

July 28, 2025

MINUTES OF THE REGULAR SCHOOL BOARD MEETING OF INDEPENDENT SCHOOL DISTRICT NO. 2689, PIPESTONE COUNTY, PIPESTONE, MINNESOTA. A regular meeting of the Board of Directors of Pipestone Area Schools was held on Monday, July 28, 2025 beginning at 6:30 PM in Conference Room 1148. MS/HS.

The following members were present: Brad Carson, Daphne Likness, Katie Wiese, Tami Taubert, Tyler Fruechte, Chrissy DeBates, and Mark Hiniker. Also present: Dr. Klint Willert, Deb Peschon, and Jacque Kennedy.

Chairman Carson opened the meeting with the Pledge of Allegiance. Motion by Wiese, second by Likness, approved the agenda as presented. Motion unanimously carried.

Consent Agenda: Motion by Wiese, second by Likness, approved all items in the Consent Agenda. Motion carried unanimously.

Financials:

- The budget year-to-date shows expenditures as of July 22, 2025 at \$16,798,832.92 or 97%. This was non-action.
- The treasurer's report for month ended June 30, 2025 shows a cash balance of \$10,192,819.28 Motion by DeBates, second by Taubert, approved the treasurer's report
- The MN Trust 2023A Bonds treasurer's report for month ended June 30, 2025 has a cash balance of \$1,487,882.96. Motion by Wiese, second by Fruechte, approved the 2023A bonds treasurer's report. Motion carried unanimously.
- Regular bills paid through July 14, 2025 totaled \$1,810,952.08. Motion by DeBates, second by Taubert, approved payment of the regular bills. Motion carried unanimously.
- High school activity bills paid through July 14, 2025 totaled \$503.65. Motion by Wiese, second by Fruechte, approved payment of the high school activity bills. Motion carried unanimously.

Board Report: A policy meeting was held and teacher negotiations will be starting soon.

Superintendent Board Report: Dr. Willert gave an update on the roofing project, Portrait of a Graduate, international candidates, and teacher negotiations. He also reported on student registration, the school improvement plans for the principals, the county fair, and attending a back to school conference.

New Business:

- First reading of Policy 414 and 516 was non-action. First reading of the 25-26 MS/HS handbook was non-action.

Unfinished Business:

- Motion by Taubert, second by Wiese, approved membership with MREA for FY 26. Motion carried unanimously.

Board Action:

Member Mark Hiniker introduced the following resolution and moved its adoption, which motion was seconded by Member Katie Wiese:

RESOLUTION RELATING TO GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2026A; AUTHORIZING THE ISSUANCE AND AUTHORIZING THE SUPERINTENDENT OR BUSINESS MANAGER AND ANY BOARD OFFICER TO AWARD THE SALE THEREOF AND TO TAKE SUCH ACTION AND EXECUTE ALL DOCUMENTS NECESSARY TO ACCOMPLISH SAID AWARD AND SALE; AUTHORIZING THE ISSUANCE AND SALE THEREOF AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT THERETO, AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 2689 (Pipestone Area Schools), Minnesota (the District), as follows:

SECTION 1. AUTHORIZATION AND DISTRICT INDEBTEDNESS. The District is authorized, pursuant to Minnesota Statutes, Section 123B.595 and Chapter 475, to borrow money by the issuance of its general obligation facilities maintenance bonds. This Board hereby determines that it is necessary and desirable and in the best interest of the District to issue its General Obligation Facilities Maintenance Bonds, Series 2026A in a principal amount not to exceed \$975,000 (the Bonds). The proceeds of the Bonds will be used, together with any funds of the District which might be required, to finance certain roofing projects (collectively, the Project), as described in the District's ten-year facility plan for Fiscal Year 2027 (the Facility Plan) hereby approved by this Board. Pursuant to the provisions of Minnesota Statutes, Section 123B.595, Subdivision 5, it is hereby determined that the total amount of District indebtedness as of August 1, 2025 is \$23,845,000.

SECTION 2. APPROVAL BY COMMISSIONER OF EDUCATION OF THE STATE OF MINNESOTA. The Facility Plan will be submitted to and approved by the Commissioner of Education of the State of Minnesota (the Commissioner) as required by Minnesota Statutes, Section 123B.595, subdivision 5.

SECTION 3. NOTICE PUBLICATION. The Clerk has caused notice of the intended Project, the amount of Bonds to be issued to finance the Project, and the total amount of the District's indebtedness to be published in a legal newspaper of general circulation in the District.

