date without award of the Certificates having been made.

AWARD

The Certificates will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis. The Township's computation of the interest rate of each Proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Certificates will be awarded by lot. The Township will reserve the right to: (i) waive non-substantive informalities of any Proposal or of matters relating to the receipt of Proposals and award of the Certificates, (ii) reject all Proposals without cause, and (iii) reject any Proposal which the Township determines to have failed to comply with the terms herein.

INFORMATION FROM SUCCESSFUL BIDDER

The successful bidder will be required to provide, in a timely manner, certain information relating to the initial offering price of the Certificates necessary to compute the yield on the Certificates pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

OFFICIAL STATEMENT

By awarding the Certificates to any underwriter or underwriting syndicate submitting a Proposal therefor, the Township agrees that, no more than seven business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Certificates are awarded, the Final Official Statement in an electronic format as prescribed by the Municipal Securities Rulemaking Board (MSRB).

LIMITED CONTINUING DISCLOSURE UNDERTAKING

The Township will covenant in the resolution awarding the sale of the Certificates and in a Continuing Disclosure Undertaking to provide, or cause to be provided, annual financial information, including audited financial statements of the Township, and notices of certain material events, as required by SEC Rule 15c2-12.

BANK QUALIFICATION

The Township will designate the Certificates as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

BOND INSURANCE AT UNDERWRITER'S OPTION

If the Certificates qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the successful bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the successful bidder of the Certificates. Any increase in the costs of issuance of the Certificates resulting from such purchase of insurance shall be paid by the successful bidder, except that, if the Township has requested and received a rating on the Certificates from a rating agency, the Township will pay that rating fee. Any other rating agency fees shall be the responsibility of the successful bidder. Failure of the municipal bond insurer to issue the policy after the Certificates have been awarded to the successful bidder shall not constitute cause for failure or refusal by the successful bidder to accept delivery on the Certificates.

The Township reserves the right to reject any and all Proposals, to waive informalities and to adjourn the sale.

Dated: April 14, 2025
TOWNSHIP

BY ORDER OF THE TOWN BOARD OF WEST LAKELAND

/s/ Carrie Seifert
Town Clerk

Additional information may be obtained from:

Northland Securities, Inc.

150 South 5th Street, Suite 3300

Minneapolis, Minnesota 55402

Telephone No.: 612-851-5900

EXHIBIT A

[FORM OF ISSUE PRICE CERTIFICATE – COMPETITIVE SALE SATISFIED]

The undersigned, on behalf of _____ (the "Underwriter"), hereby certifies as set forth below with respect to the sale of the General Obligation Certificates of Indebtedness, Series 2025A (the "Certificates") of West Lakeland Township, Minnesota (the "Issuer").

1. Reasonably Expected Initial Offering Price.

As of the Sale Date, the reasonably expected initial offering prices of the Certificates to the Public by the Underwriter are the prices listed in **Schedule A** (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Certificates used by the Underwriter in formulating its bid to purchase the Certificates. Attached as **Schedule B** is a true and correct copy of the bid provided by the Underwriter to purchase the Certificates.

The Underwriter was not given the opportunity to review other bids prior to submitting its bid.

The bid submitted by the Underwriter constituted a firm offer to purchase the Certificates.

2. Defined Terms.

"Maturity" means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Certificates. The Sale Date of the Certificates is _____, 2025.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Nonarbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by Taft Stettinius & Hollister LLP, Bond Counsel in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates.

Dated: June 12, 2025.

[FORM OF ISSUE PRICE CERTIFICATE – HOLD-THE-OFFERING-PRICE RULE APPLIES]

The undersigned, on behalf of _____ (the "Underwriter"), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of General Obligation Certificates of Indebtedness, Series 2025A (the "Certificates") of West Lakeland Township, Minnesota (the "Issuer").

Initial Offering Price of the Certificates.

The Underwriter offered each Maturity of the Certificates to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Certificates is attached to this certificate as Schedule B.

As set forth in the Notice of Sale and bid award, the Underwriter has agreed in writing that, (i) for each Maturity of the Certificates, it would neither offer nor sell any of the Certificates of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Certificates at a price that is higher than the respective Initial Offering Price for that Maturity of the Certificates during the Holding Period.

Defined Terms.

"Holding Period" means, for each Maturity of the Certificates, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____), or (ii) the date on which the Underwriter has sold at least 10% of such Maturity of the Certificates to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

"Maturity" means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate Maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Certificates. The Sale Date of the Certificates is _____, 2025.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Nonarbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Certificates, and by Taft Stettinius & Hollister LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of

the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates.

Dated: June 12, 2025.

AUTHORITY AND PURPOSE

The General Obligation Certificates of Indebtedness, Series 2025A (the “Certificates” or the “Issue”) are being issued by the West Lakeland Township, Minnesota (the “Township”) pursuant to Minnesota Statutes, Chapters 475 and Section 366.095, as amended. Proceeds from issuance of the Certificates will be used to finance road reconstruction projects and to pay costs associated with issuance of the Certificates.

SECURITY/SOURCES AND USES OF FUNDS

Security

The Certificates are valid and binding general obligations of the Township and are payable from ad valorem taxes. The full faith and credit of the Township is also pledged to their payment. In the event of any deficiency in the Debt Service Account established for this Issue, the Township has validly obligated itself to levy additional ad valorem taxes upon all of the taxable property within the Township, without limitation of amount.

Sources and Uses of Funds

Following are the sources and uses of funds in connection with the issuance of the Certificates.

Sources of Funds

Par Amount of Certificates	\$ 5,340,000*
Total Sources of Funds:	<u>\$ 5,340,000</u>

Uses of Funds

Deposit to Project Fund	\$ 5,201,381
Costs of Issuance/Underwriter’s Discount	134,424
Rounding Amount	<u>4,195</u>
Total Uses of Funds:	<u>\$ 5,340,000</u>

CERTIFICATEHOLDERS’ RISKS

An investment in the Certificates involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the appendices hereto) in order to make a judgment as to whether the Certificates are an appropriate investment.

Secondary Market

There can be no guarantee that there will be a secondary market for the Certificates or, if a secondary market exists, that such Certificates can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, any secondary marketing practices in connection with a particular bond issue are suspended or terminated. Additionally, prices of bond issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Certificates.

Ratings Loss

S&P Global Ratings has assigned a rating of “AA+” to the Certificates. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised,

* Preliminary, subject to change.

suspended or withdrawn, if, in the judgment of S&P, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Certificates.

Additional regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Certificates.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Certificates.

Tax Exemption, Bank Qualification and Loss of Tax Exemption

If the federal government or the State of Minnesota taxes all or a portion of the interest on municipal obligations, directly or indirectly, or if there is a change in federal or state tax policy, the value of the Certificates may fall for purposes of resale. Noncompliance following the issuance of the Certificates with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”) and post-issuance tax covenants of the Issuer may result in the inclusion of interest on the Certificates in gross income of the recipient for federal income tax purposes or in taxable net income of individuals, estates or trusts for State of Minnesota income tax purposes. No provision has been made for redemption of the Certificates, or for an increase in the interest rate on the Certificates, in the event that interest on the Certificates becomes subject to federal or State of Minnesota income taxation, retroactive to the date of issuance.

The Certificates are designated as “qualified tax-exempt obligations” under the exception provided in Section 265(b)(3) of the Code, and the Issuer has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the Issuer in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Certificates.

It is also possible that actions of the Issuer after the closing of the Certificates will alter the tax status of the Certificates, and, in the extreme, remove the tax exempt status from the Certificates. In that instance, the Certificates are not subject to mandatory prepayment, and the interest rate on the Certificates does not increase or otherwise reset.

Pending Federal and State Tax Legislation

From time to time, there is State legislation proposed, as well as Presidential proposals, proposals of various federal committees, and legislative proposals pending in Congress that could, if enacted, alter or amend one or more of the federal or state tax matters described herein in certain respects or would adversely affect the market value of the Certificates or otherwise prevent holders of the Certificates from realizing the full benefit of the tax exemption of interest on the Certificates. Further, such proposals may impact the marketability or market value of the Certificates simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Certificates. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Certificates. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Certificates would be impacted thereby.

Tax Levy Procedures

The Certificates are general obligations of the Issuer, payable from and secured by a continuing ad valorem tax levied against all of the property valuation within the Issuer. A failure on the part of the Issuer to make a timely levy request or a levy request by the Issuer that is inaccurate or is insufficient to make full payments of the debt service of the Certificates for a particular fiscal year may cause Certificateholders to experience delay in the receipt of distributions of principal of and/or interest on the Certificates. In the event of a default in the payment of principal of or interest on the Certificates, there is no provision for acceleration of maturity of the principal of the Certificates. Consequently, the remedies of the owners of the Certificates (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the resolution for the Certificates) may have to be enforced from year to year.

Factors Beyond Issuer's Control

A combination of epidemic, pandemic, economic, climatic, political or civil disruptions outside of the control of the Issuer, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local governments. Real or perceived threats to the financial stability of the Issuer may have an adverse effect on the value of the Certificates in the secondary market. State of Minnesota cash flow problems could also affect local governments, including reductions in, or delayed payments of, local government state aid (LGA) and possibly increase Issuer property taxes.

Cybersecurity

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

Suitability of Investment

The interest rate borne by the Certificates is intended to compensate the investor for assuming the risk of investing in the Certificates. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Certificates are an appropriate investment for such investor.

Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Certificates. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

DESCRIPTION OF THE CERTIFICATES

Details of Certain Terms

The Certificates will be dated, as originally issued, as of the date of delivery (estimated to be June 12, 2025), and will be issued as fully registered Certificates in the denominations of \$5,000 or any integral multiple thereof. Principal, including mandatory redemptions on the Certificates, if applicable, will be payable annually February 1, commencing February 1, 2026. Interest on the Certificates will be payable semiannually on each February 1 and August 1, commencing February 1, 2026. The Certificates when issued, will be registered in the name of Cede & Co. (the "Registered Holder"), as nominee of The Depository Trust Company, New York, New York ("DTC"), the initial custodian for the Certificates, to which principal and interest payments on the Certificates will be made so

long as Cede & Co. is the Registered Holder of the Certificates. See “Book-Entry System” in *Description of the Certificates* herein for additional information. So long as the Book-Entry Only System is used, individual purchases of the Certificates will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof (“Authorized Denominations”). Individual purchasers (“Beneficial Owners”) of the Certificates will not receive physical delivery of bond certificates, and registration, exchange, transfer, tender and redemption of the Certificates with respect to Beneficial Owners shall be governed by the Book-Entry Only System.

So long as the Book-Entry Only System is used, payments from Cede & Co., as the Registered Holder, to the Beneficial Owners shall be governed by the Book-Entry Only System. If the Book-Entry Only System is discontinued, the principal of and premium, if any, on the Certificates will be payable upon presentation and surrender at the offices of the Paying Agent and Bond Registrar or a duly appointed successor. Interest on the Certificates will be paid by check or draft mailed by the Bond Registrar to the registered holders thereof as such appear on the registration books maintained by the Bond Registrar as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date (the “Record Date”).

