

MEMBERS PRESENT: Steve Boser, Eric Hanneken, Matthew Hoheisel, Rick Sczublewski, Marvin Thomas, Ashley Toops and Superintendent Weber.

The regular meeting of the Board of Education of Independent School District No. 484 was held on Wednesday, August 31, 2022 in the High School Media Center. The meeting was called to order at 6:02 PM by Chair Matthew Hoheisel.

Motion by Boser; seconded by Sczublewski and was carried unanimously to approve the following agenda as presented without changes.

Motion by Sczublewski; seconded by Hanneken and was carried unanimously to approve the following consent agenda items:

<u>July Donations/Grants</u>	<u>To</u>	<u>Amount</u>
Pierz Lions	Youth Football	\$500.00
Pierz Firemens Relief Assn	Golf - Boys	\$600.00
Pierz Firemens Relief Assn	Robotics	\$550.00
Pierz Firemens Relief Assn	Track + Field	\$440.00
Pierz Firemens Relief Assn	Baseball	\$200.00
Pierz Firemens Relief Assn	FFA	\$200.00
Pierz Lions	Dance	\$3,625.00
Pierz Lions	Wash DC/NY	\$212.00

Wires:

7/27/2022	MSD MAX WIRE TRANSFER	\$300,000.00
8/9/2022	MSD MAX WIRE TRANSFER	\$500,000.00
8/11/2022	MSD MAX WIRE TRANSFER	\$300,000.00
8/19/2022	MSD MAX WIRE TRANSFER	\$500,000.00
8/29/2022	MSD MAX WIRE TRANSFER	\$300,000.00

Expenses:

Approve the August 17, 2022 EOY Batch 4 in the amount of \$115,753.47.

Approve the August 9, 2022 bill batch in the amount of \$346,828.31.

Approve the August 29, 2022 bill batch in the amount of \$390,946.51.

Personnel:

- Accept the resignation of Tiana Scribner, High School Paraprofessional effective August 31, 2022.
- Accept the resignation of Tia Schlichting, AD Secretary effective September 5, 2022.
- Accept the resignation of Hannah Plantenberg, Elementary Paraprofessional effective August 26, 2022.
- Accept the resignation of Sherry Gapinski, Cleaner, effective August 31, 2022.
- Approve the employment of Duane Saehr, Custodian II beginning September 8, 2022, pending a criminal background check.
- Approve the employment of Delores Adams, High School Kitchen Assistant at 3.5 hrs./day beginning the 2022-23 school year, pending a criminal background check.
- Approve the employment of Rinda Gustafson, High School Kitchen Assistant at 3.5 hrs./day beginning the 2022-23 school year, pending a criminal background check.
- Approve the employment of Sophia Exsted, Elementary Paraprofessional beginning the 2022-23 school year, pending a criminal background check.
- Approve the lane change request of Jackie Tautges from BA to BA+10 effective September 1, 2022, pending a copy of the final transcript.
- Approve the lane change request of Beckie Przybilla from MA to MA+20 effective September 1, 2022, pending a copy of the final transcript.
- Approve the lane change request of Jessica Adamski from MA to MA+10 effective September 1, 2022, pending a copy of the final transcript.
- Approve the lane change request of Jill Boevers from BA+20 to BA+30 effective September 1, 2022, pending a copy of the final transcript.
- Approve the lane change request of Katelyn Fuhrman from MA to MA+10 effective September 1, 2022, pending a copy of the final transcript.
- Approve the lane change request of Saralyn Andres from MA+10 to MA+20 effective September 1, 2022, pending a copy of the final transcript.
- Approve the lane change request of Stephanie Kotta from MA to MA+20 effective September 1, 2022, pending a copy of the final transcript.

Motion by Thomas; seconded by Toops and was carried unanimously to approve the request from FFA Advisor, Pat Tax, to allow Elene Pawlu, Asst. Advisor to take the FFA students to the National FFA Convention in Indianapolis, IN on October 26-30, 2022.

Member Hoheisel introduced the following resolution and moved it adoption:

**RESOLUTION AWARDING THE SALE OF CERTIFICATES
OF PARTICIPATION, SERIES 2022A, IN THE ORIGINAL
AGGREGATE PRINCIPAL AMOUNT OF \$2,520,000, FIXING
THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR
EXECUTION AND DELIVERY; AND PROVIDING FOR
THEIR PAYMENT**

BE IT RESOLVED by the School Board (the “Board”) of Independent School District No. 484 (Pierz Public Schools), Benton, Crow Wing, and Morrison Counties, Minnesota (the “District”), as follows:

Section 1. Findings; Authorizations; Determinations.

