

CERTIFICATION OF MINUTES
RELATING TO
GENERAL OBLIGATION TAXABLE OPEB BONDS

ISSUER: INDEPENDENT SCHOOL DISTRICT NO. 877
(BUFFALO-HANOVER-MONTROSE)
BUFFALO, MINNESOTA

GOVERNING BODY: SCHOOL BOARD

KIND, DATE, TIME AND PLACE OF MEETING:

A regular meeting, held July 14, 2009, at 4:30 o'clock p.m., in the School District.

MEMBERS PRESENT:

MEMBERS ABSENT:

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION PROVIDING FOR SALE OF GENERAL OBLIGATION
TAXABLE OPEB BONDS; COVENANTING AND OBLIGATING THE
DISTRICT TO BE BOUND BY AND TO USE THE PROVISIONS OF
MINNESOTA STATUTES, SECTION 126C.55 TO GUARANTEE THE
PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS**

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, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said 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 at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS MY HAND officially as such recording officer this ____ day of July,
2009.

School District Clerk

EXTRACT OF MINUTES OF A MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 877
(BUFFALO-HANOVER-MONTROSE)
STATE OF MINNESOTA

HELD: JULY 14, 2009

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 877, State of Minnesota, was duly held on July 14, 2009, at 4:30 o'clock p.m.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION PROVIDING FOR SALE OF GENERAL OBLIGATION TAXABLE OPEB BONDS; COVENANTING AND OBLIGATING THE DISTRICT TO BE BOUND BY AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS

BE IT RESOLVED by the School Board of Independent School District No. 877, State of Minnesota, as follows:

1. Authorization. This Board hereby finds and determines that it is necessary and expedient for Independent School District No. 877 (the "Issuer" or the "District") to sell and issue its taxable general obligation bonds in the total aggregate principal amount of \$_____ (the "Bonds"), in order to fund the District's actuarially determined liabilities to pay postemployment benefits to its employees or officers after their termination of service, as authorized pursuant to Minnesota Statutes, Section 475.52, Subdivision 6. As used herein, the term "postemployment benefits" means benefits giving rise to a liability under Statement No. 45 of the Governmental Accounting Standards Board ("GASB"). The proceeds of the Bonds not appropriated to Fund 47 in the award resolution shall be deposited in an irrevocable trust (the "Trust") established pursuant to Section 471.6175, as amended. This Board has received a report dated October 9, 2008, prepared by the District's actuary, Van Iwaarden Associates, specifying that the District's actuarially determined liabilities for postemployment benefits as of July 1, 2008, determined under the applicable standards of the Governmental Accounting Standards Board, is \$10,694,069. The proceeds of the Bonds to be deposited in the Trust will not exceed this specified amount.

2. Sale. The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, Minnesota, as its independent financial advisor for the Bonds. Ehlers is authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9). If the issuance of the Bonds is approved, the School Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds.

3. Official Statement; Tabulation of Proposals. Ehlers is authorized to prepare and distribute an Official Statement and to open, read and tabulate the proposals for presentation to the Board.

4. Minnesota School District Credit Enhancement Program. (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Finance and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.