

School Board Minutes
Red Rock Central District No. 2884
Wednesday, July 17, 2024

The regular monthly meeting of the Board of Education, District No. 2884, was held in the Board Room in Lamberton on Wednesday, July 17, 2024. Members present were: Erickson, Imker, Kuehl, Pankonin, and Rogotzke. Member absent: Stavnes. Member late: Grant. Others in attendance: Superintendent Lee, Principal Ewing, Ehlers & Associates representatives: Matt Hammer and Brian Miles, Jamie Derickson, Paula Derickson, Marcia Therkilsen, Kristi Werner, Shandra Weber, Ashley Keck, Tom Neperman and Doreen Kronback.

Vice Chairman Kuehl called the meeting to order at 5:00 p.m.

The Pledge of Allegiance was recited.

Upon motion of Rogotzke, seconded by Erickson to approve the amended Agenda, the June 17, 2024 Board Minutes and the Treasurer's Report as presented.

Matt Hammer and Brian Miles from Ehlers & Associates presented information on the \$1,945,000.00 General Obligation Tax Abatement Bond; TD Security LLC was the low bidder for the bonds at 3.75% interest rate, giving the District additional funds for the parking lot construction and improvement projects and an update on the current investment funds.

Member Pankonin introduced the following resolution and moved its adoption:

**RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2024A,
IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,945,000; 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. 2884 (Red Rock Central), Cottonwood, Redwood and Brown Counties, Minnesota (the "District"), as follows:

Section 1. Findings, Determinations; Sale of Bonds.

1.01 Background. It is hereby determined that:

(a) The District is authorized by Minnesota Statutes, Chapter 475, as amended (the "Act"), and Minnesota Statutes, Sections 469.1812 to 469.1815, as amended (the "Abatement Act") to issue general obligation tax abatement bonds.

(b) Pursuant to a resolution adopted by the Board on June 17, 2024, (the "Abatement Resolution"), following a duly noticed public hearing, the Board approved a property tax abatement (the "Abatements") in the approximate amount of \$2,782,435 for certain property in the District (the "Abatement Parcels") over a period of twelve (12) years in an amount sufficient to provide financing for the construction of and improvements to parking lots at various sites in the District and related financing costs (the "Abatement Project").

(c) In the Abatement Resolution, the District found and determined that the Abatement Project benefits the Abatement Parcels, that the Abatement Project will provide access to services for residents in the District, and that the maximum principal amount of bonds to be secured by Abatements

does not exceed the estimated sum of Abatements from the Abatement Parcels for the term authorized under the Abatement Resolution.

(d) On June 17, 2024, the Board adopted a resolution (the “Intent Resolution”), stating its intention to issue and sell its General Obligation Tax Abatement Bonds, Series 2024A (the “Bonds”), pursuant to the Act and the Abatement Act, in the original aggregate principal amount of approximately \$1,995,000 to finance the Abatement Project.

(e) Pursuant to the Intent Resolution, the District covenanted and obligated itself to be bound by the provisions of Minnesota Statutes, Section 126C.55, as amended (“Section 126C.55”) which provides for payment by the State of Minnesota in the event of a potential default of a school district obligation. The District understands that as a result of its covenant to be bound by said provisions, these provisions shall be binding as long as the Bonds remain outstanding.

(f) The District is authorized by Section 475.60, subdivision 2(9), of the Act to sell the Bonds other than pursuant to a competitive sale because the District has retained Ehlers and Associates, Inc., (the “Municipal Advisor”) to serve as the District’s independent municipal advisor in connection with the sale of the Bonds. The actions of the District staff and the Municipal Advisor in negotiating the sale of the Bonds are ratified and confirmed in all aspects.