Registration, Transfer and Exchange

So long as the Book-Entry Only System is used, payments from Cede & Co., as the Registered Holder, to the Beneficial Owners shall be governed by the Book-Entry Only System. If the Book-Entry Only System is discontinued, the Certificates may be transferred upon surrender of the Certificates at the principal office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing. The Certificates, upon surrender thereof at the principal office of the Bond Registrar, may also be exchanged for other Certificates of the same series, of any authorized denominations having the same form, terms, interest rates and maturities as the Certificates being exchanged. The Bond Registrar will require the payment by the Certificate holder requesting such exchange or transfer of any tax or governmental charge required to be paid with respect to such exchange or transfer. The Bond Registrar is not required to (i) issue, transfer or exchange any Certificate during a period beginning at the opening of business fifteen days before any selection of Certificates of a particular stated maturity for redemption in accordance with the provisions of the Certificate resolution and ending on the day of the first mailing of the relevant notice of redemption or (ii) to transfer any Certificates or portion thereof selected for redemption.

Optional Redemption

The Certificates maturing on February 1, 2034 and thereafter are subject to redemption, in whole or in part, on February 1, 2033 and on any date thereafter at a price of par plus accrued interest. If redemption is in part, the selection of the amounts and maturities of the Certificates to be prepaid shall be at the discretion of the Township. Notice of redemption shall be given by written notice to the registered owner of the Certificates not less than 30 days prior to such redemption date.

Book-Entry System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Certificates (the “Certificates”). The Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Certificates, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry

transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtcc.org.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Certificates within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Township or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Certificates held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or Agent, disbursement of such payments to Direct Participants will be the

responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the Township or Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Certificates are required to be printed and delivered.

The Township may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Township believes to be reliable, but the West Lakeland Township takes no responsibility for the accuracy thereof.

LIMITED CONTINUING DISCLOSURE

In order to assist the Underwriter(s) in complying with SEC Rule 15c2-12 (the "Rule"), pursuant to a resolution awarding the Issue and a Continuing Disclosure Certificate (the "Certificate") to be executed on behalf of the Township on or before Certificate closing, the Township has and will covenant for the benefit of holders of the Certificates to annually provide certain financial and operating data, which information is customarily prepared by the Town and is publicly available, to the Municipal Securities Rulemaking Board ("MSRB") in an electronic format prescribed by the MSRB, and to provide notices of the occurrence of certain events enumerated in the Rule to the MSRB. The specific nature of the Certificate, as well as the information to be contained in the annual report or the notices of material events is set forth in the Continuing Disclosure Certificate in substantially the form attached hereto as Appendix B.

To the best of its knowledge, the Township has never failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of material events within the past five years. A failure by the Township to comply with the Certificate will not constitute an event of default on the Certificates (although holders will have an enforceable right to specific performance). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Certificates in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Certificates and their market price. Please see *Appendix B – Continuing Disclosure Undertaking* herein for additional information.

UNDERWRITER

The Certificates are being purchased by _____ (the "Underwriter") at a purchase price of \$_____, which is the par amount of the Certificates of \$_____ less the Underwriter's discount of \$_____, plus the original issue premium of \$_____.

MUNICIPAL ADVISOR

The Township has retained Northland Securities, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance of the Certificates. Northland Securities, Inc. is registered as a municipal advisor with both the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources that have access to relevant data to provide accurate information for the Official Statement, and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Township to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

Northland Securities, Inc., is a subsidiary of Northland Capital Holdings, Inc. First National of Nebraska, Inc., is the parent company of Northland Capital Holdings, Inc. and First National Bank of Omaha.

FUTURE FINANCING

The Township does not anticipate the need to issue any additional general obligation debt within the next three months.

CERTIFICATE RATING

The Township received an underlying rating of “AA+” from S&P Global Ratings (“S&P”). No application was made to any other rating agency for the purpose of obtaining an additional rating on the Certificates. This rating reflects only the opinion of S&P and any explanation of the significance of this rating may be obtained only from S&P. There is no assurance that a rating will continue for any given period of time, or that such rating will not be revised or withdrawn, if in the judgment of S&P, circumstances so warrant. A revision or withdrawal of the rating may have an adverse effect on the market price of the Certificates. This rating is not a recommendation to buy, sell or hold the Certificates, and such rating may be subject to revision or withdrawal at any time by the rating agency.

LITIGATION

As of the date of this Official Statement, the Township is not aware of any threatened or pending litigation that questions the organization or boundaries of the Township or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Certificates or otherwise questioning the validity of the Certificates.

CERTIFICATION

The Township will furnish a statement to the effect that this Official Statement to the best of its knowledge and belief, as of the date of sale and the date of delivery, is true and correct in all material respects, and does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

The Township has always promptly met all payments of principal and interest on its indebtedness when due.

LEGALITY

Legal matters incident to the authorization and issuance of the Certificates are subject to the approving opinion of Taft Stettinius & Hollister LLP, Minneapolis, Minnesota (“Bond Counsel”) as to validity and tax exemption. A copy of such opinion will be available at the time of the delivery of the Certificates. See *Appendix A – Form of Legal Opinion*.

Bond Counsel has not participated in the preparation of this Official Statement and is not passing upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine, or verify, any of the financial or statistical statements or data contained in this Official Statement, and will express no opinion with respect thereto.

TAX EXEMPTION

On the date of issuance of the Certificates, Taft Stettinius & Hollister LLP, Bond Counsel, will render an opinion, that, based on present federal and Minnesota laws, regulations, rulings, and decisions, at the time of the issuance of the Certificates, the interest on the Certificates is excluded from gross income for federal income tax purposes and is excluded, to the same extent, from both gross income and taxable net income for State of Minnesota income tax purposes (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions). Interest on the Certificates is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or for purposes of the Minnesota alternative minimum tax applicable to individuals, estates or trusts; however, interest on the Certificates is taken into account in determining “annual adjusted financial statement income” for the purpose of computing the federal alternative minimum tax imposed on certain corporations for tax years beginning after December 31, 2022. The opinions are subject to the condition that the Issuer complies with all applicable federal tax requirements. Failure to comply with certain of such requirements

may cause interest on the Certificates to be included in gross income and taxable net income, retroactive to their date of issuance. No opinion will be expressed by Bond Counsel regarding other state or federal tax consequences.

OTHER FEDERAL AND STATE TAX CONSIDERATIONS

Other Tax Considerations

Though excluded from gross income, interest on the Certificates is subject to federal income taxation for certain types of taxpayers and certain income taxes, including without implied limitation, taxation to the extent it is included as part of (a) the adjusted current earnings of a corporation for purposes of the alternative minimum tax, (b) effectively connected earnings and profits of a foreign corporation for purposes of the branch profits tax on dividend equivalent amounts, (c) excess net passive income of an S Corporation which has Subchapter C earnings and profits, or (d) minimum effectively connected net investment income of a foreign insurance company. Interest on the Certificates is also taken into account in other ways for federal income tax purposes, including without implied limitation, (a) reducing loss reserve deductions of property and casualty insurance companies, (b) reducing interest expense deductions of financial institutions, and (c) causing certain taxpayers to include in gross income a portion of social security benefits and railroad retirement benefits. Ownership of the Certificates may result in other collateral federal income tax consequences to certain taxpayers. Bond Counsel expresses no opinion as to any of such consequences, and prospective purchasers who may be subject to such collateral consequences should consult their tax advisors.

Original Issue Discount

Some of the Certificates (“OID Certificates”) may be sold at initial public offering prices which are less than the principal amounts payable at maturity. For each maturity of OID Certificates, original issue discount is the excess of the stated redemption price at maturity of such Certificates over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of such Certificates were sold. The appropriate portion of such original issue discount allocable to the original and each subsequent holder will be treated as interest and excluded from gross income for federal income tax purposes and will increase a holder’s tax basis in such Certificates for purposes of determining gain or loss upon sale, exchange, redemption, or payment at maturity. Owners of such Certificates should consult their own tax advisors with respect to the computation and determination of the portion of original issue discount which will be treated as interest and added to a holder’s tax basis during the period such Certificates are held.

Original Issue Premium

Some of the Certificates may be sold at initial public offering prices which are greater than the principal amounts payable at maturity. Certificateholders who acquire Certificates at a premium should consult their tax advisors concerning the calculation of bond premium and the timing and rate of premium amortization, as well as the federal, state and local tax consequences of owning and selling Certificates acquired at a premium.

Proposed Changes in Federal and State Tax Law

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Certificates or otherwise prevent holders of the Certificates from realizing the full benefit of the tax exemption of interest on the Certificates. Further, such proposals may impact the marketability or market value of the Certificates simply by being proposed. No prediction is made whether such provisions will be enacted as proposed or concerning other future legislation affecting the tax treatment of interest on the Certificates. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Certificates. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Certificates would be impacted thereby.

Qualified Tax-Exempt Obligations

The Township will designate the Certificates as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

The above is not a comprehensive list of all federal tax consequences that may arise from the receipt of interest on the Certificates. The receipt of interest on the Certificates may otherwise affect the federal or State of Minnesota income tax liability of the recipient based on the particular taxes to which the recipient is subject and the particular tax status of other items or deductions. Bond Counsel expresses no opinion regarding any such consequences. All prospective purchasers of the Certificates are advised to consult their own tax advisors as to the tax consequences of, or tax considerations for, purchasing or holding the Certificate

WEST LAKELAND TOWNSHIP, MINNESOTA

GENERAL INFORMATION

Location/Access/Transportation

The West Lakeland Township (the “Town”) is located in Washington County, in the eastern portion of Minnesota on the border of Wisconsin. The Town lies approximately 15 miles east of St. Paul. Access is provided via State Highway 95 and U.S. Interstate 94.

Area

8,060 Acres
(12.6 Square Miles)

Population

2000 Census	3,547	2020 Census	3,976
2010 Census	4,046	2025 Estimate*	4,000

Labor Force Data¹

Comparative average labor force and unemployment rate figures for year-end 2024 and year-end 2023 are listed below. Figures are not seasonally adjusted and estimated by place of residence.

	2024		2023	
	<i>Civilian Labor Force</i>	<i>Unemployment Rate</i>	<i>Civilian Labor Force</i>	<i>Unemployment Rate</i>
Washington County	144,769	2.8%	145,662	2.4%
Minnesota	3,098,276	3.2	3,099,923	2.8

Income Data²

Comparative income levels are listed below for the Town, the State of Minnesota and the United States.

