CERTIFICATION OF MINUTES RELATING TO LEASE-PURCHASE AGREEMENT AND CERTIFICATES OF PARTICIPATION

Issuer: Independent School District No. 15 (St. Francis Area Schools), Minnesota

Governing Body: School Board

Kind, date, time and place of meeting: A regular meeting held August 24, 2026, at 6:30 p.m., at the school district offices, or by electronic means, as authorized by law.

Members present:

Members absent:

Documents Attached: Excerpt of minutes of the above-described meeting relating to the resolution described below.

RESOLUTION RELATING TO SCHOOL DISTRICT PROPERTY AND IMPROVEMENTS AND THE FINANCING THEREOF; AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE OF 1986

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto have been carefully compared with the original records of said public corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the portion of the minutes of a meeting of the governing body of said public corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said obligations; and that said meeting was duly held by the governing body of the public corporation at the time and place indicated above and attended throughout by the members of the governing body in a number sufficient to legally transact business, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on August ____, 2026.

_____

Clerk

EXCERPT OF MINUTES

Member _____ introduced the following resolution and moved its adoption, which motion was seconded by Member _____:

RESOLUTION RELATING TO SCHOOL DISTRICT PROPERTY AND IMPROVEMENTS AND THE FINANCING THEREOF; AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE OF 1986

BE IT RESOLVED by the School Board (the "Board") of Independent School District No. 15 (St. Francis Area Schools), Minnesota (the "District"), as follows:

SECTION 1. AUTHORITY; PURPOSE. The District is authorized by Minnesota Statutes, Section 465.71, to execute lease-purchase agreements for the purpose of financing or refinancing real and personal property. This Board hereby finds it in the best interest of the District to enter into a Lease-Purchase Agreement (the "Lease") and, if so determined at a later date, to issue certificates of participation therein (the "Certificates"), for the purpose of (i) financing the acquisition, construction, installation and improvement of District tennis courts and athletic facilities (the "Project"), and (iii) financing costs of issuing the Lease and Certificates therein, if any. The Authority is authorized under Minnesota Statutes, Section 126C.40, Subdivision 1, to apply to the Commissioner of Education of the State of Minnesota (the "Commissioner") and the Minnesota Department of Education ("MDE") for permission to make an additional capital expenditure levy for the purpose of leasing a building or land for any instructional purpose. This Board hereby finds it economically advantageous to enter into the Lease for the Project.

SECTION 2. MDE APPLICATION. The Board hereby authorizes the employees and officers of the District to prepare and submit an application to the Commissioner via MDE for permission to levy for the Lease and the Project, all under and pursuant to Minnesota Statutes, Section 126C.40, Subdivision 1.

SECTION 3. REIMBURSEMENT.

1. Recitals.

(a) The Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the "Reimbursement Regulations") dealing with the issuance of tax-exempt obligations all or a portion of the proceeds of which are to be used to reimburse the District for project expenditures made by the District prior to the date of issuance of such obligations.

(b) The Reimbursement Regulations generally require that the District make a declaration of its official intent to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued series of tax-exempt obligations within 60 days after payment of the expenditures, that such obligations be issued and the reimbursement allocation be made

from the proceeds of such obligations within the reimbursement period (as defined in the Reimbursement Regulations) and that the expenditures reimbursed be capital expenditures or costs of issuance of the obligations.

(c) The District desires to comply with requirements of the Reimbursement Regulations with respect to the Project, the Lease and the Certificates issued therein, if any.

2. Official Intent Declaration.

(a) The District proposes to undertake the Project, to make original expenditures with respect to such Project prior to the issuance of the Lease and the Certificates therein, if any, and reasonably expects to issue the Lease and the Certificates therein, if any, to finance such Project in the maximum principal amount of $600,000.

(b) Other than (i) de minimis amounts permitted to be reimbursed pursuant to Section 1.150-2(f)(1) of the Reimbursement Regulations or (ii) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Reimbursement Regulations, the District will not seek reimbursement for any original expenditures with respect to the Project paid more than 60 days prior to the date of adoption of this resolution.

(c) All original expenditures for which reimbursement is sought will be capital expenditures or costs of issuance of the Lease and the Certificates therein, if any, issued to finance the Project.

3. Budgetary Matters. As of the date hereof, there are no District funds reserved, pledged, allocated on a long term basis or otherwise set aside (or reasonably expected to be reserved, pledged, allocated on a long term basis or otherwise set aside) to provide permanent financing for the original expenditures to be financed by the issuance of the Lease and the Certificates therein, if any. Consequently, it is not expected that the issuance of the Lease and the Certificates therein, if any, will result in the creation of any replacement proceeds.

4. Reimbursement Allocations. The District's Director of Business Services or his or her designee shall be responsible for making the "reimbursement allocations" described in the Reimbursement Regulations, being generally the transfer of the appropriate amount of proceeds of the Lease and the Certificates therein, if any, to reimburse the source of temporary financing used by the District to make payment of the original expenditures relating to the Project. Each reimbursement allocation shall be made not later than (i) 18 months after the date of the original expenditure or (ii) 18 months after the date the Project is placed in service or abandoned (but in no event later than three years after the original expenditure is paid) and shall be evidenced by an entry on the official books and records of the District maintained for the Lease and the Certificates therein, if any, issued to finance the Project and shall specifically identify the original expenditures being reimbursed.

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

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.