1.02. Award of Sale to the Purchaser and Interest Rates. The proposal of TD Securities (USA) LLC (the “Purchaser”), to purchase the Bonds of the District is hereby found and determined to be a reasonable offer and is hereby accepted, the proposal being to purchase the Bonds at a price of \$2,061,590.10 (par amount of the Bonds of \$1,945,000, plus original issue premium of \$140,221.85, less an underwriter’s discount of \$23,631.75), plus accrued interest, if any, to date of delivery for Bonds bearing interest as follows:

<u>Year</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Interest Rate</u>
2026	4.00%	2032	4.00%
2027	4.00%	2033	5.00%
2028	4.00%	2034	5.00%
2029	4.00%	2035	5.00%
2030	4.00%	2036	5.00%
2031	4.00%	2037	5.00%

True interest cost: 3.7534239%

1.03. Purchase Contract. The execution and delivery of a Proposal Form, dated as of July 17, 2024 (the “Purchase Agreement”), between the District and the Purchaser, is hereby ratified and confirmed in the form set forth in EXHIBIT A to this resolution (the “Resolution”). The Bonds shall be issued and delivered in accordance with the terms and conditions of the Purchase Agreement and this Resolution. The amount proposed by the Purchaser in excess of the minimum bid, if any, shall be credited to the Debt Service Fund hereinafter created or deposited in the Construction Fund hereinafter created, as determined by the Treasurer in consultation with the Municipal Advisor. The Municipal Advisor is directed to receive and retain the good faith payment of the Purchaser in accordance with the terms of the Purchase Agreement, pending completion of the sale of the Bonds.

1.04. Terms and Principal Amounts of the Bonds. The District shall forthwith issue and sell the Bonds pursuant to the Act and the Abatement Act, in the total principal amount of \$1,945,000, originally dated August 8, 2024, in the denomination of \$5,000 each or any integral multiple thereof, numbered No. R-1 upward, bearing interest as above set forth, and maturing serially on February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2026	\$40,000	2032	\$175,000
2027	\$130,000	2033	\$180,000
2028	\$135,000	2034	\$190,000
2029	\$155,000	2035	\$195,000
2030	\$160,000	2036	\$205,000
2031	\$165,000	2037	\$215,000

1.05. Schedule of Maturities. The schedule of maturities satisfies the requirements of Section 475.54, subdivision 1 of the Act.

1.06. Optional Redemption. The District may elect on February 1, 2032, and on any day thereafter to prepay Bonds due on or after February 1, 2033. Redemption may be in whole or in part and if in part, at the option of the District and in such manner as the District shall determine. If less than all Bonds of a maturity are called for optional redemption, the District shall notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC shall determine by lot the amount of each participants interest insuch maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments shall be at a price of par plus accrued interest to the date of optional redemption.

Section 2. Registration and Payment.

2.01. Registered Form. The Bonds shall be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Each Bond shall be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond shall be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond shall be dated as of the date of original issue. The interest on the Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2025, to the registered owners of record thereof

as of the close of business on the fifteenth day immediately preceding each interest payment date, whether or not such day is a business day.

2.03. Registration. The District shall appoint a bond registrar (the “Registrar”), authenticating agent (the “Authenticating Agent”), and paying agent (the “Paying Agent”). Except as specifically provided otherwise in Section 7 hereof, the effect of registration and the rights and duties of the District and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register (the “Bond Register”) in which the Registrar provides for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred, or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner’s attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the District.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The District and the Registrar may treat the person in whose name a Bond is registered in the Bond Register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner’s order shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees, and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen, or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen, or lost the Registrar shall deliver a new Bond of like amount, number, maturity date, and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for any Bond destroyed, stolen, or lost upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen, or lost, upon filing with the Registrar evidence satisfactory to it that the Bond was destroyed, stolen, or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance, and amount satisfactory to it and as provided by law, in which both the District and the Registrar must be named as obligees. Bonds so surrendered to the Registrar shall be cancelled by the Registrar and evidence of such cancellation must be given to the District. If the mutilated, destroyed,

