

RESOLUTION NO. 2024-25-18

A RESOLUTION OF MORROW COUNTY SCHOOL DISTRICT NO. 1, MORROW COUNTY, OREGON AUTHORIZING THE SALE OF GENERAL OBLIGATION BONDS AND DETERMINATION OF ELECTION RESULTS.

SECTION 1. FINDINGS

The Board of Directors (the “Board”) of Morrow County School District No. 1, located in Morrow County, Oregon a common school district of the State of Oregon (the “District”) finds:

a. The District is authorized pursuant to the Oregon Revised Statutes (“ORS”) Chapter 287A, Section 328.205 and the Oregon Constitution to issue general obligation bonds to finance capital costs; and

b. The District adopted a resolution authorizing submission to the voters of the District a measure (the “Measure”) with the question of authorizing general obligation bonds to finance capital costs as set forth in the measure (the “Projects”); and

c. The District has been provided with an abstract of votes of the qualified voters of the District at the May 20, 2025 election regarding the issuance of District general obligation bonds for Morrow County, Oregon; and

d. The District now finds it desirable to authorize issuance of those general obligation bonds.

SECTION 2. BONDS AUTHORIZED

The Measure authorized the District to issue general obligation bonds in an aggregate principal amount not to exceed \$204,400,000. The District is hereby authorized to issue the first series of general obligation bonds (the “Bonds”) under the authority of the Measure in an aggregate principal amount not to exceed \$50,000,000 to finance the Projects.

SECTION 3. DESIGNATION OF AUTHORIZED REPRESENTATIVES

The Board designates the Chair, Superintendent, Business Manager, or a designee of any of those officers (each an “Authorized Representative”) to act on behalf of the District as specified in Section 5 hereof.

SECTION 4. SECURITY

Pursuant to ORS Section 287A.315, the District hereby pledges its full faith and credit and taxing power to pay the Bonds. The District hereby covenants for the benefit of the Owners to levy annually, as necessary, a direct ad valorem tax upon all of the taxable property within the District which is sufficient, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and other legally available amounts, to pay all Bond principal and interest when due. This tax shall be in addition to all other taxes of the District, and this tax shall not be limited in rate, amount or otherwise, by Sections 11 or 11b of Article XI of the Oregon Constitution.

SECTION 5. DELEGATION FOR ESTABLISHMENT OF TERMS AND SALE OF THE BONDS

The Authorized Representative is hereby authorized, on behalf of the District without further action of the Board (and such actions of the Authorized Representative, if taken prior to the adoption of this resolution, are hereby affirmed and authorized), to:

- a. Issue the Bonds in one or more series which may be sold at different times.
- b. Participate in the preparation of and authorize the distribution of the preliminary and final official statements and any other disclosure documents for each series of the Bonds.
- c. Establish the final principal amounts, maturity schedules, interest rates, terms of redemption, and other terms for each series of the Bonds.
- d. Negotiate the terms under which each series of Bonds shall be sold, enter into a bond purchase agreement for the sale of each series of Bonds which incorporates those terms, and execute and deliver such bond purchase agreement with Piper Sandler & Co. for a public sale or with another lender for a private sale.
- e. Enter into covenants regarding the use of the proceeds of the Bonds and the Projects.
- f. Undertake to provide continuing disclosure for each series of the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission.
- g. If applicable, take all action and execute all documents necessary to obtain a grant under the Oregon Department of Education's Oregon School Capital Improvement Matching Program.
- h. Apply for ratings for each series of Bonds.
- i. Determine whether to purchase municipal bond insurance or other credit enhancement, including the Oregon School Bond Guaranty Program, for each series of Bonds and enter into related documents.
- j. Appoint service providers for each series of Bonds and enter into agreements with those service providers.
- k. Determine whether each series of Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the Authorized Representative may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income.
- l. Make any clarifying changes to this Resolution or additional covenants not inconsistent with this Resolution.
- m. Execute any documents and take any other action in connection with each series of Bonds which the Authorized Representative finds will be advantageous to the District.

SECTION 6. DEFAULT AND REMEDIES

The occurrence of one or more of the following shall constitute an Event of Default under this Resolution and the Bonds:

- a. Failure by the District to pay Bond principal, interest or premium when due;
- b. Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed for the benefit of Owners of Bonds, for a period of sixty (60) days after written notice to the District by the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding specifying such failure and requesting that it be remedied; provided however, that if the failure stated in the notice cannot be corrected within such sixty (60) day period, it shall not constitute an Event of Default so long as corrective action is instituted by the District within the sixty (60) day period and diligently pursued, and the default is corrected as promptly as practicable after the written notice referred to in this paragraph; or,
- c. The District is adjudged insolvent by a court of competent jurisdiction, admits in writing its inability to pay its debts generally as they become due, files a petition in bankruptcy, or consents to the appointment of a receiver for the payments.

The Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may waive any Event of Default and its consequences, except an Event of Default as described in (a) of this Section.

Upon the occurrence and continuance of any Event of Default hereunder the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Resolution or the Bonds or in aid of the exercise of any power granted in this Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of Bonds by the Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

No remedy in this Resolution conferred upon or reserved to Owners of Bonds is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Resolution or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Owners of Bonds to exercise any remedy reserved to them, it shall not be necessary to give any notice other than such notice as may be required by this Resolution or by law.

SECTION 7. DEFEASANCE

The District may defease the Bonds by setting aside, with a duly appointed escrow agent, in a special escrow account irrevocably pledged to the payment of the Bonds to be defeased, cash or direct obligations of the United States or obligations the principal of and interest on which are fully and unconditionally guaranteed by the United States in an amount which, in the opinion of an independent certified public accountant, is sufficient without reinvestment to pay all principal and interest on the defeased Bonds until their maturity date or any earlier redemption date. Bonds which have been defeased pursuant to this Section shall be deemed paid and no longer outstanding, and shall cease to be entitled to

any lien, benefit or security under this Resolution except the right to receive payment from such special escrow account.

SECTION 8. ESTABLISHMENT OF FUNDS

The following shall be created and continually maintained, except as otherwise provided, so long as the Bonds remain unpaid.

a. Debt Service Fund. The District shall maintain the debt service fund for the payment of principal, premium, if any, and interest on the Bonds as they become due. All taxes levied for and other moneys available for the payment of the Bonds shall be deposited to the debt service fund. Any interest earnings on moneys in the debt service fund shall be retained in the debt service fund.

b. Project Fund. The District shall maintain the project fund into which the proceeds of the Bonds shall be deposited to pay for Projects and the costs related to the issuance of the Bonds. Any interest earnings on moneys in the project fund shall be retained in the project fund. The District's share of any liquidated damages or other moneys paid by defaulting contractors or their sureties will be deposited into the project fund and used to pay for the Projects.

Upon completion of the Projects and upon payment in full of all costs related thereto, any balance remaining in the project fund shall be deposited to the debt service fund.

SECTION 9. PROFESSIONALS

The District hereby affirms Hawkins Delafield & Wood LLP as bond counsel for the issuance of the Bonds and Piper Sandler & Co., as underwriter or placement agent.

SECTION 10. DETERMINATION OF RESULT OF ELECTION

Pursuant to ORS 255.295(1), the District hereby determines that the issuance of the Bonds was approved by a majority of the qualified voters of the District voting at the May 20, 2025 election based on the information provided by Morrow County, Oregon.

SECTION 11. APPROVAL OF POST ISSUANCE COMPLIANCE PROCEDURES AND CONTINUING DISCLOSURE CONTROLS AND PROCEDURES

The Board hereby approves the post issuance compliance procedures in substantially the form attached hereto as Exhibit A and the continuing disclosure controls and procedures in substantially the form attached hereto as Exhibit B with such modifications as deemed desirable by the Authorized Representative to assist in the compliance with federal tax and securities law.

SECTION 12. RESOLUTION TO CONSTITUTE CONTRACT

In consideration of the purchase and acceptance of any or all of the Bonds by those who shall own the Bonds from time to time (the "Owners"), the provisions of this Resolution shall be part of the contract of the District with the Owners and shall be deemed to be and shall constitute a contract between the District and the Owners. The covenants, pledges, representations and warranties contained in this Resolution, including without limitation the District's covenants and pledges contained in Section 4 hereof, and the other covenants and agreements herein set forth to be performed by or on behalf of the District shall be contracts for the equal benefit, protection and security of the Owners, all of which shall

be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

ADOPTED by the Board of Directors of the Morrow County School District No. 1, Morrow County, Oregon this 23rd day of June, 2025.

**MORROW COUNTY SCHOOL DISTRICT NO. 1
MORROW COUNTY, OREGON**

By: _____
Chair

ATTEST:

By: _____
Superintendent

EXHIBIT A
MORROW COUNTY SCHOOL DISTRICT NO. 1
TAX-EXEMPT BOND POST-ISSUANCE COMPLIANCE PROCEDURES
(adopted 6/23/2025)

I.

PURPOSE.

The purpose of these Procedures is to ensure that Morrow County School District No. 1 (the “Issuer”) complies with applicable requirements of federal tax law necessary to preserve the tax status of interest on tax-exempt obligations issued by the Issuer. These Procedures are designed to set forth compliance procedures so that the Issuer utilizes the proceeds of all issues of bonds, certificates of participation, bond anticipation notes, and tax and revenue anticipation notes (collectively referred to as “Bonds”) in accordance with applicable federal tax requirements, and complies with all other applicable federal requirements with respect to outstanding Bonds.