1.01. The District is authorized by Minnesota Statutes, Section 465.71, as amended (the “Act”) and Minnesota Statutes, Section 126C.40, as amended (“Section 126C.40”), to enter into lease-purchase agreements for the lease of real and personal property with an option to purchase.

1.02 The District has determined to finance the construction of a building addition to the District’s high school and related site improvements (the “Project”) on property located in the District (the “Site”).

1.03 The District hereby deems it advisable to provide for the issuance of Certificates of Participation, Series 2022A (the “Certificates”), to finance the costs of the Project (the “Certificate-Financed Project”).

1.05. The District intends to enter into a Ground Lease (the “Ground Lease”) with Zions Bancorporation, National Association, Chicago, Illinois (the “Trustee”), as lessee, pursuant to which the Trustee shall obtain from the District a leasehold interest in the Site on which the Certificate-Financed Project shall be constructed. Furthermore, the District intends to enter into a Lease-Purchase Agreement (the “Lease-Purchase Agreement”) with the Trustee, as lessor, pursuant to which the Trustee shall lease the Site and the Certificate-Financed Project (the “Leased Property”) to the District, and the District shall make lease payments (the “Lease Payments”) to the Trustee, subject to the District’s right to non-appropriation. The District intends to enter into an Indenture of Trust (the “Indenture”) with the Trustee, pursuant to which the Certificates shall be issued by the Trustee payable from the lease payments to be made by the District under the terms of the Lease-Purchase Agreement. Subject to the requirements of Section 126C.40, the Board authorizes the use of its lease levy authority for the purpose of making the Lease Payments.

1.06. The following documents (collectively, the “Documents”) have been presented before the Board for approval:

- (a) the Indenture;
- (b) the Ground Lease;
- (c) the Lease-Purchase Agreement, pursuant to which Trustee shall lease the Leased Property to the District, and the District shall make the Lease Payments, subject to the District’s right to non-appropriation;
- (d) a Purchase Contract (as hereinafter defined); and
- (e) a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”).

Section 3. Sale.

3.01. Award to Purchaser. The proposal of Huntington Securities, Inc. (the “Purchaser”) to purchase the Certificates is hereby found and determined by the District and the Trustee to be a reasonable offer and is hereby accepted, the proposal being to purchase the Certificates at a price of \$2,616,914.80 (par amount of \$2,520,000, plus reoffering premium of \$106,994.80, less underwriter’s discount of \$10,080.00). The Board approves the execution and delivery of the Certificates by the Trustee.

3.02. Purchase Contract. The execution and delivery of a Proposal Form, dated as of August 31, 2022 (the “Purchase Agreement”), between the District and the Purchaser, on behalf of the District and the Trustee, is hereby ratified and confirmed in the form set forth in EXHIBIT A to this resolution.

Section 4. Bond Counsel. Kennedy & Graven, Chartered, as bond counsel (“Bond Counsel”), is authorized and directed to finalize documents necessary to issue the Certificates including, without limitation, the Ground Lease, the Lease-Purchase Agreement, and the Indenture.

Section 5. Certificates; Lease Payments; Right of Non-Appropriation.

5.01. Certificates. Under the terms of the Indenture, the Certificates shall be issuable only as fully-registered Certificates in denominations of \$5,000 and any integral multiple thereof, numbered No. R-1 and upward, in the form to be included in the Indenture. The Certificates shall be special, limited obligations payable solely from annual appropriations of the District made to pay the Lease Payments, in the manner provided in the Lease-Purchase Agreement, and amounts held by the Trustee under the terms of the Indenture. The obligations of the Lease-Purchase Agreement and the Certificates shall not constitute an indebtedness, liability, general or moral obligation, or a pledge of the full faith and credit or any taxing power of the District, the State of Minnesota, or any political

subdivision thereof. The Lease-Purchase Agreement shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the District except its interest in the Lease-Purchase Agreement and the Leased Property.