	<i>West Lakeland</i>	<i>State of Minnesota</i>	<i>United States</i>
Median Family Income	\$218,646	\$111,492	\$96,922
Per Capita Income	90,016	46,957	43,289

Town Government

West Lakeland Township was organized in 1950 and has a Township form of government. All officials are elected for three-year terms and consist of a chairperson and two supervisors. The clerk is an appointed position and is responsible for administrative details and financial records.

Employee Pension Programs

The Town employs 1 full-time and 4 part-time employees. The pension plan currently covers 3 of the Town’s employees.

* Source: West Lakeland Township

¹ Minnesota Department of Employment and Economic Development.

² Source: 2019-2023 American Community Survey, U.S. Census Bureau.

The Town participates in contributory pension plans through the Public Employees Retirement Association (PERA) under Minnesota Statutes, Chapters 353 and 356, which cover all full-time and certain part-time employees. PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost sharing, multiple-employer retirement plans. Benefits are established by State Statute and vest after three years of credited service. State Statute requires the Town to fund current service pension cost as it accrues. Defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF (formerly "PERF") and PEPFF. That report may be obtained at www.mnpera.org, or by writing to PERA at 60 Empire Drive, #200, St. Paul, MN 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

The Town makes annual contributions to the pension plans equal to the amount required by state statutes. GERF Coordinated Plan members were required to contribute 6.50% of their annual covered salary in 2023. In 2023, State statute requires the Town to contribute 7.50% of annual covered payroll for Coordinated Plan GERF members. Audited Contributions to PERF for the past five years have been as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2023	\$7,773	2020	\$3,882
2022	7,288	2019	3,882
2021	5,814		

General Fund Budget Summary

	<u>2024 Budget</u>	<u>2025 Budget</u>
Revenues:		
Property Taxes	\$446,670	\$487,391
Licenses and Permits	102,720	102,720
Intergovernmental Revenue	65,705	65,700
Franchise Fees	47,500	47,500
Miscellaneous	30,100	49,200
Transfers In	0	0
Total Revenues	<u>\$692,695</u>	<u>\$752,511</u>
Expenditures:		
General Government	\$329,145	\$341,242
Community Development (BI)	81,000	86,000
Public Safety	188,550	231,269
Public Works (Sanitation)	74,000	74,000
Other Uses	20,000	20,000
Transfers Out	0	0
Total Expenditures	<u>\$692,695</u>	<u>\$752,511</u>

Estimated Cash and Investment Balances as of February 28th, 2025 (unaudited)

Fund

General Fund	\$ 1,254,518
Debt Service Funds	1,287,827
Other Funds	<u>754,393</u>
Total Estimated Cash and Investment Balances	<u>\$ 3,296,738</u>

Residential Development

There are approximately 1,357 single-family homes and no multifamily units located within the Town.

Banking/Financial Institutions

Banking and financial services provided within the nearby City of Lake Elmo include Lake Elmo Bank.

Education

Residents are served primarily by Independent School District No. 834, Stillwater.

Major/Leading Employers¹

The West Lakeland Township is located near the cities of Lake Elmo, Stillwater Woodbury and Bayport with many employment opportunities. The following is a list of some of the major/leading employers within those cities:

<u>Name</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Anderson Corporation (Bayport)	Window Manufacturing	5,000
Woodwinds Health Campus (Woodbury)	Medical Services	1,473
Washington County (Stillwater)	County Government	1,386
Long Term Care Insurance Advisors (Stillwater)	Insurance	1,001
ISD No. 834 (Stillwater)	Public Education	1,000
Bureau of Engraving, Inc. (Maplewood)	Printers	500
Ecowater Systems, Inc. (Woodbury)	Water Conditioning	440
Bremer Bank Operations Center (Lake Elmo)	Financial Operations	425
DiaSorin, Inc. (Stillwater)	Medical Diagnostic Products	350

¹ Source: Data Axle Reference Solutions

Largest Taxpayers¹

Following are ten of the largest taxpayers within the Township:

<u>Name</u>	<u>Classification</u>	<u>2024/2025 Tax Capacity</u>	<u>Percent of Total Tax Capacity (\$10,996,083)²</u>
Wynstone Golf Club Inc.	Commercial	\$ 100,747	0.92%
Aggregate Industries	Industrial	85,557	0.78
Xcel Energy	Utility	84,162	0.77
Tiller Corp	Commercial	73,006	0.66
Individual	Residential	59,784	0.54
Holiday Stationstores LLC	Commercial	48,662	0.44
Metro East Properties LLC	Commercial	47,086	0.43
Individual	Residential	38,653	0.35
Individual	Residential	32,419	0.29
Nickel Holdings LLC	Commercial	<u>26,852</u>	<u>0.24</u>
		<u>\$ 596,928</u>	<u>5.43%</u>

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¹ As reported by Washington County.

² Before fiscal disparities adjustment.

MINNESOTA VALUATIONS; PROPERTY TAX CLASSIFICATIONS

Market Value

State Law defines the “market value” of real property as the usual selling price at the place where the property to which the term is applied shall be at the time of assessment; being the price which could be obtained at a private sale or an auction sale, if it is determined by the assessor that the price from the auction sale represents an arm's-length transaction. The assessor uses sales and market value income trends to estimate the value of property in an open market transaction. This value is also called “estimated market value”. This value is set on January 2 of each year. Property taxes levied each year are based on the value of property on January 2 of the preceding year. According to Minnesota Statutes, Chapter 273, all real property subject to taxation is to be appraised at maximum intervals of five years.

Taxable Market Value

The “taxable market value” is the amount used for calculating property taxes. The taxable market value may differ from the estimated market value due to the application of special programs that exclude value from taxation. These programs currently include, but are not limited to, Homestead Market Value Exclusion and Green Acres.

Market Value Exclusion

In 2011, the State Legislature eliminated the Homestead Market Value Credit. The Credit was an amount paid by the State to local taxing jurisdictions to reduce taxes paid by homesteaded property. The Credit has been replaced by a Homestead Market Value Exclusion. The Exclusion reduces the taxable market value (beginning with taxes payable 2012) of a jurisdiction by excluding a portion of the value of homesteaded property from taxation. For a homestead valued at \$76,000 or less, the exclusion is 40 percent of market value, yielding a maximum exclusion of \$30,400 at \$76,000 of market value. For a homestead valued between \$76,000 and \$413,800, the exclusion is \$30,400 minus nine percent of the valuation over \$76,000. For a homestead valued at \$413,800 or more, there is no valuation exclusion.

Sales Ratio

The Minnesota Department of Revenue conducts the Assessment Sales Ratio Study to compare real estate sales prices to local assessor valuations. The State uses the study results to ensure consistency in property assessments across the state. There are three different sales ratio studies that cover three distinct time periods. The 12-month study includes sales that occur from October 1st of a given year to September 30th of the following year and are compared to market values used for property taxation. The median ratio from the 12-month study is the sales ratio used to calculate indicated and economic market values.

Economic and Indicated Market Value

“Economic market value” and “indicated market value” reflect adjustments made to account for the effects of the sales ratio. The economic market value is determined by dividing the estimated market value of the jurisdiction by the sales ratio. Economic market value provides an estimation of the full value of property if it were valued at 100% of its value in the marketplace (prior to the application of legislatively mandated exclusions). The indicated market value is determined by dividing the taxable market value of the jurisdiction by the sales ratio. This value represents an estimation of the “full value” of property for taxation, after the deduction of legislative exclusions.

Net Tax Capacity

Property taxes are calculated on the basis of the “net tax capacity value”. Net tax capacity is calculated by multiplying the taxable market value of a parcel by the statutory class rate for the use classification of the property. These class rates are subject to revisions by the State Legislature. The table following this section contains current and historical class rates for primary property classifications.

Tax Cycle

Minnesota local government ad valorem property taxes are extended and collected by the various counties within the state. The process begins in the fall of every year with the certification, to the county auditor, of all local taxing districts' property tax levies. Local tax rates are calculated by dividing each taxing district's levy by its net tax capacity. One percentage point of local tax rate represents one dollar of tax per \$100 net tax capacity. A list of taxes due is then prepared by the county auditor and turned over to the county treasurer on or before the first Monday in January.

The county treasurer is responsible for collecting all property taxes within the county. Real estate and personal property tax statements (excluding manufactured homes) are to be mailed out no later than March 31, and manufactured home property tax statements no later than July 15. The due dates for payment of real and personal property taxes (excluding manufactured homes) are one-half on or before May 15 (May 31 for resorts) and one-half on or before October 15 (November 15 for farm property). Personal property taxes for manufactured homes become due one-half on or before August 31 and one-half on or before November 15. Delinquent property taxes are penalized at various rates depending on the type of property and the length of delinquency.

Tax Levies for General Obligation Bonds (Minnesota Statutes, Section 475.61)

State Law requires the governing body of any municipality issuing general obligations, prior to delivery of the obligations, to levy by resolution a direct general ad valorem tax upon all taxable property in the municipality to be spread upon the tax rolls for each year of the term of the obligations. The tax levies for all years shall be specified and such that if collected in full will, together with estimated collections of special assessments and other revenues pledged for the payment of said obligations, produce at least five percent in excess of the amount needed to meet the principal and interest payments on the obligations when due.

Such resolution shall irrevocably appropriate the taxes so levied and any special assessments or other revenues so pledged to the municipality's debt service fund or a special debt service fund or account created for the payment of one or more issues of obligations.

The governing body may, at its discretion, at any time after the obligations have been authorized, adopt a resolution levying only a portion of such taxes, to be filed, assessed, extended, collected and remitted, and the amount therein levied shall be credited against the tax required to be levied prior to delivery of the obligations.

The recording officer of the municipality shall file in the office of the county auditor of each county in which any part of the municipality is located a certified copy of the resolution, together with full information regarding the obligations for which the tax is levied. No further action by the municipality is required to authorize the extension, assessment and collection of the tax, but the municipality's liability on the obligations is not limited thereto and its governing body shall levy and cause to be extended, assessed and collected any additional taxes found necessary for full payment of the principal and interest. The auditor shall annually assess and extend upon the tax rolls the amount specified for such year in the resolution, unless the amount has been reduced as authorized below or, if the municipality is located in more than one county, the portion thereof that bears the same ratio to the whole amount as the tax capacity value of taxable property in that part of the municipality located in the county bears to the tax capacity value of all taxable property in the municipality.

Tax levies so made and filed shall be irrevocable, except that if the governing body in any year makes an irrevocable appropriation to the debt service fund of moneys actually on hand or if there is on hand any excess amount in the debt service fund, the recording officer may certify to the county auditor the fact and amount thereof and the auditor shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared.

All such taxes shall be collected and remitted to the municipality by the county treasurer as other taxes are collected and remitted, and shall be used only for payment of the obligations on account of that levied or to repay advances from other funds used for such payments, except that any surplus remaining in the debt service fund when the obligations and interest thereon are paid may be appropriated to any other general purpose by the municipality.