To comply with applicable federal tax requirements, the Issuer must confirm that the requirements are met at the time each Bond issue is issued and throughout the term of the Bonds (until maturity or redemption). Generally, compliance should include retention of records relating to the expenditure of the proceeds of each Bond issue, the investment of the proceeds of each Bond issue, and any allocations made with respect to the use of the proceeds of each Bond issue, sufficient to establish compliance with applicable federal tax requirements, including records related to periods before the Bonds are issued (*e.g.*, in the case of reimbursement of prior expenditures) until six (6) years after the final maturity or redemption date of any issue of Bonds.

II.

PROCEDURES.

A. Responsible Official. The Superintendent of the Issuer will identify the officer or other employee(s) of the Issuer (the “Bond Compliance Officer”) who will be responsible for each of the procedures listed below, notify the current holder of that office of the responsibilities, and provide that person a copy of these procedures. Upon employee transitions, the Superintendent of the Issuer will advise any newly-designated Bond Compliance Officer of his/her responsibilities under these procedures and will ensure the Bond Compliance Officer understands the importance of these procedures. If employee positions are restructured or eliminated, the Superintendent of the Issuer will reassign responsibilities as necessary.

B. Issuance of Bonds.

Bond Counsel. The Issuer will retain a nationally-recognized bond counsel law firm (“Bond Counsel”) to assist the Issuer in issuing Bonds. In connection with any tax-exempt Bond issue, Bond Counsel will deliver a legal opinion which will be based in part on covenants and representations set forth in the Issuer’s Tax Certificate (or other closing documents containing the tax representation) (the “Tax Certificate”) and other certificates relating to the Bonds, including covenants and representations concerning compliance with post-issuance federal tax law requirements that must be satisfied to preserve the tax-exempt status of tax-exempt Bonds. As described more fully below, the Issuer will also consult with Bond Counsel and other legal counsel and advisors, as needed, following issuance of each Bond issue to ensure that applicable post-issuance requirements in fact are met, so that tax-exempt status of interest will be maintained for federal income tax purposes so long as any Bonds remain outstanding.

The Bond Compliance Officer and/or other designated Issuer personnel will consult with Bond Counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that tax-exempt status of interest will be maintained. Those requirements and procedures shall be documented in a Tax Certificate and other certificates and/or other documents finalized at or before issuance of the Bonds. If there is no document in the transcript titled “Tax Certificate,” the Bond Compliance Officer and/or other designated Issuer personnel will consult with Bond Counsel prior to the closing of the financing to understand which document(s) in the transcript contain the tax representations and covenants. The requirements and procedures in the Tax Certificate shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

Documentation of Tax Requirements. The federal tax requirements relating to each Bond issue will be set forth in the Tax Certificate executed in connection with the Bond issue, which will be included in the closing transcript. The certifications, representations, expectations, covenants and factual statements in the Tax Certificate relate primarily to the restriction on use of the Bond-financed facilities by persons or entities other than the Issuer, changes in use of assets financed or refinanced with Bond proceeds, restrictions applicable to the investment of Bond proceeds and other moneys relating to the Bonds, arbitrage rebate requirements, and economic life of the Bond-financed assets.

Information Reporting. The Bond Compliance Officer and/or other designated Issuer personnel will assure filing of information returns on IRS Form 8038-G no later than the 15th day of the second

calendar month in the calendar quarter following the calendar quarter in which an issue of Bonds is issued. The Issuer will confirm that the IRS Form 8038-G is accurate and is filed in a timely manner with respect to all Bond issues, including any required schedules and attachments. The IRS Form 8038-G filed with the IRS, together with an acknowledgement copy (if available) or IRS Notice CP152, will be included as part of the closing transcript for each Bond issue, or kept in the records related to the appropriate issue of Bonds.

C. Application of Bond Proceeds.

Use of Bond Proceeds. The Bond Compliance Officer and/or other designated Issuer personnel shall:

- * monitor the use of Bond proceeds and the use of the Bond-financed assets (e.g., facilities, furnishings or equipment) throughout the term of the Bonds (and in some cases beyond the term of the Bonds) to ensure compliance with covenants and restrictions set forth in the applicable Tax Certificate;
- * maintain records identifying the assets or portion of assets that were financed or refinanced with proceeds of each issue of Bonds;
- * consult with Bond Counsel and other legal counsel as needed in the review of any contracts or arrangements involving use of Bond-financed facilities to ensure compliance with all covenants and restrictions set forth in the applicable Tax Certificate;
- * maintain records for any contracts or arrangements involving the use of Bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in the applicable Tax Certificate; and
- * communicate as necessary and appropriate with personnel responsible for the Bond-financed assets to identify and discuss any existing or planned use of the Bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the applicable Tax Certificate.