stolen, or lost Bond has already matured or been called for redemption in whole in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) **Redemption.** In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed shall be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the Bond Register and, if publication of the notice of redemption is required by law, by publishing the notice of redemption as required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, shall not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption shall cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Appointment of Initial Registrar, Paying Agent, and Authenticating Agent. The District appoints Bond Trust Services Corporation, Roseville, Minnesota, as the initial Registrar, Paying Agent, and Authenticating Agent with respect to the Bonds. The Board Chair and the Clerk are authorized to execute and deliver, on behalf of the District, a contract with Bond Trust Services Corporation, as the initial Registrar, Paying Agent, and Authenticating Agent with respect to the Bonds. Upon merger or consolidation of the Registrar, Paying Agent, and Authenticating Agent with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar, Paying Agent, and Authenticating Agent. The District agrees to pay the reasonable and customary charges of the Registrar, Paying Agent, and Authenticating Agent for the services performed. The District reserves the right to remove the Registrar, Paying Agent, or Authenticating Agent upon thirty (30) days' notice and upon the appointment of a successor Registrar, Paying Agent, or Authenticating Agent, in which event the predecessor Registrar, Paying Agent, or Authenticating Agent must deliver all cash and Bonds in its possession to the successor Registrar, Paying Agent, or Authenticating Agent and the Registrar must deliver the Bond Register to the successor Registrar. On or before three (3) business days prior to each principal or interest due date, without further order of the Board, the Treasurer must transmit to the Paying Agent money sufficient for the payment of all principal and interest then due.

2.05. Execution, Authentication, and Delivery. The Bonds shall be prepared under the direction of the Clerk and executed on behalf of the District by the signatures of the Board Chair and the Clerk, provided that those signatures may be printed, engraved, or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of a Bond, that signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Authenticating Agent. Certificates of authentication on different Bonds need not be signed by the same representative of the Authenticating Agent. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed, and authenticated the Clerk shall deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

3.01. Execution of the Bonds. The Bonds shall be printed or typewritten in substantially the form attached hereto as EXHIBIT B.

3.02. Approving Legal Opinion. The Clerk is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, and cause the opinion to accompany each Bond.

Section 4. Payment; Security; Funds; Pledges and Covenants.

4.01. Debt Service Fund. The Bonds shall be payable from the General Obligation Tax Abatement Bonds, Series 2024A Debt Service Fund (the “Debt Service Fund”) hereby created, and the Abatements from the Abatement Parcels are hereby pledged to the Debt Service Fund. The amounts to be applied to pay the principal of and interest on the Bonds shall be deposited in the Debt Service Fund at least three (3) business days prior to each respective interest payment date and principal payment date. There is appropriated to the Debt Service Fund amounts over the minimum purchase price of the Bonds paid by the Purchaser to the extent designated for deposit in the Debt Service Fund in accordance with Section 1.03 hereof.

4.02. Construction Fund. The District hereby creates the General Obligation Tax Abatement Bonds, Series 2024A Construction Fund (the “Construction Fund”). Proceeds of the Bonds (reduced by the appropriation made in accordance with Section 5.04 to pay costs of issuance and the appropriation, if any, of any portion of the Bonds made in accordance with Section 4.01 hereof) shall be deposited in the Construction Fund and used solely to pay costs of the Abatement Project. Any balance remaining in the Construction Fund after completion of the Abatement Project may be used for any other public use authorized by law and approved by resolution adopted or vote taken in the manner required to authorize the application of the proceeds of the Bonds for such new use and purpose, or credited to the Debt Service Fund or other District debt service fund, all in accordance with Section 475.65 of the Act.

4.03. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith and credit and taxing powers of the District are hereby irrevocably pledged. If a payment of principal of or interest on the Bonds becomes due when there is not sufficient money in the Debt Service Fund to pay the same, the Treasurer must pay such principal or interest from the general fund of the District, and the general fund shall be reimbursed for those advances out of the proceeds of taxes levied herein, when collected.

4.05. Debt Service Coverage. It is determined that the estimated collection of tax abatement revenues shall produce at least five percent (5%) in excess of the amount needed to meet when due the principal and interest payments on the Bonds and that no tax levy is needed at this time. The Board shall, however, levy ad valorem taxes on all taxable property in the District in the event of any deficiency of tax abatements pledged, which taxes may be levied without limitation as to rate or amount.

4.06. Registration of Resolution. The Clerk is authorized and directed to file a certified copy of this Resolution with the County Auditor/Treasurers of Cottonwood, Redwood and Brown Counties, Minnesota (collectively, the “County Auditors”) and to obtain the certificates required by Section 475.63 of the Act.