Levy Limits

The State Legislature periodically enacts limitations on the ability of cities and counties to levy property taxes. Levy limits were reenacted in 2013 and applied to all counties with a population over 5,000 and all cities with a population over 2,500 for taxes payable in 2014 only. Levies “to pay the costs of the principal and interest on bonded indebtedness” and “to provide for the bonded indebtedness portion of payments made to another political subdivision of the State of Minnesota” are designated special levies and can be levied in addition to the amount allowed by levy limitations.

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The following is a partial summary of these factors:

Property Tax Classifications

<u>Class</u>	<u>Type of Property</u>	<u>Class Rate Schedule</u>		
		<u>2022/ 2023</u>	<u>2023/ 2024</u>	<u>2024/ 2025</u>
1a	<u>Residential Homestead</u> : First \$500,000	1.00%	1.00%	1.00%
	Over \$500,000	1.25	1.25	1.25
1c	<u>Commercial seasonal-residential recreational-</u> under 250 days and includes homestead			
	First \$600,000	.50	.50	.50
	\$600,001-2,300,000	1.00	1.00	1.00
	Over \$2,300,000 [†]	1.25	1.25	1.25
2a	<u>Agricultural Homestead – House, Garage, One Acre:</u>			
	First \$500,000	1.00	1.00	1.00
	Over \$500,000	1.25	1.25	1.25
	Remainder of Farm* –			
	First \$1,890,000	0.50		
	Over \$1,890,000	1.00		
	First \$2,150,000		0.50	
	Over \$2,150,000		1.00	
	First \$3,500,000			.50
	Over \$3,500,000			1.00
2b	<u>Non-Homestead Rural Vacant Land</u> ¹	1.00	1.00	1.00
3a	<u>Commercial/Industrial and Public Utility</u>			
	First \$150,000 [†]	1.50	1.50	1.50
	Over \$150,000 [†]	2.00	2.00	2.00
4a	<u>Apartment</u> (4+ units, incl. private for-profit hospitals)	1.25	1.25	1.25
4bb(1)	<u>Residential Non-Homestead</u> (Single Unit)			
	First \$500,000	1.00	1.00	1.00
	Over \$500,000	1.25	1.25	1.25
4c(1)	<u>Seasonal Residential Recreational/Commercial</u> [†]			
	(Resort): First \$500,000	1.00	1.00	1.00
	Over \$500,000	1.25	1.25	1.25
4c(12)	<u>Seasonal Residential Recreational</u> [†]			
	Non-Commercial (Cabin): First \$500,000*	1.00	1.00	1.00
	Over \$500,000*	1.25	1.25	1.25
4d	<u>Qualifying Low-Income Rental Housing</u>			
	First \$100,000	.75	.75	.25
	Over \$100,000	.25	.25	.25

[†] Subject to the state general property tax.

* Exempt from referendum market value-based taxes.

¹ Homestead remainder & non-homestead; includes minor ancillary structures.

WEST LAKELAND TOWNSHIP, MINNESOTA

ECONOMIC AND FINANCIAL INFORMATION¹

Valuations

	<i>Estimated Market Value 2024/2025</i>	<i>Net Tax Capacity 2024/2025</i>
Real Property	\$ 1,014,529,400	\$ 10,910,329
Personal Property	4,350,800	85,754
Fiscal Disparities ²	---	
(Contribution to Pool)	---	(181,841)
Distribution from Pool	---	415,803
Total Adjusted Valuation	<u>\$ 1,018,880,200</u>	<u>\$ 11,230,045</u>

Valuation Trends (Real and Personal Property)

<i>Levy Year/ Collection Year</i>	<i>Economic Market Value</i>	<i>Sales Ratio</i>	<i>Estimated Market Value</i>	<i>Taxable Market Value</i>	<i>Tax Capacity Before Fiscal Disparities</i>	<i>Tax Capacity After Fiscal Disparities</i>
2024/2025	N/A	N/A	\$1,018,880,200	\$1,008,188,500	\$10,996,083	\$11,230,045
2023/2024	\$1,059,084,191	102.23%	1,082,706,400	1,072,391,200	11,783,517	12,036,673
2022/2023	1,013,105,459	93.57	947,964,600	936,555,600	10,115,171	10,369,031
2021/2022	878,905,313	89.14	783,439,200	773,714,700	8,190,784	8,522,254
2020/2021	790,327,754	94.48	746,663,500	735,432,800	7,756,420	8,044,778

Breakdown of Valuations

2024/2025 Tax Capacity, Real and Personal Property (before fiscal disparities adjustments):

Residential Homestead	\$ 9,205,031	83.71%
Agricultural	236,766	2.16
Commercial & Industrial	342,281	3.11
Railroad	15,906	0.14
Residential Non-Homestead	1,081,846	9.84
Seasonal/Recreational	28,499	0.26
Personal Property	<u>85,754</u>	<u>0.78</u>
Totals:	<u>\$ 10,996,083</u>	<u>100.00%</u>

¹ Property valuations, tax rates, and tax levies and collections are provided by Washington County. Economic market value and sales ratio are provided by the Minnesota Department of Revenue. The 2024/25 Economic Market Value and Sales Ratio figures are not currently available.

² Fiscal Disparities Law

The 1971 Legislature enacted a “fiscal disparities law” which allows all the Twin City Metropolitan Area Municipalities to share in commercial/industrial growth, regardless of where the growth occurred geographically. Forty percent (40%) of every metropolitan municipality’s growth in commercial/industrial assessed valuation is pooled then redistributed to all municipalities on the basis of population and per capita valuation *after* the tax increment and fiscal disparity adjustments.

Tax Capacity Rates

Tax capacity rates for a Township resident for the past five-assessable/collection years have been as follows:

<i>Levy Year/ Collection Year</i>	<i>2020/21 Tax Capacity Rates</i>	<i>2021/22 Tax Capacity Rates</i>	<i>2022/23 Tax Capacity Rates</i>	<i>2023/24 Tax Capacity Rates</i>	<i>2024/25 Tax Capacity Rates</i>
Washington County	27.244%	27.526%	23.621%	21.987%	23.846%
West Lakeland Township	10.877	12.017	11.439	12.772	23.044
ISD No. 834, Stillwater	17.278	19.502	17.143	22.033	23.407
Washington County CDA	1.289	1.287	1.093	1.024	1.120
Metro Council	0.628	0.630	0.537	0.590	0.572
Metro Mosquito	0.379	0.361	0.390	0.301	0.331
Valley Branch Watershed District	4.074	3.747	2.977	2.575	2.567
Regional Rail Authority	<u>0.156</u>	<u>0.149</u>	<u>0.122</u>	<u>0.109</u>	<u>0.112</u>
Totals:	<u>61.925%</u>	<u>65.219%</u>	<u>57.322%</u>	<u>61.391%</u>	<u>74.999%</u>
<i><u>Market Value Rates:</u></i>	<i><u>2019/2020</u></i>	<i><u>2020/2021</u></i>	<i><u>2021/2022</u></i>	<i><u>2022/2023</u></i>	<i><u>2023/24</u></i>
ISD No. 834 (Stillwater)	0.1759%	0.16639%	0.18306%	0.15162%	0.15231%

Tax Levies and Collections¹

<u>Levy/Collect</u>	<u>Net Levy</u>	<u>Collected During Collection Year</u>		<u>Collected and/or Abated as of 3/1/2025</u>	
		<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
2024/2025	\$2,543,544		In Process of Collection		
2023/2024	1,529,765	\$1,517,627	99.21%	\$1,517,627	99.21%
2022/2023	1,187,579	1,170,641	98.57	1,187,578	99.99
2021/2022	1,017,765	1,008,306	99.07	1,017,764	99.99
2020/2021	871,981	866,641	99.39	871,980	99.99

¹ 2024/2025 property taxes are currently in the process of collection/reporting and updated figures are not yet available from Washington County.

SUMMARY OF DEBT AND DEBT STATISTICS

Statutory Debt Limit^{1 2}

Minnesota Statutes, Section 475.53 states that a city or county may not incur or be subject to a net debt in excess of three percent (3%) of its estimated market value. Net debt is, with limited exceptions, debt paid solely from ad valorem taxes.

Computation of Legal Debt Margin as of May 2, 2025:

2024/2025 Estimated Market Value	\$ 1,018,880,200
Multiplied by 3%	<u>x .03</u>
Statutory Debt Limit	<u>\$ 30,566,406</u>

Less outstanding debt applicable to debt limit:

\$5,340,000 General Obligation Certificates of Indebtedness, Series 2025A (This Issue)	<u>\$ 5,340,000</u>
Total Debt applicable to debt limit:	\$ 5,340,000
Legal debt margin	<u>\$ 25,226,406</u>

¹ Effective June 2, 1997 and pursuant to Minnesota Statutes 465.71, any lease revenue or public project revenue bond issues/agreements of \$1,000,000 or more are subject to the statutory debt limit. Lease revenue or public project revenue bond issues/agreements less than \$1,000,000 are not subject to the statutory debt limit.

² Pursuant to Minnesota Statutes Section 475.521, capital improvement bonds are not subject to the statutory debt limit established in Section 475.53 if the issuer's population is less than 2,500.

WEST LAKELAND TOWNSHIP, MINNESOTA
GENERAL OBLIGATION DEBT PAYABLE FROM TAXES
(As of May 2, 2025, Plus This Issue)

		This Issue		
Purpose:	G.O. Certificates of Indebtedness, Series 2025A			
Dated:	06/12/25			
Original Amount:	\$5,340,000			
Maturity:	1-Feb			
Interest Rates:	TOTAL PRINCIPAL:		TOTAL PRIN & INT:	
2025	\$0	\$0	\$0	2025
2026	555,000	555,000	755,969	2026
2027	505,000	505,000	665,431	2027
2028	270,000	270,000	421,903	2028
2029	275,000	275,000	415,689	2029
2030	285,000	285,000	417,078	2030
2031	295,000	295,000	417,940	2031
2032	305,000	305,000	418,188	2032
2033	315,000	315,000	417,800	2033
2034	325,000	325,000	416,758	2034
2035	335,000	335,000	415,040	2035
2036	345,000	345,000	412,541	2036
2037	360,000	360,000	414,143	2037
2038	375,000	375,000	414,806	2038
2039	390,000	390,000	414,503	2039
2040	405,000	405,000	413,303	2040
	\$5,340,000	\$5,340,000	\$6,831,089	

NOTE: 59% OF GENERAL OBLIGATION DEBT PAYABLE FROM TAXES WILL BE RETIRED WITHIN TEN YEARS.