Timely Expenditure of Bond Proceeds. At the time of issuance of any Bonds issued to fund original expenditures, the Issuer must reasonably expect to spend at least 85% of all proceeds expected to be used to finance such expenditures (which proceeds would exclude proceeds in a reasonably required reserve

fund) within three (3) years after issuance of such Bonds.¹ In addition, for such Bonds, the Issuer must have incurred or expect to incur within six months after issuance original expenditures of not less than 5% of such amount of proceeds, and must expect to complete the Bond-financed project (the “Project”) and allocate Bond proceeds to costs with due diligence.² Satisfaction of these requirements allows Project-related Bond proceeds to be invested at an unrestricted yield for three (3) years.³ Bonds issued to refinance outstanding obligations are subject to separate expenditure requirements, which shall be outlined in the Tax Certificate relating to such Bonds. The Issuer’s finance staff will monitor the appropriate capital project accounts (and, to the extent applicable, working capital expenditures and/or refunding escrow accounts) and ensure that Bond proceeds are spent within the applicable time period(s) required under federal tax law.

Capital Expenditures. In general, proceeds (including earnings on original sale proceeds) of Bonds issued to fund original expenditures, other than proceeds deposited in a reasonably required reserve fund or used to pay costs of issuance, should be spent on capital expenditures.⁴ For this purpose, capital expenditures generally mean costs to acquire, construct, or improve property (land, buildings and equipment), or to adapt the property to a new or different use. The property financed or refinanced must have a useful life longer than one (1) year. Capital Expenditures include design and planning costs related to the Project, and include architectural, engineering, surveying, soil testing, environmental, and other similar costs incurred in the process of acquiring, constructing, improving or adapting the property. Capital Expenditures do not include operating expenses of the Project or incidental or routine repair or maintenance of the Project, even if the repair or maintenance will have a useful life longer than one (1) year.

D. Use of Bond-Financed Assets.

Ownership and Use of Project. For the life of a Bond issue, the Project must be owned and operated by the Issuer (or another state or local governmental entity). At all times while the Bond issue is outstanding, no more than 10% (or \$15,000,000, if less) of the Bond proceeds or the Project may used, directly or indirectly, in a trade or business carried on by a person other than a state or local governmental

¹ In the case of short-term working capital financings (*e.g.*, TRANs), the Issuer’s actual maximum cumulative cash flow deficit as of the close of the six-month period commencing on the issue date must be at least equal to 100% of the issue price of the notes (under the six-month rebate exception, excluding the reasonable working capital reserve) or 90% of the issue price of the notes (under the statutory safe harbor exception) in order for the notes to be exempt from the rebate requirements.

² These requirements do not apply to short-term working capital financings (*e.g.*, TRANs).

³ Proceeds of working capital financings (*e.g.*, TRANs) may be invested at an unrestricted yield for thirteen (13) months..

⁴ Proceeds of working capital financings (*e.g.*, TRANs) need not be spent for capital expenditures.

unit (“Private Use”).⁵ In addition, not more than 5% (or \$5 million, if less) of the proceeds of any Bond issue may be used, directly or indirectly, to make a loan to any person other than governmental persons. Generally, Private Use consists of any contract or other arrangement, including leases, management contracts, operating agreements, guarantee contracts, take or pay contracts, output contracts or research contracts, which provides for use by a person who is not a state or local government on a basis different than the general public. The Project may be used by any person or entity, including any person or entity carrying on any trade or business, if such use constitutes “General Public Use”. General Public Use is any arrangement providing for use that is available to the general public at either no charge or on the basis of rates that are generally applicable and uniformly applied.

Management or Operating Agreements. Any management, operating or service contracts whereby a non-exempt entity is using assets financed or refinanced with Bond proceeds (such as bookstore, cafeteria or dining facility, externally-managed parking facilities, gift shops, etc.) must relate to portions of the Project that fit within the allowable private use limitations or the contracts must meet the IRS safe harbor for management contracts. Any replacements of or changes to such contracts relating to Bond-financed assets or facilities, or leases of such assets or facilities, should be reviewed by Bond Counsel. The Bond Compliance Officer shall contact Bond Counsel if there may be a lease, sale, disposition or other change in use of assets financed or refinanced with Bond proceeds.

Useful Life Limitation. The weighted average maturity of the Bond issue cannot exceed 120% of the weighted average economic life of the Bond-financed assets. In other words, the weighted average economic life of the Project must be at least 80% of the weighted average maturity of the Bond issue. Additional state law limitations may apply as well.

E. Investment Restrictions; Arbitrage Yield Calculations; Rebate.

Investment Restrictions. Investment restrictions relating to Bond proceeds and other moneys relating to the Bonds are set forth in the Tax Certificate. The Issuer’s finance staff will monitor the investment of Bond proceeds to ensure compliance with applicable yield restriction rules.