Section 5. Authentication of Transcript.

5.01. District Proceedings and Records. The officers of the District are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds certified copies of proceedings and records of the District relating to the Bonds and to the financial condition and affairs of the District, and such other certificates, affidavits, and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, shall be deemed representations of the District as to the facts stated therein.

5.02. Certification as to Official Statement. The Board Chair, the Clerk, and the Treasurer, or any of their authorized designees, are authorized and directed to certify that they have examined the final Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the final Official Statement is a complete and accurate representation of the facts and representations made therein as of the date of the final Official Statement and further that said final Official Statement did not (as of the date of the final Official Statement) and does not contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the final Official Statement is to be used, or which is necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading.

5.03. Other Certificates. The Board Chair, the Clerk, and the Treasurer, or any of their authorized designees, are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the District or incumbency of its officers, at the closing the Board Chair, the Clerk, and the Treasurer shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Treasurer shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

5.04. Payment of Costs of Issuance. The District authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Wells Fargo Bank, National Association on the closing date for further distribution as directed by the Municipal Advisor.

5.05. Electronic Signatures. 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 6. Tax Covenants.

6.01. Tax-Exempt Bonds. The District shall comply with all the necessary requirements and take all necessary actions (or decline to take prohibited actions) to ensure that interest on the Bonds shall not be includable in gross income for federal income tax purposes under Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations promulgated thereunder (the "Regulations"). The District covenants and agrees with the holders from time to time of the Bonds that it shall not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Bonds to become

subject to federal income taxation under the Code and the Regulations, in effect at the time of such actions, and that it shall take or cause its officers, employees, or agents to take all affirmative action within their powers that may be necessary to ensure that such interest shall not become includable in gross income for federal income tax purposes under the Code and applicable Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

6.02. Continuing Requirements. The District shall comply with requirements necessary under the Code and Regulations to establish and maintain the exclusion from gross income of the interest on the Bonds under Sections 103 and 141-150 of the Code and applicable Regulations including, without limitation, requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States. The Board Chair, the Clerk, and the Treasurer, being officers of the District charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable Regulations stating the facts, estimates, and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the “gross proceeds” of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of the Code and the Regulations. The District covenants and agrees to retain such records, make such determinations, file such reports and documents, and pay such amounts at such times as are required under Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement in accordance with one of the spending exceptions set forth in Section 1.148-7 or Section 1.148-8 of the Regulations. The District shall use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations and covenants made by this section.

6.03. No Rebate Required. For purposes of qualifying for the small issuer exception to the federal arbitrage rebate requirements (under Section 148(f)(4)(D) of the Code and Section 1.148-8 of the Regulations), the District finds, determines and declares that the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the District (and all subordinate entities of the District) during the calendar year in which the Bonds are issued is not reasonably expected to exceed the lesser of: (a) \$15,000,000; or (b) the sum of (i) \$5,000,000, and (ii) the aggregate face amount of the Bonds as are attributable to financing the construction (all within the meaning of Section 148(f)(4)(C)(iv) of the Code) of public school facilities. For purposes of this Section 6.03, the District reasonably expects that the aggregate face amount of the Bonds that are attributable to financing the construction of public school facilities will be equal to \$1,945,000.

6.04. Not Private Activity Bonds. The District further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be determined to constitute “private activity bonds,” within the meaning of Sections 103 and 141 through 150 of the Code and the applicable Regulations promulgated thereunder.

6.05. Qualified Tax-Exempt Obligations. The District hereby designates the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. In order to qualify the Bonds 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 Bonds are not “private activity bonds” as defined in Section 141 of the Code;

(b) the District designates the Bonds 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 2024 shall not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the District during calendar year 2024 shall be designated for purposes of Section 265(b)(3) of the Code.

Section 7. Book-Entry System; Limited Obligation of District.

