

RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE PROJECT
EXPENDITURES WITH BOND PROCEEDS AND AUTHORIZING
PUBLICATION OF NOTICE OF INTENT TO ISSUE BONDS

At a regular meeting of the Village of Waldron, Hillsdale County, Michigan, held on
August 15, 2007.

PRESENT: Roy Hall, Jeffery Bernath, Michael Birdsell, Richard Buck, Bradley Frey, President
Harold Douglas.

ABSENT: Rickie Bays

The following resolution was offered by Richard Buck and seconded by Michael Birdsell:

WHEREAS, the Village of Waldron (the "Village") proposes to issue its tax-exempt revenue bonds (the "Bonds") under Act 94, Public Acts of Michigan, 1933, as amended, to finance improvements to the Village's water supply system (the "Project"); and

WHEREAS, it is anticipated that the Village will advance a portion of the costs of the Project prior to the issuance of the Bonds, such advance to be repaid from proceeds of the Bonds upon the issuance thereof; and

WHEREAS, Section 1.150-2 of the Treasury Regulations on Income Tax (the "Reimbursement Regulations") specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the Village intends by this resolution to qualify amounts advanced by the Village to the Project for reimbursement from proceeds of the Bonds in accordance with the requirements of the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Waldron, Hillsdale County, Michigan, as follows:

1. The Project shall consist of improvements to the Village's water supply system.
2. The maximum principal amount of Bonds expected to be issued for the Project is \$2,000,000.
3. The Village hereby declares its official intent to issue the Bonds to finance the costs of the Project, and hereby declares that it reasonably expects to reimburse the Village's advances to the Project as anticipated by this resolution.
4. The Bonds shall be authorized by proper proceedings subsequent to this resolution.
5. The Clerk is hereby instructed to publish the following notice attached hereto as Exhibit A once in a newspaper of general circulation in the Village of Waldron.
6. All prior resolutions and parts of resolutions insofar as they may be in conflict with this resolution are hereby rescinded.

YEAS: Roy Hall, Jeffery Bernath, Michael Birdsell, Richard Buck, Bradley Frey,
Harold Douglas:_____

Rickie Bays-- Absent_____

NAYS: NONE_____

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
)ss
COUNTY OF HILLSDALE)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council of the Village of Waldron, Hillsdale County, Michigan, at a regular meeting held on August 15, 2007, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the Open Meetings Act.

Richard Andrews
Clerk, Village of Waldron

EXHIBIT A

NOTICE OF INTENT TO ISSUE BONDS
BY THE VILLAGE OF WALDRON, HILLSDALE COUNTY, MICHIGAN

TO THE ELECTORS OF THE VILLAGE OF WALDRON, HILLSDALE COUNTY,
MICHIGAN:

NOTICE IS HEREBY GIVEN, that the Village of Waldron, Hillsdale County, Michigan, intends to issue revenue bonds in one or more series in the aggregate principal amount of not to exceed \$2,000,000 for the purpose of defraying all or part of the cost of improvements to the Village of Waldron's water supply system (the "System").

The bonds will mature in not to exceed forty (40) years and will bear interest at rates to be determined at a competitive or negotiated sale but in no event to exceed such rates as may be permitted by law.

The bonds will be issued under the provisions of Act 94, Public Acts of Michigan, 1933, as amended, and a resolution or ordinance of the Village Council and will be payable from the net revenues of the System and any improvements, enlargements and extensions thereto, and a statutory lien on said revenues will be established by said resolution or ordinance. The Village of Waldron will covenant and agree to fix and maintain at all times while any of the bonds shall be outstanding such rates for service furnished by the System as shall be sufficient to provide for payment of the necessary expenses of operation, maintenance and administration of the System and of the principal of and interest on the bonds when due, to create a bond and interest redemption fund and to provide for such other expenditures and funds for the System as are required by the resolution or ordinance authorizing the issuance of the bonds.

RIGHT TO PETITION FOR REFERENDUM

This notice is given, by order of the Village Council of the Village of Waldron, to and for the benefit of the electors and taxpayers of the Village of Waldron in order to inform them of their right to petition for a referendum upon the question of the issuance of the aforesaid bonds. The bonds will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice, a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors in the Village of Waldron, whichever is less, shall have been filed with the undersigned Clerk. In the event that such a petition is filed, the bonds will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the Village of Waldron qualified to vote and voting thereon at a general or special election.

FURTHER INFORMATION

Further information relative to the issuance of the bonds and the subject matter of this notice may be secured at the office of the Village Clerk, 102 S. Main Street, Waldron, Michigan 49288.

This notice is given pursuant to the provisions of Section 33 of Act 94, Public Acts of Michigan, 1933, as amended.

Richard Andrews, Clerk
Village of Waldron