Use and Control of Bond Proceeds. Unexpended Bond proceeds (including reserves) may be held directly by the Issuer or by the trustee for the Bond issue under an indenture or trust agreement. The investment of Bond proceeds shall be managed by the Issuer. The Issuer shall maintain appropriate records

⁵ This 10% limitation is limited to 5% in cases in which the Private Use is either unrelated or disproportionate to the governmental use of the financed facility.

regarding investments and transactions involving Bond proceeds. The trustee, if appropriate, shall provide regular statements to the Issuer regarding investments and transactions involving Bond proceeds.

Arbitrage Yield Calculations. Investment earnings on Bond proceeds should be tracked and monitored to comply with applicable yield restrictions and/or rebate requirements. Any funds of the Issuer set aside or otherwise pledged or earmarked to pay debt service on Bonds should be analyzed to assure compliance with the tax law rules on arbitrage, invested sinking funds, and pledged funds (including gifts or donations linked or earmarked to the Bond-financed assets).

Rebate. The Issuer is responsible for calculating (or causing the calculation of) rebate liability for each Bond issue, and for making any required rebate payments. Unless Bond Counsel has advised the Issuer that the Bonds are exempt from the rebate requirements described in this section, the Issuer will retain an arbitrage rebate consultant to perform rebate calculations that may be required to be made from time to time with respect to any Bond issue. The Issuer is responsible for providing the arbitrage rebate consultant with requested documents and information on a prompt basis, reviewing applicable rebate reports and other calculations and generally interacting with the arbitrage rebate consultant to ensure the timely preparation of rebate reports and payment of any rebate.

The reports and calculations provided by the arbitrage rebate consultant are intended to assure compliance with rebate requirements, which require the Issuer to make rebate payments, if any, no later than the fifth (5th) anniversary date and each fifth (5th) anniversary date thereafter through the final maturity or redemption date of a Bond issue. A final rebate payment must be made within sixty (60) days of the final maturity or redemption date of a Bond issue.

The Issuer will confer and consult with the arbitrage rebate consultant to determine whether any rebate spending exceptions may be met. Rebate spending exceptions are available for periods of 6 months, 18 months and 2 years. The Issuer will review the Tax Certificate and/or consult with the arbitrage rebate consultant or Bond Counsel for more details regarding the rebate spending exceptions.

In the case of short-term working capital financings, such as tax and revenue anticipation notes, if there is concern as to whether or not the Issuer has met its requisite maximum cumulative cash flow deficit with respect to its short-term working capital notes, the services of a rebate analyst should be engaged to determine whether either the six-month spending exception or the statutory safe harbor exception to the rebate rules is met (in which case no rebate would be owed) or whether the proceeds of the notes are subject, in whole or in part, to rebate.

Copies of all arbitrage rebate reports, related return filings with the IRS (*i.e.*, IRS Form 8038-T), copies of cancelled checks with respect to any rebate payments, and information statements must be retained as described below. The responsible official of the Issuer described in Subsection A of this Part II will follow the procedures set forth in the Tax Certificate entered into with respect to any Bond issue that relate to compliance with the rebate requirements.

F. Record Retention.

Allocation of Bond Proceeds to Expenditures. The Issuer shall allocate Bond proceeds to expenditures for assets, and shall trace and keep track of the use of Bond proceeds and property financed or refinanced therewith.

Record Keeping Requirements. Copies of all relevant documents and records sufficient to support an assertion that the tax requirements relating to a Bond issue have been satisfied will be maintained by the Issuer for the term of a Bond issue (including refunding Bonds, if any) plus six (6) years, including the following documents and records:

- Bond closing transcripts;
- Copies of records of investments, investment agreements, credit enhancement transactions, financial derivatives (*e.g.*, an interest rate swap), arbitrage reports and underlying documents, including trustee statements;
- Copies of material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds;
- All contracts and arrangements involving private use, or changes in use, of the Bond-financed property;
- All reports and documents relating to the allocation of Bond proceeds and private use of Bond-financed property; and
- Itemization of property financed with Bond proceeds, including placed in service dates.

- In the case of short-term working capital financings, such as tax and revenue anticipation notes, information regarding the Issuer's revenue, expenditures and available balances sufficient to support the Issuer's maximum cumulative cash flow deficit.

III.

POST-ISSUANCE COMPLIANCE.

A. In General. The Issuer will conduct periodic reviews of compliance with these procedures to determine whether any violations have occurred so that such violations can be remedied through the "remedial action" regulations (Treas. Reg. Section 1.141-12) or the Voluntary Closing Agreement Program (VCAP) described in IRS Notice 2008-31 (or successor guidance). If any changes or modifications to the terms or provisions of a Bond issue are contemplated, the Issuer will consult Bond Counsel. The Issuer recognizes and acknowledges that such modifications could result in a "reissuance" of the Bonds for federal tax purposes (*i.e.*, a deemed refunding) and thereby jeopardize the tax-exempt status of the Bonds after the modifications.