Indirect Debt*

<i>Issuer</i>	<i>2024/2025 Tax Capacity Value⁽¹⁾</i>	<i>2024/2025 Tax Capacity Value in Township⁽¹⁾</i>	<i>Percentage Applicable in Township</i>	<i>Outstanding General Obligation Debt⁽²⁾</i>	<i>Taxpayers' Share of Debt</i>
Washington County	\$ 508,753,421	\$11,230,045	2.21%	\$99,350,000	\$ 2,195,635
ISD No. 834, Stillwater	176,704,546	11,230,045	6.36	158,990,000	10,111,764
Valley Branch Watershed District	90,767,975	7,669,773	8.45	5,205,000	439,823
Metropolitan Council	6,313,906,529	11,230,045	.18	5,025,000 ⁽³⁾	9,045
Metro Transit	5,540,695,433	11,230,045	.20	173,480,000 ⁽⁴⁾	<u>346,960</u>
<i>Total Indirect Debt:</i>					<u>\$ 13,103,227</u>

(Remainder of page intentionally left blank)

* Only those taxing jurisdictions with general obligation debt outstanding that is not payable from revenues are included. Debt figures do not include non-general obligation debt, short-term general obligation debt, general obligation debt payable from revenues, or general obligation tax/aid anticipation certificates of indebtedness.

(1) Tax Capacity Value is after tax increment deduction and fiscal disparity adjustments. The Tax Capacity values for Metropolitan Council and Metro Transit are as of 2023/2024. The 2024/2025 values are not yet available.

(2) Debt listed is as of May 2, 2025, unless otherwise noted.

(3) Metropolitan Council has \$5,025,000 of general obligation debt outstanding as of December 31, 2024. This debt is payable from ad valorem taxes levied on all taxable property within the Metropolitan Taxing District. This amount excludes \$1,166,500,000 of general obligation debt payable from wastewater and sewer revenues, and lease agreements.

(4) Metropolitan Transit has \$173,480,000 of property tax supported general obligation debt outstanding as of December 31, 2024. Transit debt is issued by the Metropolitan Council for public transit operations and is payable from ad valorem taxes levied on all taxable property within the Metropolitan Transit District. This amount excludes \$227,150,000 of general obligation debt payable from revenues.

General Obligation Debt

Bonds secured by taxes (includes this issue)	\$ 5,340,000
<i>Direct General Obligation Debt</i>	5,340,000
Add taxpayers' share of indirect debt	<u>13,103,227</u>
<i>Direct and Indirect Debt</i>	<u>\$ 18,443,227</u>

Facts for Ratio Computations

2023/2024 Economic Market Value (real and personal property)	\$1,059,084,191
Population (2025 estimate)	4,000

Debt Ratios Excluding Revenue-Supported Debt

	<i>Direct Debt</i>	<i>Indirect Debt</i>	<i>Direct and Indirect Debt</i>
To Economic Market Value	.50%	1.24%	1.74%
Per Capita	\$1,335	\$3,276	\$4,611

APPENDIX A

Form of Legal Opinion

PROPOSED FORM OF LEGAL OPINION

\$5,340,000
GENERAL OBLIGATION CERTIFICATES OF INDEBTEDNESS, SERIES 2025A
WEST LAKELAND TOWNSHIP
WASHINGTON COUNTY
MINNESOTA

We have acted as bond counsel in connection with the issuance by West Lakeland Township, Washington County, Minnesota (the "Issuer"), of its \$5,340,000 General Obligation Certificates of Indebtedness, Series 2025A, bearing a date of original issue of June 12, 2025 (the "Certificates"). We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Certificates, and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon such examinations, and assuming the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such documents, and the accuracy of the statements of fact contained in such documents, and based upon present Minnesota and federal laws (which excludes any pending legislation which may have a retroactive effect on or before the date hereof), regulations, rulings and decisions, it is our opinion that:

(1) The proceedings show lawful authority for the issuance of the Certificates according to their terms under the Constitution and laws of the State of Minnesota now in force.

(2) The Certificates are valid and binding general obligations of the Issuer, and all of the taxable property within the Issuer's jurisdiction is subject to the levy of an ad valorem tax to pay the same without limitation as to rate or amount; provided that the enforceability (but not the validity) of the Certificates and the pledge of taxes for the payment of the principal and interest thereon is subject to the exercise of judicial discretion in accordance with general principles of equity, to the constitutional powers of the United States of America and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

(3) At the time of the issuance and delivery of the Certificates to the original purchaser, the interest on the Certificates is excluded from gross income for United States

income tax purposes and is excluded, to the same extent, from both gross income and taxable net income for State of Minnesota income tax purposes (other than Minnesota franchise taxes measured by income and imposed on corporations and financial institutions), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or the Minnesota alternative minimum tax applicable to individuals, estates or trusts; however, interest on the Certificates is taken into account in determining "annual adjusted financial statement income" for the purpose of computing the federal alternative minimum tax imposed on certain corporations for tax years beginning after December 31, 2022. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Certificates in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes and from both gross income and taxable net income for State of Minnesota income tax purposes. Failure to comply with certain of such requirements may cause the inclusion of interest on the Certificates in gross income and taxable net income retroactive to the date of issuance of the Certificates.

We express no opinion regarding other state or federal tax consequences caused by the receipt or accrual of interest on the Certificates or arising with respect to ownership of the Certificates.

This opinion is given as of the date hereof, and we assume no obligation to update, revise, or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur and be retroactive.

TAFT STETTINIUS & HOLLISTER LLP

APPENDIX B

Continuing Disclosure

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking") is executed and delivered by West Lakeland Township, Minnesota (the "Issuer"), in connection with the issuance of its \$5,340,000 General Obligation Certificates of Indebtedness, Series 2025A (the "Certificates"). The Certificates are being issued pursuant to a Resolution adopted on May 12, 2025 (the "Resolution"). Pursuant to the Resolution and this Disclosure Undertaking, the Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Issuer for the benefit of the Owners and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any annual financial information provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

"Audited Financial Statements" shall mean the financial statements of the Issuer audited annually by an independent certified public accounting firm, prepared pursuant to generally accepted accounting principles promulgated by the Financial Accounting Standards Board, modified by governmental accounting standards promulgated by the Government Accounting Standards Board.

"Dissemination Agent" shall mean such party from time to time designated in writing by the Issuer to act as information dissemination agent and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). This term shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall be the fiscal year of the Issuer.

"Governing Body" shall, with respect to the Certificates, have the meaning given that term in Minnesota Statutes, Section 475.51, Subdivision 9.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Occurrence(s)" shall mean any of the events listed in Section 4 of this Disclosure Undertaking.

"Official Statement" shall be the Official Statement dated _____, 2025, prepared in connection with the Certificates.

"Owners" shall mean the registered holders and, if not the same, the beneficial owners of any Certificates.

"Participating Underwriter" shall mean any of the original underwriters of the Certificates required to comply with the Rule in connection with offering of the Certificates.

"Resolution" shall mean the resolution or resolutions adopted by the Governing Body of the Issuer providing for, and authorizing the issuance of, the Certificates.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time or interpreted by the Securities and Exchange Commission.

SECTION 3. Provision of Annual Reports.

A. Beginning in connection with the Fiscal Year ending on December 31, 2024, the Issuer shall, or shall cause the Dissemination Agent to provide, at least annually to the MSRB, by filing at www.emma.msrb.org, together with such identifying information as prescribed by the MSRB, its Audited Financial Statements for the most recent Fiscal Year, which is the only financial information or operating data which is customarily prepared by the Issuer and publicly available, by not later than December 31, 2025, and by December 31 of each year thereafter.

B. If the Issuer is unable to provide to the MSRB its Audited Financial Statements by the date required in subsection A, the Issuer shall send a notice of such delay and estimated date of delivery to the MSRB.

SECTION 4. Reporting of Significant Events. This Section 4 shall govern the giving of notices of the occurrence of any of the following events with respect to the Certificates:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Certificates, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated

person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and,
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

Whenever an event listed above has occurred, the Issuer shall promptly, which may not be in excess of the ten (10) business days after the Occurrence, file a notice of such Occurrence with the MSRB, by filing at www.emma.msrb.org, together with such identifying information as prescribed by the MSRB.

SECTION 5. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates.

SECTION 6. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, if (a) a change in law or change in the ordinary business or operation of the Issuer has occurred, (b) such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, and (c) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially impair the interests of Owners.

SECTION 8. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of an Occurrence, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of an Occurrence in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of an Occurrence.

SECTION 9. Default. In the event of a failure of the Issuer to provide information required by this Disclosure Undertaking, any Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations to provide information under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 10. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriters and Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

SECTION 11. Reserved Rights. The Issuer reserves the right to discontinue providing any information required under the Rule if a final determination should be made by a court of competent jurisdiction that the Rule is invalid or otherwise unlawful or, subject to the provisions of Section 7 hereof, to modify the undertaking under this Disclosure Undertaking if the Issuer determines that such modification is required by the Rule or by a court of competent jurisdiction.

Dated: June 12, 2025.

WEST LAKELAND TOWNSHIP, MINNESOTA

By _____
Its Mayor

By _____
Its Town Clerk

APPENDIX C

Township's Financial Statement

The following financial statements are excerpts from the annual financial report for the year ended December 31, 2023. The complete financial report for the year 2023 and the prior two years are available for inspection at the West Lakeland Town Hall and the office of Northland Securities, Inc. The reader of this Official Statement should be aware that the complete financial report may have further data relating to the excerpts presented in the appendix which may provide additional explanation, interpretation or modification of the excerpts.

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
West Lakeland Township
Stillwater, Minnesota

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of West Lakeland Township, Stillwater, Minnesota (the Township), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major governmental fund of the Township as of December 31, 2023, and the budgetary comparisons for the General fund and Road and Bridge fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinions

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinions", the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Township as of December 31, 2023, and the results of its operations for the year ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Township has not adopted GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the Public Employee Retirement Association nor the pension amounts related to governmental activities and accordingly, has not shown activity related to this standard. Accounting principles generally accepted in the United States of America require that pension liabilities be reported, which would report deferred outflows of resources, deferred inflows of resources and liabilities, and change the net position in the applicable statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Minnesota Office of the State auditor, as described in Note 1B. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 15 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The individual fund financial schedule is presented for purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Abdo
Minneapolis, Minnesota
May 13, 2024



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Management's Discussion and Analysis

As management of the West Lakeland Township, Minnesota, (the Township), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the fiscal year ended December 31, 2023.

Financial Highlights

- The assets of the Township exceeded its liabilities at the close of the most recent fiscal year as shown in the summary of net position on the following pages. The unrestricted amount of net position may be used to meet the Township's ongoing obligations to citizens and creditors.
- The Township's total net position increased as shown in the summary of changes in net assets table on the following pages. This is mainly due to property taxes levied for general purposes and investment earnings.
- For the current fiscal year, the Township's governmental fund balances are shown in the Financial Analysis of the Township's Funds section of the MD&A. The total fund balance increased in comparison with the prior year. This increase was mainly due to property taxes levied for general purposes and licenses & permits revenue. The total of assigned and unassigned as shown in the governmental fund balance table is available for spending at the Township's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General fund increased in comparison with the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules which further explain and support the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about non-major governmental funds, which are added together and presented in single columns in the basic financial statements.