SECTION 4. SOLICITATION OF PROPOSALS; APPROVAL OF THE SALE OF THE BONDS. The District has retained PMA Securities, LLC, in Albertville, Minnesota (PMA), as its independent municipal advisor with respect to the sale of the Bonds. PMA is authorized to solicit proposals for the Bonds on behalf of the District without requirement of published notice, in accordance with Minnesota Statutes, Section 475.60, subdivision 2, paragraph (9). In consultation with PMA, the Superintendent or Business Manager and any Board officer are hereby authorized to approve the sale of the Bonds and execute a bond purchase agreement for the Bonds with the purchaser of the Bonds (the Underwriter), provided that the aggregate principal amount of the Series 2026A Bonds shall not exceed \$975,000 and the true interest cost does not exceed 6.00%.

SECTION 5. BOARD RATIFICATION OF SALE. Upon approval of the sale of the Bonds by the Superintendent or Business Manager and any Board officer, the Board will take action at a regularly scheduled or special meeting thereafter to adopt bond resolutions prepared by the District's bond counsel ratifying the sale of the Bonds and incorporating the terms and conditions with respect thereto.

SECTION 6. OFFICIAL STATEMENT. PMA is authorized to prepare and distribute, for the District, a preliminary Official Statement and an Official Statement relating to the sale of the Bonds, and PMA and the Underwriter are each hereby authorized to use a final Official Statement substantially in the form of said Preliminary Official Statement but with such changes therein as are required to conform the same to the terms of the Bonds, and the Superintendent or Business Manager and any Board officer, in consultation with and upon the advice of representatives of PMA and bond counsel, are hereby authorized and directed to finalize and approve such Official Statement and execute and deliver such certifications and to take such steps as are necessary to comply with SEC Rule 15c2-12.

SECTION 7. STATE CREDIT ENHANCEMENT PROGRAM. (a) The District hereby covenants and obligates itself to notify the Commissioner of the Department of Education of the State of Minnesota (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 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 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 Registrar. The District understands that as a result of its covenant to be bound by the provision 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 and hereafter established by the Departments of Management and Budget 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.

SECTION 8. REIMBURSEMENT. (a) (i) The Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the 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 (the Reimbursement Obligations).

(ii) The 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 Regulations), and that the expenditures reimbursed be capital expenditures or costs of issuance of the obligations.

- (iii) The District desires to comply with requirements of the Regulations with respect to the Project.
- (b) (i) The District proposes to undertake Project and to make original expenditures with respect thereto prior to the issuance of Reimbursement Obligations, and reasonably expects to issue Reimbursement Obligations for such project in the maximum principal amounts shown below:

| <u>Project</u> | <u>Maximum Amount of Obligations Expected to be Issued for Project</u> |
|-------------------|--|
| Roofing projects. | \$975,000 |

- (ii) Other than (i) de minimis amounts permitted to be reimbursed pursuant to Section 1.150-2(f)(1) of the Regulations or (ii) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, the District will not seek reimbursement for any original expenditures with respect to the foregoing Project paid more than 60 days prior to the date of adoption of this resolution. All original expenditures for which reimbursement is sought will be capital expenditures or costs of issuance of the Reimbursement Obligations.
- (c) 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 related to the Project other than pursuant to the issuance of the Reimbursement Obligations. Consequently, it is not expected that the issuance of the Reimbursement Obligations will result in the creation of any replacement proceeds.

(d) The District's Business Manager shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Reimbursement Obligations 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) eighteen (18) months after the date of the original expenditure or (ii) eighteen (18) months after the date the Project is placed in service or abandoned (but in no event later than three (3) 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 Reimbursement Obligations and shall specifically identify the original expenditures being reimbursed.

SECTION 9. EXPIRATION OF AUTHORITY. If the Superintendent or Business Manager and any Board officer have not approved the sale of the Bonds and executed the related bond purchase agreement or agreement by September 30, 2026, the authorization provided in Section 4 of this resolution shall expire.

Upon vote being taken thereon, the following voted in favor thereof: Carson, Wiese, Likness, Hiniker, Fruechte, Taubert, and DeBates

and the following voted against the same: None

whereupon the resolution was declared duly passed 7-0 and adopted.