The Bond Compliance Officer and/or other designated Issuer personnel will consult with Bond Counsel and other legal counsel and advisors, as needed, following issuance of each issue of the Bonds to ensure that all applicable post-issuance requirements in fact are met, so that interest on the Bonds will be excluded from gross income for federal income tax purposes so long as any Bonds remain outstanding. This will include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed assets and future contracts with respect to the use of output or throughput of Bond-financed assets.

Whenever necessary or appropriate, the Issuer will engage an expert advisor as arbitrage rebate consultant to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds.

B. Monitoring Private or Other Use of Financed Assets. The Issuer will maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of a Bond issue, including the uses and the users thereof (including terms of use and type of use). Such records may be kept in any combination of paper or electronic form. In the event the use of Bond proceeds or the assets financed or refinanced with Bond proceeds is different from the covenants, representations or factual statements in the Tax Certificate, the Issuer will promptly contact and consult with Bond Counsel to ensure that there is no adverse effect on the tax-exempt status of the Bond issue and, where appropriate, will remedy any violations through the "remedial action" regulations (Treas. Reg. Section 1.141-12), the Voluntary Closing

Agreement Program (VCAP) described in IRS Notice 2008-31 (or successor guidance), or as otherwise prescribed by Bond Counsel.

C. Ongoing Training

Training shall be made available to the Bond Compliance Officer to support the Bond Compliance Officer's understanding of the tax requirements applicable to the Bonds. Such training may include, but would not be limited to, attending training sessions at local conferences such as OGFOA OASBO, and/or SDAO, participation in IRS teleconferences, reading technical guidance materials provided by educational organizations, the IRS, and/or Bond Counsel, and discussing questions and issues with the Issuer's Bond Counsel and/or arbitrage rebate consultant.

D. Annual Checklist of Tax-Exempt Bond Compliance Checklist. The Bond Compliance Officer will complete the attached "Annual Tax-Exempt Bond Compliance Checklist" with respect to all outstanding Bonds on or before December 31 of each annual period. The Bond Compliance Officer will retain a copy of each completed and signed checklist in a file that is retained in accordance with the document retention requirements described in Section II.F., above.

Form of Annual Tax-Exempt Bond Compliance Checklist

(to be completed by the “Bond Compliance Officer” as described in the Tax-Exempt Bond Post-Issuance Compliance Procedures)

Date Completed: _____

	Yes	No
Has there been a sale of all or any portion of a facility financed with tax-exempt bonds (a “Project”)?		
Has there been a lease of all or any portion of a Project to any party other than a state or local government?		
Has the Issuer entered into a new, or amended an already existing, management or service contract related to a Project?		
Has the Issuer entered into a naming rights agreement relating to all or any portion of a Project?		
Has the Issuer entered into any other arrangement with an entity, other than a state or local government, that provided legal rights to that entity with respect to a Project?		
Will there be a rebate/yield restriction arbitrage computation date during the upcoming annual period?		
Is the Issuer out of compliance with the record retention requirements as described in Section IV of the Tax-Exempt Bond Post-Issuance Compliance Procedures?		

If an answer to any question above is “Yes”, or the answer is unclear, the Bond Compliance Officer shall consult with the Issuer’s bond counsel to determine (i) if the event could adversely impact the tax-exemption of the Issuer’s outstanding tax-exempt bonds and/or (ii) whether any action needs to be taken during the upcoming annual period to ensure compliance with the tax-exempt bond restrictions.

The undersigned is the “Bond Compliance Officer” as described in the Tax-Exempt Bond Compliance Procedures and has completed the above checklist to the best of the knowledge of the undersigned.

Signature of _____ - Bond Compliance Officer
(print name)

EXHIBIT B
MORROW COUNTY SCHOOL DISTRICT NO. 1
CONTINUING DISCLOSURE POST-ISSUANCE COMPLIANCE PROCEDURES
(adopted 6/23/2025)

MORROW COUNTY SCHOOL DISTRICT NO. 1

Continuing Disclosure Controls and Procedures

A. Purpose; Applicability

Morrow County School District No. 1 (the “Issuer”) has issued or is in the process of issuing borrowings in the public securities market that require the Issuer to enter into “continuing disclosure certificates,” “undertakings” or “continuing disclosure agreements” (collectively, “CDAs”) and to agree to make certain kinds of information available to participants in the public securities market. To assist its compliance with its CDAs, the Issuer has adopted these Procedures.

This document narrowly focuses on the Issuer’s obligations under its CDAs. The Issuer has many other obligations in connection with its borrowings that are not addressed by this document.

B. Definitions

Capitalized terms used in these Procedures shall have the meanings set forth below:

“*Alternate Bond Compliance Officer*” means the Superintendent of the Issuer.