5.02. Lease Payments. The Lease Payments to be made by the District under the Lease-Purchase Agreement are to be fixed so as to produce level debt service on the Certificates. The District shall pay to the Trustee, promptly when due, all of the Lease Payments and other amounts required by the Lease-Purchase Agreement. To provide money to make such payments, the District shall include in its annual budget, for each fiscal year during the term of the Lease-Purchase Agreement, money sufficient to pay and for the purpose of paying all Lease Payments, and shall take all other actions necessary to provide money for the payment of the obligations of the District under the Lease-Purchase Agreement from sources of the District lawfully available for such purpose, subject to its right of non-appropriation.

5.03. Right of Non-Appropriation. The Lease-Purchase Agreement shall provide that the District may elect in any fiscal year to not appropriate funds for the next fiscal year to make the Lease Payments required under the terms of the Lease-Purchase Agreement. The obligations of the District under the Lease-Purchase Agreement shall not be payable from nor charged upon any funds of the District other than the funds appropriated annually to the payment thereof. In the event of a non-appropriation of Lease Payments by the District in any fiscal year, the District shall lose the right to operate and occupy the Leased Property for the remaining term of the Lease-Purchase Agreement and the Certificates.

Section 6. Continuing Disclosure. The District hereby covenants and agrees that it shall comply with and carry out any conditions for continuing disclosure to satisfy the requirements of Rule 15c2-12 of the Securities and Exchange Act, if applicable. Notwithstanding any other provision of this resolution, failure of the District to comply with any required continuing disclosure obligations is not to be considered an event of default with respect to the Lease-Purchase Agreement or the Certificates; however, any holder of the Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this section.

Section 7. Approval of Documents.

7.01. The Board Chair and Clerk are hereby authorized and directed to execute and deliver the Indenture, the Ground Lease, the Lease-Purchase Agreement, and the Continuing Disclosure Certificate on behalf of the District, substantially in the forms on file with the District, but with all such changes therein as shall be approved by the officers executing the same, which approval shall be conclusively evidenced by the execution thereof. Copies of all of the transaction documents shall be delivered, filed, and recorded as provided therein.

7.02. The Board Chair and the Clerk are hereby authorized and directed to furnish to the Purchaser such certificates and other documents as are required as a condition to the sale and

delivery of the Certificates. Unless litigation shall have been commenced and be pending questioning the validity or enforceability of the Documents or the Certificates, the organization, corporate existence, or boundaries of the District, or the title or incumbency of the officers of the District, at the closing the Board Chair and the Clerk shall also execute and deliver to the Purchaser a suitable certificate as to the absence of material litigation. The Board Chair, the Clerk, and other District officers and staff are also authorized and directed to execute such other documents and certificates as may be required to give effect to the transactions herein contemplated, including but not limited to a tax certificate and an Information Return for Tax-Exempt Governmental Bonds, Form 8038-G.

7.03. The use of the Preliminary Official Statement and a Final Official Statement (together, the “Official Statement”) in the offer and sale of the Certificates is hereby ratified and confirmed. The Board Chair and the Clerk are hereby authorized and directed to certify that they have examined the Official Statement and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

7.04 The electronic signatures of the Board Chair, the Clerk, and the Treasurer, or any of their authorized designees, to this resolution and any document or certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the District thereto. For purposes hereof, (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

Section 8. Escrow. The District may also at any time discharge its liability in its entirety with reference to any Certificates subject to the provisions of the Indenture and the Lease-Purchase Agreement by making prepayments under the Lease-Purchase Agreement and depositing irrevocably in escrow, with the Trustee, as escrow agent for this purpose, cash or securities which are general obligations of the United States or securities of United States agencies which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, with or without reinvestment, to provide funds sufficient to pay all principal and interest to become due on such Certificates at their stated maturities or, if such Certificates are prepayable and notice of redemption thereof has been given or irrevocably provided for, to provide funds sufficient to pay all principal, interest and redemption premiums, if any, to such earlier redemption date as provided in the Indenture.

Section 9. Conditions Met. To the knowledge of the District, all acts, conditions, and things required by the laws of the State of Minnesota relating to the adoption of this Resolution, to the issuance of the Certificates, and to the execution of the Documents and the other documents referred to herein to happen, exist, and be performed precedent to and in the enactment of this

Resolution, and precedent to the issuance of the Certificates, and precedent to the execution of the Documents and the other documents referred to above have happened, exist, and have been performed as so required by law.