Figure 1
Required Components of the
Township's Annual Financial Report

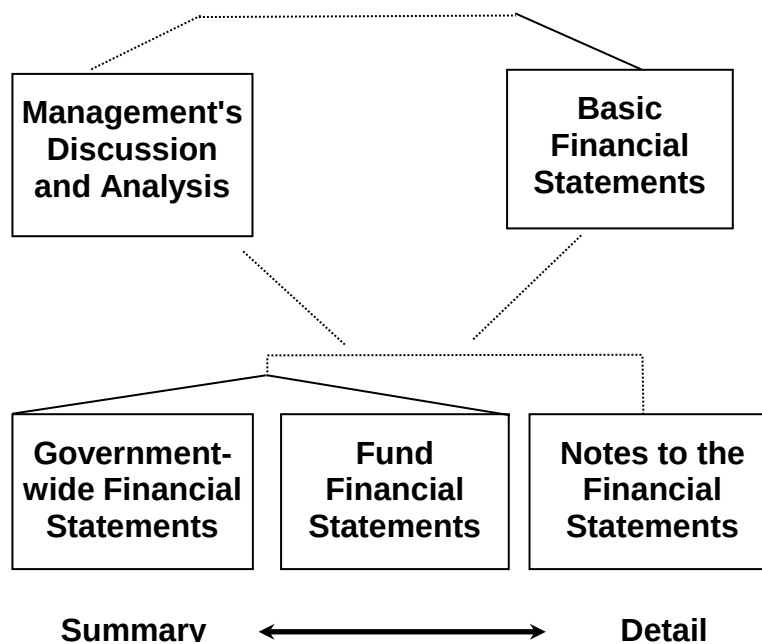


Figure 2 summarizes the major features of the Township's financial statements, including the portion of the Township government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure 2
Major Features of the Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements Governmental Funds
Scope	Entire government (except fiduciary funds)	The activities of the Township that are not fiduciary, such as building inspection, debt service
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid.	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Township's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating.

The *statement of activities* presents information showing how the Township's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenue (*governmental activities*). The governmental activities of the Township include general government, public safety, public works and miscellaneous.

The government-wide financial statements starting on page 26 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township funds are included as governmental funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Township maintains 4 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Road and Bridge fund, General Capital Projects fund and ARPA fund, all of which are considered to be major funds.

The Township adopts an annual appropriated budget for its General fund and Road and Bridge fund. A budgetary comparison statement has been provided for the General and Road and Bridge funds to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 30 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements starting on page 37 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Township, assets exceeded liabilities by at the close of the most recent fiscal year as shown in the summary of net position below.

West Lakeland Township's Summary of Net Position

	Governmental Activities		
	2023	2022	(Decrease)
Assets			
Current and other assets	\$ 2,993,811	\$ 2,747,259	\$ 246,552
Capital assets (net of depreciation)	340,749	347,907	(7,158)
Total Assets	3,334,560	3,095,166	239,394
Liabilities			
Current and other liabilities	615,329	699,258	(83,929)
Net position			
Investment in capital assets	340,749	347,907	(7,158)
Unrestricted	2,378,482	2,048,001	330,481
Total Net Position	\$ 2,719,231	\$ 2,395,908	\$ 323,323
Net Position as a Percent of Total			
Investment in capital assets	12.5 %	14.5 %	
Unrestricted	87.5	85.5	
	100.0 %	100.0 %	

The net position balance may be used to meet the Township's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Township is able to report positive balances in both categories of net position.

Governmental Activities. The Township's net position increased during the current fiscal year, as shown below. This is mainly due to property taxes levied for general purposes and investment earnings. Key elements of the increase in net position are as follows:

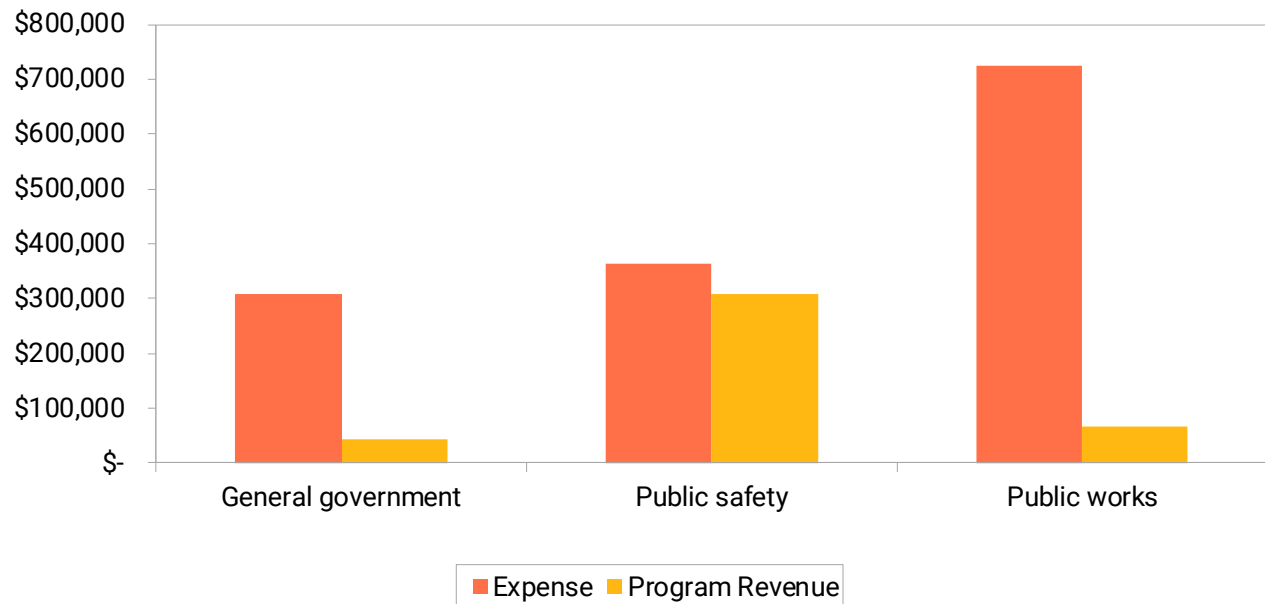
West Lakeland Township's Changes in Net Position

	Governmental Activities		
	2023	2022	(Decrease)
Revenues			
Program Revenues			
Charges for services	\$ 342,884	\$ 392,971	\$ (50,087)
Operating grants and contributions	75,840	82,866	(7,026)
General Revenues			
Taxes			
Property taxes, levied for general purposes	1,189,720	1,022,717	167,003
Franchise taxes	50,583	51,644	(1,061)
Gasoline taxes	31,885	28,530	3,355
State grants and contributions not restricted to specific programs	1,099	1,027	72
Unrestricted investment earnings	30,700	3,727	26,973
Total Revenues	<u>1,722,711</u>	<u>1,583,482</u>	<u>139,229</u>
Expenses			
General government	309,359	395,375	(86,016)
Public safety	363,798	344,812	18,986
Public works	726,231	664,224	62,007
Total Expenses	<u>1,399,388</u>	<u>1,404,411</u>	<u>(5,023)</u>
Change in Net Position	323,323	179,071	144,252
Net Position, January 1	<u>2,395,908</u>	<u>2,216,837</u>	<u>179,071</u>
Net Position, December 31	<u>\$ 2,719,231</u>	<u>\$ 2,395,908</u>	<u>\$ 323,323</u>

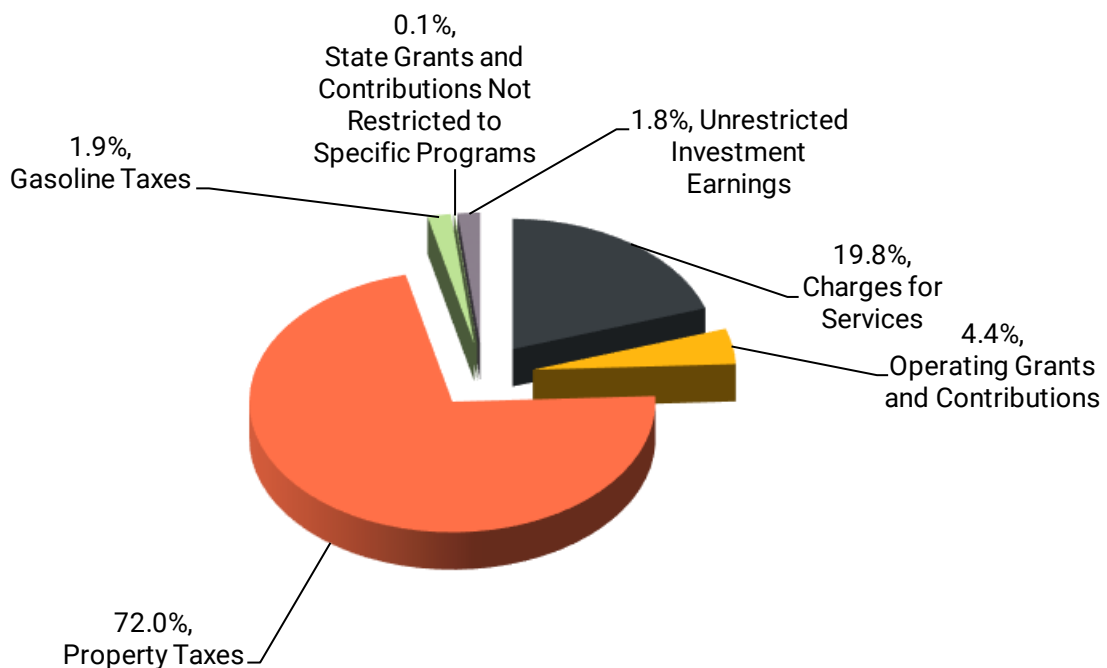
- General Revenues increased significantly from prior year due to an increase in taxes levied for general purposes, mainly driving the increase in the Township's net position.
- Overall, total expenses remained relatively unchanged from the prior year. The increase in public works expenses is mainly due to repairs and maintenance, which offsets the decrease in general government due to less activity during the year.

The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Financial Analysis of the Government's Funds

As noted earlier, the Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Township's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Township's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Township's governmental funds combined ending fund balances increased in comparison with the prior year as seen in the chart below. A portion of the balance constitutes *unassigned fund balance*, which is available for spending at the Township's discretion. The table below outlines the governmental fund balances for the year ending December 31, 2023.

