

**CERTIFICATION OF MINUTES RELATING TO
GENERAL OBLIGATION AID ANTICIPATION CERTIFICATES OF INDEBTEDNESS,
SERIES 2025A**

ISSUER: INDEPENDENT SCHOOL DISTRICT NO. 507
(NICOLLET PUBLIC SCHOOLS)
NICOLLET, MINNESOTA

GOVERNING BODY: SCHOOL BOARD

DATE, TIME AND PLACE OF MEETING:

A special meeting held March 6, 2025, at 5:00 o'clock p.m., in the Community Room.

MEMBERS PRESENT:

MEMBERS ABSENT:

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION RELATING TO GENERAL OBLIGATION AID ANTICIPATION
CERTIFICATES OF INDEBTEDNESS, SERIES 2025A; AUTHORIZING THE
ISSUANCE AND NEGOTIATION OF THE SALE THEREOF AND TO TAKE
SUCH ACTION AND EXECUTE ALL DOCUMENTS NECESSARY TO
ACCOMPLISH SAID AWARD AND SALE; AND PROVIDING FOR CREDIT
ENHANCEMENT WITH RESPECT THERETO**

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 6th day of March, 2025.

School District Clerk

**EXTRACT OF MINUTES OF A MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 507
(NICOLLET PUBLIC SCHOOLS)
MINNESOTA**

HELD: MARCH 6, 2025

Pursuant to due call and notice thereof, a special meeting of the School Board of Independent School District No. 507 (Nicollet Public Schools), Minnesota, was held on March 6, 2025 at 5:00 o'clock p.m.

Member _____ introduced the following resolution and moved its adoption:

**RESOLUTION RELATING TO GENERAL OBLIGATION AID
ANTICIPATION CERTIFICATES OF INDEBTEDNESS, SERIES 2025A;
AUTHORIZING THE ISSUANCE AND NEGOTIATION OF THE SALE
THEREOF AND TO TAKE SUCH ACTION AND EXECUTE ALL
DOCUMENTS NECESSARY TO ACCOMPLISH SAID AWARD AND SALE;
AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT
THERETO**

BE IT RESOLVED by the School Board (the "Board") of Independent School District No. 507 (Nicollet Public Schools), Minnesota (the "District"), as follows:

Section 1. Authorization. It is hereby found, determined and declared that certain state aids for schools receivable by the District during the July 1, 2024 to June 30, 2025 fiscal year will not be received in time to meet necessary expenditures for the purposes for which such aids are receivable. The District is authorized, pursuant to Minnesota Statutes, Sections 126C.50 through 126C.56, to borrow money by the issuance of its aid anticipation certificates of indebtedness in a principal amount not greater than 75% of the amount of such aids receivable by the District during the 2024-2025 fiscal year and has determined to issue its General Obligation Aid Anticipation Certificates of Indebtedness, Series 2025A in an amount not to exceed \$890,000 (the "Certificates") against aids receivable for funds 1, 2 and 4 (the "Operating Funds"). Proceeds of the Certificates will be used (i) to provide operating funds to cover a cash flow deficit in anticipation of aids to be received from or through the Department of Education of the State of Minnesota and (ii) to pay certain costs associated with the issuance of the Certificates (the "Project"). The principal amount of the Certificates to be issued pursuant to this resolution is within said statutory borrowing limitation. The District's Certificate as to State Aids

from the Commissioner of Education of the State of Minnesota will be received prior to the date on which the Certificates are issued.

Section 2. Sale; Approval of the Sale of the Certificates. Pursuant to Minnesota Statutes, Section 126C.56, the requirements of public sale do not apply to the issuance under certain circumstances of aid anticipation certificates of indebtedness. Pursuant to Minnesota Statutes, Section 475.60, Subdivision 2, paragraph (2), the requirement of a public sale shall not apply to the Certificates. The Board desires to proceed with the sale of the Certificates (i) by direct negotiation with Robert W. Baird & Co. Incorporated (herein “Baird”), as underwriter thereof, in which Baird will purchase the Certificates in an arms-length commercial transaction with the District, or (ii) by utilizing a private placement with a purchaser, in which Baird will act as placement agent. The District has retained Baird as its placement agent or underwriter in connection with the sale and placement of the Certificates.

Baird is authorized to prepare an Official Statement related to the sale of the Certificates, as applicable.

The Superintendent or the Business Manager and a Board member are hereby authorized to approve the sale of the Certificates in an aggregate original principal amount not to exceed \$890,000 and to execute a Certificate Purchase Agreement with Baird of the purchase thereof for the purchase of the Certificates, provided that the True Interest Cost of this issue does not exceed 5.50%.

Section 3. Board Ratification of Sale. Upon approval of the sale of the Certificates by the Superintendent or Business Manager and a School Board officer, the Board will meet at its next regularly scheduled meeting or a special meeting to adopt the necessary approving resolution as drafted by the District's Bond Counsel.

Section 4. Approval of Documents. The Superintendent or Business Manager and any Board member, in consultation with and upon the advice of representatives Bond Counsel, are hereby authorized and directed to negotiate, finalize and execute the necessary documents in connection with issuance of the Certificates, including but not limited to a purchase agreement and related closing documents and certificates.

Section 5. State 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 (maturity value) on the Certificates and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Certificates when due. The District further covenants to deposit with the Certificate 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 Certificate Registrar for the Certificates 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 Certificates or if, on the day two (2) business days prior to the date a payment is due on the Certificates, there are insufficient funds to make that payment on deposit with the Certificate 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 Certificates of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now or 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, business manager or superintendent is authorized to execute any applicable Minnesota Department of Education forms.

Section 6. Reimbursement; Official Intent.

(a) the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met.

(b) the District expects to incur certain expenditures that may be financed temporarily from sources other than bonds or certificates, and reimbursed from the proceeds of a tax-exempt interest in the bonds (including the Certificates).

(c) the District has determined to make this declaration of official intent (the “Declaration”) to reimburse certain costs from proceeds of bonds or certificates in accordance with the Reimbursement Regulations.

(d) This resolution is intended to qualify as a reimbursement resolution pursuant to the Reimbursement Regulations. The District reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of the sale of the Certificates in an estimated maximum principal amount of \$890,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the Certificates, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

(e) This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of Certificates (or interests in the Certificates), except for the following expenditures: (a) costs of issuance of bonds/certificates; (b) costs in an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the District to finance the Project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering,

surveying, bond/certificate issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

(f) This Declaration is an expression of the reasonable expectations of the District based on the facts and circumstances known to the District as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the Certificates described in (d) are consistent with the District's budgetary and financial circumstances. No sources other than proceeds of Certificates to be issued by the District are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the District's budget or financial policies to pay such Project expenditures.

(g) This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Section 7. Expiration of Authority. If a purchase agreement for the sale of Certificates has not been entered into by December 31, 2025, this resolution and all approvals hereunder shall expire.

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.