Section 10. Incorporation of Provisions. All covenants, stipulations, obligations, representations, and agreements of the District contained in this resolution, the Certificates, the Documents, and other documents referred to herein shall be deemed to be the covenants, stipulations, obligations, representations, and agreements of the District to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations, representations, and agreements shall be binding upon the District. Except as otherwise provided in this Resolution, all rights, powers, and privileges conferred, and duties and liabilities imposed, upon the District by the provisions of this Resolution or the Documents or other documents referred to herein shall be exercised or performed by the District, or by such officers, board, body, or agency as may be required or authorized by law to exercise such powers and to perform such duties. No covenant, stipulation, obligation, representation, or agreement herein contained or contained in the Documents or other documents referred to herein shall be deemed to be a covenant, stipulation, obligation, representation, or agreement of any elected official, officer, agent, or employee of the District in that person's individual capacity, and neither the members of the Board nor any officer or employee executing the Certificates shall be liable personally on the Certificates or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 11. Reimbursement. On June 29, 2022, the Board adopted a resolution (the "Reimbursement Resolution") declaring its official intent to reimburse certain expenditures related to the project described herein from the proceeds of a lease-purchase financing. The Board hereby amends the Reimbursement Resolution for the limited purpose of clarifying the Board's official intent to reimburse certain expenditures related to said project from proceeds of the sale of the Series 2022A Certificates. The Board intends that the foregoing amendment relate back to the date the Reimbursement Resolution was adopted. In all other respects, the Reimbursement Resolution remains unchanged and in full force and effect.

Section 12. Designation as Qualified Tax-Exempt Obligations. The District hereby designates its obligations to pay the Lease Payments under the terms of the Lease-Purchase Agreement and the payments with respect to the Certificates as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. In order to qualify the Lease Payments and the payments with respect to the Certificates as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the District makes the following factual statements and representations:

- a) the Certificates are not "private activity bonds" as defined in Section 141 of the Code;
- (b) the District designates the Certificates as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) which shall be issued by the District (and all subordinate entities of the District) during calendar year 2022 shall not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the District during calendar year 2022 shall be designated for purposes of Section 265(b)(3) of the Code.

Section 13. Effective Date. This Resolution shall be in full force and effect from and after its passage.

The motion for the adoption of the foregoing resolution was duly seconded by Member Boser and upon vote being taken thereon, the following voted in favor thereof: Toops, Sczublewski, Hoheisel, Boser, Hanneken, Thomas; and the following voted against the same: none.

whereupon said resolution was declared duly passed and adopted.

Motion by Boser; seconded by Hoheisel and was carried unanimously to approve the minutes of the regular board meeting dated July 27, 2022 and the minutes of the special board meetings dated August 22, 2022.

Motion by Hanneken; seconded by Toops and was carried unanimously to approve the request from the Grad Bash Committee to purchase an ad and 250 school calendars in the amount of \$1,650.00.

Motion by Hoheisel; seconded by Thomas and was carried unanimously to approve the increase to adult lunches from \$4.10 to \$5.00 per lunch beginning the 2022-23 school year. This is due to the required minimum meal prices from the MN Dept. of Food & Nutrition.

Motion by Sczublewski; seconded by Toops and was carried unanimously to approve the Work Agreement between Pierz ISD 484 and Rick Grammond beginning September 1, 2022 through August 31, 2023.

Motion by Hanneken; seconded by Hoheisel and was carried unanimously to approve the transportation agreement between Pierz ISD 484 and Codey & Michelle Fleischhacker to

transport their child to and from Pierz schools at a rate of \$28.65/day school is in session for the 2022-23 school year.

Motion by Sczublewski; seconded by Hanneken and was carried unanimously to accept the recommendation to increase the non-certified staff sub pay from \$14.00 per hour to \$16.00 per hour beginning September 1, 2022.

Motion by Toops; seconded by Boser and was carried unanimously to approve the proposed changes to the 2022-23 Elementary Student Handbook as presented.

The next regular board meeting is scheduled for Wednesday, September 28, 2022 at 6 PM.

Motion by Boser; seconded by Sczublewski and was carried unanimously to adjourn the meeting at 7:50 PM.

Matthew J. Hoheisel, Board Chair

Steve Boser, Board Clerk