	General Fund	Road and Bridge Fund	General Capital Projects	ARPA Fund	Total	Prior Year Total	Increase/ (Decrease)
Fund Balances							
Assigned	\$ -	\$ 426,190	\$ 766,025	\$ -	\$ 1,192,215	\$ 1,015,885	\$ 176,330
Unassigned	1,157,866	-	-	-	1,157,866	1,016,616	141,250
	<u>\$ 1,157,866</u>	<u>\$ 426,190</u>	<u>\$ 766,025</u>	<u>\$ -</u>	<u>\$ 2,350,081</u>	<u>\$ 2,032,501</u>	<u>\$ 317,580</u>

As of the close of the current fiscal year, the Township's governmental funds reported combined ending fund balances shown above. Additional information on the Township's fund balances can be found in Note 1 starting on page 67 of this report.

The *General fund* is the chief operating fund of the Township. At the end of the current year, the fund balance of the General fund is shown in the table above. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Unassigned	<u>\$ 1,157,866</u>	<u>\$ 1,016,616</u>	<u>\$ 141,250</u>
General Fund expenditures	\$ 730,540	\$ 790,059	
Total Fund Balance as a percent of expenditures	158.5%	128.7%	

The fund balance of the Township's General fund increased during the current fiscal year as shown in the table above. The increase was mainly due to property taxes levied for general purposes and licenses & permits revenue.

Other major governmental fund analysis is shown below:

	December 31, 2023	December 31, 2022	Increase (Decrease)
Road and Bridge Fund	\$ 426,190	\$ 395,288	\$ 30,902
<i>The Road and Bridge Fund increase is fund balance in mainly due to revenues from Gasoline taxes outweighing expenditures</i>			
General Capital Projects Fund	\$ 766,025	\$ 620,597	\$ 145,428
<i>The General Capital Projects Fund increase in fund balance during the year can be attributed to property tax revenue outweighing public works expenditures</i>			
ARPA Fund	\$ -	\$ -	\$ -
<i>The ARPA fund received federal grants in prior years that will be used and recognized in future years.</i>			

General Fund Budgetary Highlights

The Township's General fund budget was not amended during the year. Revenues had a positive budget variance and expenditures had a negative budget variance, and overall the General fund had a positive budget variance.

	Original Budgeted Amounts	Budget Amendments	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 631,678	\$ -	\$ 631,678	\$ 871,790	\$ 240,112
Expenditures	631,678	-	631,678	730,540	(98,862)
Net Change in Fund Balances	-	-	-	141,250	141,250
Fund Balances, January 1	1,016,616	-	1,016,616	1,016,616	-
Fund Balances, December 31	<u>\$ 1,016,616</u>	<u>\$ -</u>	<u>\$ 1,016,616</u>	<u>\$ 1,157,866</u>	<u>\$ 141,250</u>

Some of the significant variances can be briefly summarized as follows:

- Total expenditures were over budget, which was mainly due to public safety and general government expenditures over budget.
- The most significant revenue variance occurred in licenses and permits, which had a positive variance. This was due to more than expected building permits during the year.

Economic Factors and Next Year's Budgets and Rates

The Township is continuing to appropriate funds for the turnover of 22nd Street North, the remainder of 30th Street and the reclamation of Neal Avenue from 12th to Newberry including The Court Cul De Sac at a projected cost of \$1.4 million.

Requests for Information

This financial report is designed to provide a general overview of the Township's finances for all those with an interest in the Township's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the West Lakeland Township, Township Treasurer, 959 Paris Avenue Circle N, West Lakeland Township, Stillwater, MN 55082.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

WEST LAKELAND TOWNSHIP
STILLWATER, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2023

West Lakeland Township, Minnesota

Statement of Net Position

December 31, 2023

	<u>Governmental Activities</u>
Assets	
Cash and temporary investments	\$ 2,815,668
Receivables	
Accrued interest	10,572
Taxes	42,566
Accounts	56,910
Due from other governments	68,095
Capital assets	
Land	148,082
Depreciable assets (net of accumulated depreciation)	192,667
Total Assets	<u>3,334,560</u>
Liabilities	
Accounts payable	136,242
Escrow payable	36,440
Unearned revenue	442,647
Total Liabilities	<u>615,329</u>
Net Position	
Investment in capital assets	340,749
Unrestricted	<u>2,378,482</u>
Total Net Position	<u><u>\$ 2,719,231</u></u>

The notes to the financial statements are an integral part of this statement.

West Lakeland Township, Minnesota

Statement of Activities

For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government	\$ 309,359	\$ 44,008	\$ -	\$ -	\$ (265,351)
Public safety	363,798	298,876	9,135	-	(55,787)
Public works	726,231	-	66,705	-	(659,526)
Total Governmental Activities	<u>\$ 1,399,388</u>	<u>\$ 342,884</u>	<u>\$ 75,840</u>	<u>\$ -</u>	<u>(980,664)</u>

General Revenues

Taxes

Property taxes, levied for general purposes	1,189,720
Franchise taxes	50,583
Gasoline taxes	31,885
Grants and contributions not restricted to specific programs	1,099
Unrestricted investment earnings	<u>30,700</u>

Total General Revenues 1,303,987

Change in Net Position 323,323

Net Position, January 1 2,395,908

Net Position, December 31 \$ 2,719,231

The notes to the financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

WEST LAKELAND TOWNSHIP
STILLWATER, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2023

West Lakeland Township, Minnesota

Balance Sheet
Governmental Funds
December 31, 2023

	100	201	401	250	Total
	General	Road and Bridge Fund	General Capital Projects	ARPA Fund	Governmental Funds
Assets					
Cash and temporary investments	\$ 1,098,352	\$ 421,566	\$ 853,088	\$ 442,662	\$ 2,815,668
Receivables					
Accrued interest	10,572	-	-	-	10,572
Taxes	42,566	-	-	-	42,566
Accounts	56,910	-	-	-	56,910
Due from other governments	34,218	31,885	1,992	-	68,095
	<u>34,218</u>	<u>31,885</u>	<u>1,992</u>	<u>-</u>	<u>68,095</u>
Total Assets	<u>\$ 1,242,618</u>	<u>\$ 453,451</u>	<u>\$ 855,080</u>	<u>\$ 442,662</u>	<u>\$ 2,993,811</u>
Liabilities					
Accounts payable	\$ 19,911	\$ 27,261	\$ 89,055	\$ 15	\$ 136,242
Escrow payable	36,440	-	-	-	36,440
Unearned revenue	-	-	-	442,647	442,647
Total Liabilities	<u>56,351</u>	<u>27,261</u>	<u>89,055</u>	<u>442,662</u>	<u>615,329</u>
Deferred Inflows of Resources					
Unavailable revenue - property taxes	28,401	-	-	-	28,401
	<u>28,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,401</u>
Fund Balances					
Assigned for					
Road projects	-	426,190	-	-	426,190
Capital projects	-	-	766,025	-	766,025
Unassigned	1,157,866	-	-	-	1,157,866
Total Fund Balances	<u>1,157,866</u>	<u>426,190</u>	<u>766,025</u>	<u>-</u>	<u>2,350,081</u>
	<u>1,157,866</u>	<u>426,190</u>	<u>766,025</u>	<u>-</u>	<u>2,350,081</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,242,618</u>	<u>\$ 453,451</u>	<u>\$ 855,080</u>	<u>\$ 442,662</u>	<u>\$ 2,993,811</u>

The notes to the financial statements are an integral part of this statement.

West Lakeland Township, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2023

Amounts reported for governmental activities in the statement of net position are different because

Total Fund Balances - Governmental	\$ 2,350,081
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	362,819
Less: accumulated depreciation	(22,070)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Taxes receivable	<u>28,401</u>
Total Net Position - Governmental Activities	<u><u>\$ 2,719,231</u></u>

The notes to the financial statements are an integral part of this statement.

West Lakeland Township, Minnesota
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	100	201	401	250	Total
	General	Road and Bridge Fund	General Capital Projects	ARPA Fund	Governmental Funds
Revenues					
Property taxes	\$ 379,819	\$ 497,000	\$ 300,000	\$ -	\$ 1,176,819
Franchise taxes	50,583	-	-	-	50,583
Gasoline taxes	-	31,885	-	-	31,885
Licenses and permits	299,879	-	-	-	299,879
Intergovernmental	67,804	-	-	9,135	76,939
Charges for services	22,680	-	-	-	22,680
Fines and forfeits	257	-	-	-	257
Investment earnings	30,700	-	-	-	30,700
Miscellaneous	20,068	-	-	-	20,068
Total Revenues	<u>871,790</u>	<u>528,885</u>	<u>300,000</u>	<u>9,135</u>	<u>1,709,810</u>
Expenditures					
Current					
General government	290,929	-	-	9,135	300,064
Public safety	363,798	-	-	-	363,798
Public works	73,676	497,983	-	-	571,659
Capital outlay					
General government	2,137	-	-	-	2,137
Public works	-	-	154,572	-	154,572
Total Expenditures	<u>730,540</u>	<u>497,983</u>	<u>154,572</u>	<u>9,135</u>	<u>1,392,230</u>
Net Change in Fund Balances	141,250	30,902	145,428	-	317,580
Fund Balances, January 1	<u>1,016,616</u>	<u>395,288</u>	<u>620,597</u>	<u>-</u>	<u>2,032,501</u>
Fund Balances, December 31	<u>\$ 1,157,866</u>	<u>\$ 426,190</u>	<u>\$ 766,025</u>	<u>\$ -</u>	<u>\$ 2,350,081</u>

The notes to the financial statements are an integral part of this statement.

West Lakeland Township, Minnesota
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2023

Amounts reported for governmental activities in the statement of activities are different because

Total Net Change in Fund Balances - Governmental Funds	\$ 317,580
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Depreciation expense	(7,158)
Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Property taxes	<u>12,901</u>
Change in Net Position - Governmental Activities	<u><u>\$ 323,323</u></u>

The notes to the financial statements are an integral part of this statement.

West Lakeland Township, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General and Road and Bridge Funds
For the Year Ended December 31, 2023

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 391,448	\$ 391,448	\$ 379,819	\$ (11,629)
Franchise tax	49,000	49,000	50,583	1,583
Gasoline tax	-	-	-	-
Licenses and permits	102,720	102,720	299,879	197,159
Intergovernmental	59,810	59,810	67,804	7,994
Charges for services	26,000	26,000	22,680	(3,320)
Fines and forfeits	-	-	257	257
Investment earnings	2,500	2,500	30,700	28,200
Miscellaneous	200	200	20,068	19,868
Total Revenues	<u>631,678</u>	<u>631,678</u>	<u>871,790</u>	<u>240,112</u>
Expenditures				
Current				
General government	319,380	319,380	290,929	28,451
Public safety	239,598	239,598	363,798	(124,200)
Public works	72,700	72,700	73,676	(976)
Capital outlay	-	-	2,137	(2,137)
Total Expenditures	<u>631,678</u>	<u>631,678</u>	<u>730,540</u>	<u>(98,862)</u>
Net Change in Fund Balances	-	-	141,250	141,250
Fund Balances, January 1	<u>1,016,616</u>	<u>1,016,616</u>	<u>1,016,616</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 1,016,616</u>	<u>\$ 1,016,616</u>	<u>\$ 1,157,866</u>	<u>\$ 141,250</u>

The notes to the financial statements are an integral part of this statement.