RESOLUTION ACCEPTING DONATIONS

WHEREAS, Minnesota Statutes 123B.02, Subd. 6 provides: "The board may receive, for the benefit of the district, bequests, donations, or gifts for any proper purpose and apply the same to the purpose designated. In that behalf, the board may act as trustee of any trust created for the benefit of the district, or for the benefit of pupils thereof, including trusts created to provide pupils of the district with advanced education after completion of high school, in the advancement of education.", and

WHERAS, Minnesota Statutes 465.03 provides: "Any city, county, school district or town may accept a grant or devise of real or personal property and maintain such property for the benefit of its citizens in accordance with the terms

prescribed by the donor. Nothing herein shall authorize such acceptance or use for religious or sectarian purposes. Every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full," and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full;

THEREFORE, BE IT RESOLVED, that the School Board of Pipestone Area Schools, ISD 2689, gratefully accepts the following donations as identified below:

| | | |
|----------------------------|--------------|-------------------------------|
| Christ the King | \$200.00 | Donation to the Wellness Room |
| Meinders Community Library | See Attached | Donation to School Library |

The motion for adoption of the foregoing resolution made by Member DeBates, and duly seconded by Member Fruechte, and upon vote being taken thereon, the following voted in favor thereof: Carson, Wiese, Likness, Hiniker, Fruechte, Taubert, and DeBates

and the following voted against the same: None

The foregoing resolution was approved 7-0 this 28th day of July, 2025.

- Motion by Wiese, second by DeBates, to approve policies 418, 501, 503, 506, 514, 515, 516.5, 534, 550, 551, 602, 606.5, 613, 620, 621, 707, 709, 722, 802, and 806. Motion carried unanimously. Policy 524 was pulled for review and will be brought to the board at the August meeting for approval.
- Motion by Wiese, second by Hiniker, to approve policy 524.5 Personal Electronic Communication Devices. Motion carried unanimously.
- Motion by Hiniker, second by Likness, to approve the 2025-2026 Little Arrows pre-school handbook. Motion carried unanimously.
- Motion by DeBates, second by Wiese, to approve the 2025-2026 Elementary handbook. Motion carried unanimously.
- Motion by Hiniker, second by Wiese, to approve the 2025-2026 Activities handbook. Motion carried unanimously.
- Motion by Wiese, second by Hiniker, to approve the 2025-2026 Employee handbook. Motion carried unanimously.
- Motion by Wiese, second by DeBates, to approve the 2025-2026 lease with Heartland Colony. Motion carried unanimously.
- Motion by Wiese, second by Fruechte, to approve Jennifer Moravetz as Federal Title Representative and Homeless Liaison. Motion carried unanimously.
- Motion by Taubert, second by Likness, to approve Meulebroeck, Taubert, and Co. for FY25 auditing services. Motion carried unanimously.
- Motion by Wiese, second by Hiniker, to approve the transportation addendum with Ludolph Bus, Inc. Motion carried unanimously.

Closed Session for Superintendent Evaluation Per Minnesota Statutes, Section 13D.05, subdivision 3(a).

- Motion by Wiese, second by DeBates, to go into closed session (7:47pm). Motion carried unanimously.
- Motion by DeBates, second by Wiese, to come out of closed session (8:58pm)
- Public evaluation summary - The Spring 2025 evaluation of Dr. Klint Willert shows he is meeting and, in several places, exceeding job expectations leading the Pipestone Area Schools, with strong performances across several key areas. He earned category averages of about 3.49 in Educational Program and Planning, 3.49 in Business and Financial Management, and 3.51 in District and Community Relationships, proving he is skilled at creating effective school programs, managing the budget wisely, and building solid connections with the community. His highest marks came in Job-Related Skills, with a 3.54 average, reflecting his ability to make smart decisions and keep operations running smoothly. Board members consistently rated him as Highly Competent (4) or Satisfactory (3), highlighting his dedication and leadership in driving the district toward success.

While Dr. Willert's performance is solid, there are a few areas where he could grow. In Personnel Leadership, with a 2.97 average, he is doing well but could improve by focusing more on supporting and communicating with all staff. Similarly, in Personal Characteristics, with a 3.17 average, he could work on strengthening his interactions to make a more consistent impact. These are minor areas for improvement. However, with a bit of extra effort, such

as professional development, Dr. Willert can build on his already strong leadership to benefit the district even more.

Motion by Hiniker, second by Wiese, to adjourn the meeting (8:58 pm). Motion carried unanimously.

/s/ Brad Carson
Brad Carson, Chairman

/s/ Christina DeBates
Christina DeBates, Clerk

Approved and dated by the board August 25, 2025.
Submitted, Deb Peschon