“*Annual Reports*” means the financial information and operating data (including audited financial statements) required to be filed on an annual basis pursuant to the CDAs.

“*Bond Compliance Officer*” means the Business Manager of the Issuer.

“*CDAs*” means the Issuer’s continuing disclosure certificates, continuing disclosure agreements and undertakings relating to its outstanding securities entered into pursuant to the Rule.

“*Compliance Officer*” means the Bond Compliance Officer, or the Alternate Bond Compliance Officer if the Bond Compliance Officer is not available to perform the duties of the Compliance Officer under these Procedures.

“*Disclosure Group*” means the group described in Section E of these Procedures that assists the Issuer in complying with these Procedures.

“*EMMA*” means the Electronic Municipal Market Access system maintained by the Municipal Securities Rulemaking Board.

“*Filing*” means the filings of Annual Reports, Specified Events and other information that the Issuer submits to EMMA in accordance with the Issuer’s CDAs, in accordance with the Rule or other applicable law, or voluntarily.

“*Procedures*” means these Continuing Disclosure Controls and Procedures of the Issuer.

“*Rule*” means Rule 15c2-12 of the Securities and Exchange Commission, adopted under the Securities Exchange Act of 1934, 17 CFR § 240.15c2-12.

“*Specified Events*” means the list of specific events that the Issuer is required by each CDA to report on EMMA very promptly, usually within ten days. “Specified Events” are often referred to as “material events.”

C. Components of CDAs

1. The Bond Compliance Officer and the Alternate Bond Compliance Officer will review the exact language of each CDA at least once each fiscal year and after each new CDA is executed. Each CDA is different and the exact language in each governs the Issuer’s contractual obligations under that CDA.
2. Most CDAs require the Issuer to make two kinds of Filings: Annual Reports and Specified Events.
 - a. Annual Reports. Annual Reports usually must be filed on EMMA within a certain period of time after the end of each fiscal year. The nature of the Annual Report that is required by each CDA is described in that CDA, but Annual Reports generally consist of:
 - (i) the Issuer’s audited financial statements,
 - (ii) additional financial information and operating data of the type specifically described in each CDA.
 - b. Specified Events. Recent CDAs require Issuers to report certain Specified Events within ten business days, although older CDAs may only require notice “in a timely manner.” These procedures assume that Filing for a Specified Event must be made within ten business days after the Specified Event occurs.
3. Compliance officers and members of the Disclosure Group must bear in mind that any Filings must be accurate in all material respects.⁶

⁶ In submitting Filings to EMMA or to third parties, the Issuer is subject to the general antifraud provisions of the federal securities laws, which require that there be no material misstatements or material omissions.

The SEC has stated, in the context of an enforcement action against a municipal securities issuer, that “[i]nformation is material if there is a substantial likelihood that a reasonable investor would consider it important to an investment decision.” With respect to omissions (as opposed to misstatements), the standard is whether such omission resulted in a failure “to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.”

D. Roles of Parties

1. The Bond Compliance Officer is primarily responsible for ensuring that the Issuer complies with its CDAs and follows these Procedures.
2. The Alternate Bond Compliance Officer shall assist the Bond Compliance Officer and shall act as the Bond Compliance Officer if the Bond Compliance Officer is not available to perform the Bond Compliance Officer's functions under these Procedures.
3. The Disclosure Group includes other officers or employees of the Issuer who may assist the Bond Compliance Officer and the Alternate Bond Compliance Officer in ensuring that the Issuer complies with its CDAs and these Procedures.
4. The Bond Compliance Officer and the Alternate Bond Compliance Officer shall each report their actions under these Procedures to each other and to any members of the Disclosure Group. Reports shall be made promptly and in writing.

E. Disclosure Group

1. The Disclosure Group shall include:
 - a. Bond Compliance Officer,
 - b. Alternate Bond Compliance Officer,
 - c. Any officer or employee of the Issuer who is appointed as a member of the Disclosure Group by the Compliance Officer.
2. Not later than sixty days after the beginning of each Fiscal Year the Compliance Officer shall determine whether additional members should be appointed to the Disclosure Group to assist the Issuer in carrying out these Procedures. The Compliance Officer may appoint anyone the Compliance Officer believes would assist the Issuer in carrying out these procedures. If Issuer officers or employees have special knowledge relating to matters that the Issuer is required by its CDAs to report on EMMA, the Compliance Officer should consider appointing those people to the Disclosure Group.

In light of such standard, when the Compliance Officer circulates for comment to the Disclosure Group a draft of a Filing, it shall be accompanied by the following cautionary note:

Federal securities laws require that the information be complete, accurate, and in no way misleading. Please review carefully and critically the information that you are providing to be certain, to the best of your knowledge after reasonable inquiry of the appropriate persons, that it is accurate, complete, and not misleading. Please be certain that the source documentation is reliable and auditable, should any future inquiry arise. Please provide a copy of all source documentation. Please describe any exceptions or other caveats to the information you are providing.