Road and Bridge Fund

Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final		
\$ 497,000	\$ 497,000	\$ 497,000	\$ -
-	-	-	-
32,500	32,500	31,885	(615)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>529,500</u>	<u>529,500</u>	<u>528,885</u>	<u>(615)</u>
-	-	-	-
-	-	-	-
529,500	529,500	497,983	31,517
-	-	-	-
<u>529,500</u>	<u>529,500</u>	<u>497,983</u>	<u>31,517</u>
-	-	30,902	30,902
<u>395,288</u>	<u>395,288</u>	<u>395,288</u>	<u>-</u>
<u>\$ 395,288</u>	<u>\$ 395,288</u>	<u>\$ 426,190</u>	<u>\$ 30,902</u>

The notes to the financial statements are an integral part of this statement.

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West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

West Lakeland Township, Stillwater, Minnesota (the Township) was formed and operates pursuant to applicable Minnesota laws and statutes. The governing body consists of a chairperson and two supervisors. The chair and supervisors are elected on a non-partisan, at-large basis and serve on a part-time basis. The Township has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Township are such that exclusion would cause the Township's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The Township has no component units.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the Township. *Governmental activities* are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, franchise taxes, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the Township receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Township must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Township on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The Township reports the following major governmental funds:

The *General fund* is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted for in another fund.

The *Road and Bridge fund* accounts for resources accumulated and payments made related to road maintenance and snow removal.

The *General Capital Projects fund* accounts for resources accumulated and payments related to capital projects in the Township.

The *ARPA fund* accounts for resources received from the Federal government through American Rescue Plan Act for the use on governmental services.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contribution, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payment in lieu of taxes, are similarly treated when they involve other funds of the Township. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The Township may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The Township does not have a formal investment policy. However, it does follow the requirements outlined in Minnesota State Statutes. The Township has the following recurring fair value measurements as of December 31, 2023:

Types of Investments	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using Level 2
Brokered Certificates of Deposit	N/A	less than 1 year	<u>\$ 822,870</u>	<u>\$ 822,870</u>

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end.

Property Taxes

The Board annually adopts a tax levy in March and certifies it to the County for collection in the following year. The County is responsible for collecting all property taxes for the Township. These taxes attach an enforceable lien on taxable property within the Township on January 1 and are payable by the property owners in two installments. The taxes are collected by the County Auditor and tax settlements are made to the Township during January, July and December each year.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the fund financial statements.

Capital Assets

Capital assets are defined by the Township as all land of any dollar value and other assets with an initial, individual cost of more than \$3,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Infrastructure acquired before January 1, 2004 is, therefore, not reported within these financial statements. Infrastructure assets include streets, storm sewers, street lights, trails, etc.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the Board, which is the Township's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Board itself or by an official to which the governing body delegates the authority.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

The Township considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the Township would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Net Position

Net position represents the difference between assets and deferred outflows and liabilities. Net position is displayed in three components:

- a. Investment in capital assets - Consists of capital assets, net of accumulated depreciation.
- b. Restricted net position - Consist of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund and Road and Bridge fund. The Township does not budget the ARPA special revenue fund because it is not legally required to do so. All annual appropriations lapse at fiscal year-end. The Township does not use encumbrance accounting.

In February each year, the proposed budget is prepared by management and approved by the Board. At the Township's annual meeting in March the budget is presented and approved by the residents for the following calendar year.

The appropriated budget is prepared by fund, function and department. Transfers of appropriations between funds require the approval of the Board. The legal level of budgetary control is the fund level. Budgeted amounts are as originally adopted, or as amended by the Board. There were no budget amendments made during 2023.

B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2023 expenditures exceeded appropriations in the following fund:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess of Expenditures Over Appropriations</u>
General	\$ 631,678	\$ 730,540	\$ 98,862

These excess expenditures were funded by greater than anticipated revenues and fund balance reserves.

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the Township's deposits may not be returned or the Township will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board, the Township maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all Township deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds, with the exception of irrevocable standby letters of credit issued by Federal Home Loan Banks as this type of collateral only requires collateral pledged equal to 100 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the Township.

At year end, the Township's carrying amount of deposits, the bank balance, FDIC coverage, and pledged collateral are shown in the chart below.

Carrying amount of deposits	<u>\$ 1,992,798</u>
Bank balance	\$ 2,044,398
Covered FDIC	(1,569,465)
Collateralized with securities pledged in Township's name	<u>\$ 474,933</u>

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 3: Detailed Notes on All Funds (Continued)

Investments

As of December 31, 2023, the Township had the following investments that are securities held by the Township's agent in the Township's name:

Types of Investments	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using Level 2
Brokered Certificates of Deposit	N/A	less than 1 year	<u>\$ 822,870</u>	<u>\$ 822,870</u>

Cash and Investments Summary

A reconciliation of cash and temporary investments as shown on the financial statements for the Township follows:

	Total
Carrying amount of deposits	\$ 1,992,798
Investments	<u>822,870</u>
Total	<u>\$ 2,815,668</u>

B. Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated				
Land	<u>\$ 148,082</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 148,082</u>
Capital Assets Being Depreciated				
Buildings	214,737	-	-	214,737
Less Accumulated Depreciation for Buildings	<u>(14,912)</u>	<u>(7,158)</u>	<u>-</u>	<u>(22,070)</u>
Total Capital Assets Being Depreciated, Net	<u>199,825</u>	<u>(7,158)</u>	<u>-</u>	<u>192,667</u>
Governmental Activities Capital Assets, Net	<u>\$ 347,907</u>	<u>\$ (7,158)</u>	<u>\$ -</u>	<u>\$ 340,749</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Governmental Activities	
General government	<u>\$ 7,158</u>

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 4: Defined Benefit Pension Plans - Statewide

A. Plan Description

The Township participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

All full-time and certain part-time employees of the Township are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

B. Benefits Provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

General Employee Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for average salary for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989 normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

C. Contributions

Minnesota statutes, chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2023 and the Township was required to contribute 7.50 percent for Coordinated Plan members. The Township's contributions to the General Employees Fund for the years ending December 31, 2023, 2022 and 2021 were \$7,773, \$7,288 and \$5,814, respectively. The Township's contributions were equal to the required contributions for each year as set by state statute.

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 5: Defined Contribution Plan

The Township has Town Board members that are covered by the Public Employees Defined Contribution Plan (PEDCP), a multiple-employer deferred compensation plan administered by PERA. The PEDCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses, therefore, there is no future liability to the employer. Minnesota statutes, chapter 353d.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5 percent of salary which is matched by the elected official's employer. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0 percent of employer contributions and twenty-five hundredths of 1.0 percent (0.25 percent) of the assets in each member's account annually.

The Township and Town Board member's contributions to the PEDCP plan for the years ending December 31, 2023, 2022 and 2021 were \$696, \$555 and \$590, respectively.

Note 6: Other Information

Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Township carries insurance. The Township obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT), which is a risk sharing pool with approximately 800 other governmental units. The Township pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the Township's coverage in any of the past three fiscal years.

The Township is self-insured for unemployment compensation. The State of Minnesota permits Townships to levy local taxpayers for estimated future unemployment claims. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The Township's management is not aware of any incurred but not reported claims.

West Lakeland Township
Stillwater, Minnesota
Notes to the Financial Statements
December 31, 2023

Note 7: Joint Powers Agreements

The Township is a member of the Middle St. Croix Watershed which is a joint powers agreement dependent upon the desire of each member community to cooperate to solve a common problem. The member communities jointly and cooperatively work to develop a watershed management plan and institute programs to conserve soil and water resources through implementation of practices that preserve and use natural storage areas, control excessive volumes and rates of run-off, effectively reduce or prevent erosion and sedimentation, promote groundwater recharge, improve water quality and prevent flooding in order to protect and manage the natural and artificial water conveying systems of the Middle St. Croix Watershed. The Watershed prepares an annual budget and bills each member for annual costs. The Township's share of the costs for 2023 was \$21,259.

The Township is a member of a mass emergency notification system know as Code Red which is a joint powers agreement with Washington County. This allows the Township the ability to communicate with the public in a timely fashion during both emergency and non-emergency situations. The Township pays Washington County \$318 per year to be included in this joint powers agreement.

The Township, on behalf of its prosecuting attorney (Agency) is a member of a joint powers agreement with the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension (BCA). The agreement allows the Agency to access the criminal justice data communications network pursuant to the terms set out in the agreement. No charges will be assessed to the Agency as a condition of the agreement.

PROPOSAL FORM

TO: West Lakeland Township, Minnesota
C/O Northland Securities, Inc.
150 South 5th Street, Suite 3300
Minneapolis, Minnesota 55402
Phone: 612-851-5900
Email: PublicSale@northlandsecurities.com

Sale Date: May 12, 2025

For all or none of the \$5,340,000* General Obligation Certificates of Indebtedness, Series 2025A, in accordance with the Notice of Sale, we will pay you \$_____, (not less than \$5,278,590) plus accrued interest, if any, to date of delivery (estimated to be June 12, 2025) for fully registered Certificates bearing interest rates and maturing on February 1 as follows:

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

True interest percentage: _____%

Net interest cost: \$_____

Term Bond Option: Certificates maturing in the years:

____ through ____
____ through ____
____ through ____
____ through ____
____ through ____

To be accumulated into a Term Bond maturing in year:

____.
____.
____.
____.
____.

This bid is a firm offer for the purchase of the Certificates identified in the Notice of Sale, on the terms set forth in the bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds.

As set forth in the Notice of Sale, this bid shall not be cancelled in the event that the competitive sale requirements are not satisfied. The City may determine to apply the Hold-the-Offering-Price Rule to the Certificates (such terms are used as described in the Notice of Sale).

We have received and reviewed the Preliminary Official Statement and have submitted our requests for additional information or corrections to the Official Statement. As Syndicate Manager, we agree to provide the City with the reoffering price of the Certificates within 24 hours of the bid acceptance.

A Good Faith Deposit in the amount as stated in the Notice of Sale in the form of a federal wire transfer payable to the order of the City will only be required from the apparent winning bidder, and must be received within two hours after the receipt of the bids. Award of the Certificates will be on the basis of True Interest Cost (TIC).

Account Members:

Account Manager: _____ By: _____

The foregoing proposal is hereby duly accepted by and on behalf of West Lakeland Township, Minnesota at 7:00 PM on May 12, 2025.

Town Clerk

Board Chair

* The Township reserves the right to increase or decrease the principal amount of the Certificates. Any such increase or decrease will be made in multiples of \$5,000 and may be made in any maturity. If any maturity is adjusted, the purchase price will also be adjusted to maintain the same gross spread.