7.01. DTC. The Bonds shall be initially issued in the form of a separate, single, typewritten or printed, fully registered Bond for each of the maturities set forth in Section 1.04 hereof. Upon initial issuance, the ownership of each Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this section, all of the outstanding Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the District, the Registrar, and the Paying Agent shall have no responsibility or obligation to any broker-dealers, banks, and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds; (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption; or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The District, the Registrar, and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent shall pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments shall be valid and effectual to fully satisfy and discharge the District’s obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the Bond Register, shall receive a certificated Bond evidencing the obligation of this Resolution. Upon delivery by DTC to the Clerk of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words “Cede & Co.” shall refer to such new nominee of DTC; and upon receipt of such a notice, the Clerk shall promptly deliver a copy of the same to the Registrar and Paying Agent.

7.03. Representation Letter. The District has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the “Representation Letter”) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the District with respect to the Bonds shall agree

to take all action necessary for all representations of the District in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the District, by resolution of the Board, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the District shall notify DTC, whereupon DTC shall notify the Participants, of the availability through DTC of Bond certificates. In such event the District shall issue, transfer, and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the District shall issue and the Registrar shall authenticate Bond certificates in accordance with this resolution and the provisions hereof shall apply to the transfer, exchange, and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond shall be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. Execution of Continuing Disclosure Certificate. For purposes of this Section, "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Board Chair and Clerk and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

8.02. District Compliance with Provisions of Continuing Disclosure Certificate. The District hereby covenants and agrees to comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder 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 9. Defeasance. When all of the Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants, and other rights granted by this resolution to the holders of the Bonds shall cease, except that the pledge of the full faith and credit of the District for the prompt and full payment of the principal of and interest on the Bonds shall remain in full force and effect. The District may discharge all Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the date of such deposit.

The motion for the adoption of the foregoing resolution was duly seconded by Rogotzke

and upon vote being taken thereon, the following voted in favor thereof:

Imker, Erickson, Pankonin, Rogotzke and Kuehl

and the following voted against the same: None

Absent: Stavnes and Grant

whereupon the resolution was declared duly passed and adopted.

Principal Ewing presented the following Grade 5 – 12 report: Rachel Moe has received the MAAE - Minnesota Association of Agricultural Educators “Outstanding Early Career Teacher” Award, She received the award at their Summer Conference Banquet on Wednesday, July 10th, the award included a plaque for her to keep, the traveling trophy and a cash award, Ron Kelsey won this award and his name is on the traveling trophy for the year 1970; Rachel Moe and Principal Ewing received the MASSP - Minnesota Association of Secondary School Principals Silver Star of Innovation Award for RRC’s “Fly Sky High With Drones” class; Award was presented at the MASSP Summer Conference on June 25th, There is a certificate of recognition for the school and a \$100.00 check for the program, will also have the opportunity to present our program at the MASSP Winter Conference in January 2025; Principal Ewing received the MASSP Southwest Division Middle Level Principal of the Year, Award was presented at the MASSP Summer Conference on June 26th, He will be entered for the state - Middle Level Principal of the Year Award for 2025, Received a beautifully engraved plaque at the Summer Conference Banquet; The new Science curriculum from Amplify Science for grades 3 - 6 has been delivered and all of the staff will be attending an online, 3 hour training on Monday, July 29th; Rachel Moe, Leonard Runck and Principal Ewing will be presenting the Drones Class to the SWWC Technology Conference on Thursday, August 8th in Worthington, MN; and presented the Student Handbook changes first reading and discussion.

Superintendent Lee Superintendent/K-4 Principal reported the following: Food service applications and milk applications are approved for the 2024-25 school year; Lions Club has donated \$11,000 for a gravel path around the property; Building project update: Curb and gutter-this week (1st week of July), The Permanent power ship date is not until 7/5/24 (three weeks behind), and Plumbing finishes are ongoing, The fire alarm is getting installed, All casework completed by 2nd week of July, Entrances should be completed by the 2nd week of July, Painting the gym floor is underway, Stage and learning stairs materials are on hand, Classroom doorways are nearly completed; Window treatments on back order; Submitted the Sales tax reimbursement to the Dept. of Revenue, for \$1,457,668.26; Moody’s downgraded the district to Baa1. We were classified as A3; Spoke with our FEMA contact today, no new information; the climbing wall will get removed from our playground so it can be installed at the new playground and the City of Lamberton is not interested in purchasing old building, Marketing group met to discuss ways to promote the school in the area to increase attendance.