Please review the information in its entirety, rather than simply updating that which has already been provided, to determine whether any material changes have occurred or if any new or additional information should be included to make the information that you are providing not misleading and as complete and accurate as possible.

3. The Issuer may create distinct Disclosure Groups for each credit.
4. When the Compliance Officer appoints a person as a member of the Disclosure Group, the Compliance Officer shall provide that person with a written copy of these Procedures and a copy of all then-outstanding CDAs, and shall notify all other members of the Disclosure Group of the appointment.

F. Annual Reports:

1. Promptly after adoption of these Procedures the Compliance Officer shall review all existing CDAs and draft a chart outlining the filing deadlines, the material to be included with each Annual Report Filing for each CDA, and the Specified Events for each CDA. The chart shall be updated every time the Issuer enters into a CDA, and each time a CDA ceases to be in effect. A copy of the updated chart shall be provided to each member of the Disclosure Group for review before the updated chart is finalized. When each chart is finalized a copy shall be provided to each member of the Disclosure Group promptly.
2. Each fiscal year the Compliance Officer shall calendar the deadlines for each Annual Report Filing, with appropriate reminder notifications for each member of the applicable Disclosure Group. The calendar and notifications shall also appear on a centralized calendar in the Finance Department.
3. Not less than twenty-five (25) days before each Filing deadline, the Compliance Officer shall circulate a draft Filing for review by the Disclosure Group.
4. The members of the Disclosure Group shall review the draft Filing, and shall advise the Compliance Officer of any changes the member recommends.
5. The Compliance Officer shall take any recommended changes into account, finalize and timely make the Filing, and provide a copy of the final Filing to each member of the Disclosure Group.

G. Specified Event Filings.

1. If any member of the Disclosure Group becomes aware of the occurrence of an event that may qualify as a Specified Event, that member shall notify the Disclosure Group immediately.
2. Each member of the Disclosure Group shall provide a recommendation to the Compliance Officer regarding the reporting of that event. If the Compliance Officer determines that the event is a Specified Event, the Compliance Officer shall circulate a draft Specified Event Filing to the Disclosure Group for review within two business days.
3. All available members of the Disclosure Group shall provide comments to the Compliance Officer on the draft Specified Event Filing within one business day after the Compliance Officer circulates the draft Filing.

4. The Compliance Officer shall consider any recommendations of the Disclosure Group, finalize the Specified Event Filing, and file it on EMMA. Unless the Compliance Officer determines that the applicable CDAs do not require the filing to be made within ten business days, the Compliance Officer shall file the Specified Event Filing within ten business days after the Specified Event occurs.

H. Omissions and Voluntary Submissions.

1. If any member of the Disclosure Group becomes aware of the occurrence of an event that is not a Specified Event, but that the member believes should be disclosed promptly on EMMA and not as part of the Annual Report, including notice of a failure of the Issuer to comply with its obligations under a CDA or the Rule, that member shall notify the Disclosure Group immediately.
2. Each member of the Disclosure Group shall provide a recommendation to the Compliance Officer regarding the reporting of that event. If the Compliance Officer determines that the Issuer should disclose the event on EMMA promptly and not as part of the Annual Report, the Compliance Officer shall circulate a draft Filing to the Disclosure Group for review within ten business days.
3. All members of the Disclosure Group shall provide comments to the Compliance Officer on the draft Filing within five business days after the Compliance Officer circulates the draft Filing.
4. The Compliance Officer shall consider any recommendations of the Disclosure Group finalize the voluntary submission Filing, and file it on EMMA within ten business days after recommendations on the filing are due to the Compliance Officer from the Disclosure Group.

I. Training

1. The Compliance Officer shall be responsible for familiarizing the Disclosure Group and any other appropriate Issuer officials and employees with these Procedures and the Issuer's continuing disclosure obligations.
2. The Compliance Officer shall arrange for a training session to be conducted at least once each fiscal year for all members of the Disclosure Group and for any other Issuer employee identified by the Compliance Officer as having significant responsibility for collecting or analyzing information included in the Filings. The Compliance Officer shall provide appropriate training to any new member of the Disclosure Group who is appointed during a fiscal year after the annual training session for that fiscal year has been held, not later than two months after the person is appointed as a member of the Disclosure Group. To the extent practical, training shall be provided with the assistance of Bond Counsel or an outside party experienced in the responsibilities of municipal issuers under federal securities laws.
3. Training sessions shall cover, at a minimum:

- a. these Procedures;
- b. the Issuer's disclosure obligations under its CDAs; and
- c. any changes in laws or regulations and significant new cases or enforcement actions since the date of the most recent prior training session.