The Board expressed Thank You to the Lamberton Lions Club for the donation that will cover the cost of installing a walking path around the new school.

Upon motion of Rogotzke, seconded by Pankonin and unanimously carried to approve all claims in for payment in the amount of \$4,890,001.24. Final check 32422

Upon motion of Rogotzke, seconded by Erickson and unanimously carried to accept the following bids for gasoline, diesel fuel, dairy and bread products and food commodities as presented.

Farmers Coop Oil Company - Renville: 5 cents per gallon discount from the posted pump price on date of purchase for Gasoline blends, Bio Diesel and #1 Diesel.

Expressway Sanborn – Staples Oil: 5 cents per gallon discount from the posted pump price on date of purchase on Unleaded Fuels and Diesels Fuel.

Lamberton Handi-Mart: 5 cents per gallon discount from the posted pump price on date of purchase on all gasoline and diesel fuel purchased.

DAIRY- Avera PACE/Prairie Farms with escalator clause; **BREAD -** AVERA PACE – Bimbo Bakeries USA

Upon motion of Rogotzke, seconded by Imker and unanimously carried to set fees and prices for the 2023-2024 School year.

ADMISSIONS:

Adults \$7.00

Students (grades K-12) - \$5.00

Former RRC Students (College ID Required) \$5.00

RRC Students: No charge for home events

ATHLETIC SEASON PASSES:

Adult \$55.00

Grades 7-12 - No Charge

Grades K-6 – No Charge

Family Maximum \$110.00

Senior Citizen 55+ \$30.00

Senior Citizen 65+ \$50.00 Lifetime Pass

Faculty and Staff – No charge

ATHLETIC PARTICIPATION FEES:

Grades 7-8 \$25.00 Grades 9-12 (1st) \$50.00

Grades 9-12 (2nd) \$40.00

Grades 9-12 (3rd) \$30.00

Family Maximum \$175.00

DRAMA FEE: Per Activity \$25.00

Family Maximum \$75.00

Extra-Curricular Fees are waived when an Educational Benefits Application is completed and returned to the District Office

INSTRUMENT RENT:

Grades 7-12 \$60.00

Grades 7-12 percussion

\$30.00 Elementary \$35.00

Elementary percussion \$20.00

DRIVER EDUCATION:

\$300.00 RRC Student

\$400.00 Non-RRC Student

Upon motion of Imker, seconded by Pankonin and unanimously carried to approve the plan for the Fiscal Year 2026 Application for Long-Term Facilities and Maintenance Revenue Statement of Assurances and direct the Superintendent to send the application to the State.

Upon motion of Erickson, seconded by Rogotzke and unanimously carried to approve Substitute Teacher salaries as follows: Days 1 -10 \$155.00; Days 11 + \$200.00; RRC retired teacher \$5.00 additional per day and pay would reflect class periods taught.

Upon motion of Imker, seconded by Rogotzke and unanimously carried approve the resignations of Jenny Stavnes and Stacie Vold as Community Education Directors and thank them for their service.

Upon motion of Rogotzke, seconded by Erickson and unanimously carried to accept the bid for theater curtains in the amount of \$237,500.00.

Upon motion of Imker, seconded by Rogotzke the Board went into closed session to discuss 13D.03 at 7:13 p.m.

Upon motion of Erickson, seconded by Rogotzke the Board came out of closed session at 7:41 p.m.

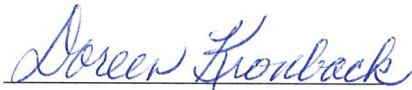
Upon motion of Rogotzke, seconded by Erickson the meeting was adjourned at 9:04 p.m.

August 7, 2024, at 5:00 p.m. - Work Session on Superintendent Evaluation and Meet/Confer topics from Teachers

The next regular monthly meeting will be held on Wednesday, August 21, 2024 at 5:00 p.m.



Nate Erickson, Clerk



Doreen Kronback, Recorder