

EXTRACT OF MINUTES OF A MEETING  
OF THE SCHOOL BOARD OF  
INDEPENDENT SCHOOL DISTRICT NO. 2143  
(WATERVILLE-ELYSIAN-MORRISTOWN)  
BLUE EARTH, LE SUEUR, RICE, AND WASECA COUNTIES, MINNESOTA

Pursuant to due call and notice thereof a regular meeting of the School Board of Independent School District No. 2143 (Waterville-Elysian-Morristown), Blue Earth, Le Sueur, Rice, and Waseca Counties, Minnesota, was held in the School District on April 22, 2024, at 6:30 o'clock p.m.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION STATING THE INTENTION OF THE SCHOOL BOARD TO ISSUE GENERAL OBLIGATION TAX ABATEMENT BONDS, SERIES 2024A, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF APPROXIMATELY \$479,000; AND TAKING OTHER ACTIONS WITH RESPECT THERETO**

BE IT RESOLVED by the School Board (the “Board”) of Independent School District No. 2143 (Waterville-Elysian-Morristown), Blue Earth, Le Sueur, Rice, and Waseca Counties, Minnesota (the “District”), as follows:

1. Background. It is hereby determined that:

(a) The District is authorized by Minnesota Statutes, Chapter 475, as amended (the “Act”), and Minnesota Statutes, Sections 469.1812 to 469.1815, as amended (the “Abatement Act”) to issue general obligation tax abatement bonds.

(b) Pursuant to a resolution adopted by the Board on this date (the “Abatement Resolution”), following a duly noticed public hearing, the Board approved a property tax abatement (the “Abatements”) in the approximate amount of \$849,496 for certain property in the District (the “Abatement Parcels”) over a period of ten (10) years in an amount sufficient to provide financing for the construction of and improvements to parking lots at various sites in the District, and related financing costs (the “Project”).

(c) In the Abatement Resolution, the District found and determined that the Project benefits the Abatement Parcels, that the Project will provide access to services for residents in the District, and that the maximum principal amount of bonds to be secured by Abatements does not exceed the estimated sum of Abatements from the Abatement Parcels for the term authorized under the Abatement Resolution.

(d) The Board hereby finds and determines that it is necessary and expedient to the sound financial management of the affairs of the District to issue its General Obligation Tax Abatement Bonds, Series 2024A in the original aggregate principal amount of approximately \$479,000 (the “Bonds”) in accordance with the Act and the Abatement Act.

2. Covenant as to State Credit Enhancement.

(a) The District hereby covenants and obligates itself to notify the Commissioner of Education (the “Commissioner”) 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 (the “Credit Enhancement Act”) to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the paying agent for the Bonds (the “Paying Agent”), 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 that it will be unable to make all or a portion of that payment. The Paying Agent is authorized and directed to notify the Commissioner 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 on deposit with the Paying Agent to make that payment. The District understands that as a result of its covenant to be bound by the provisions of the Credit Enhancement Act, 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 Minnesota Departments of Management and Budget and Education pursuant to subdivision 2(c) of the Credit Enhancement Act and otherwise to take such actions as necessary to comply with that section. The Board Chair, Clerk, Treasurer, Superintendent, or Business Manager of the District are authorized to execute any applicable Minnesota Department of Education forms.

3. Sale of Bonds. The Board has retained Ehlers and Associates, Inc. (the “Municipal Advisor”), to serve as the District’s independent municipal advisor with respect to the offer and sale of the Bonds and, therefore, is authorized by Section 475.60, subdivision 2(9), of the Act to sell the Bonds other than pursuant to a competitive sale.

4. Acceptance of Proposal. The Board shall meet at the time and place specified by the Board to receive and consider proposals for the purchase of the Bonds and take any other appropriate action with respect to the Bonds.

5. Authority of Municipal Advisor. The Municipal Advisor is authorized and directed to assist the District in the solicitation of proposals to potential purchasers of the Bonds. The Municipal Advisor is further authorized and directed to assist the District in the award and sale of the Bonds on behalf of the District.

6. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered, is authorized to act as bond counsel for the District (“Bond Counsel”), and to assist in the preparation and review of necessary documents, certificates, and instruments related to the Bonds. The officers, employees, and agents of the District are hereby authorized to assist Bond Counsel in the preparation of such documents, certificates, and instruments.

7. Reimbursement from Bond Proceeds. The District may incur certain expenditures that may be financed temporarily from sources other than the Bonds and reimbursed from the proceeds of the Bonds. Treasury Regulation § 1.150-2 (the “Reimbursement Regulations”) provides that proceeds of tax-exempt bonds allocated to reimburse expenditures originally paid from a source other than the tax-exempt bonds will not be deemed expended unless certain requirements are met. In order to preserve its ability to reimburse certain costs from proceeds of the Bonds in accordance with the Reimbursement Regulations, the District hereby makes its declaration of official intent (the “Declaration”) described below to reimburse certain costs:

(a) Declaration of Intent. The District proposes to issue the Bonds to finance the costs of the Abatement Project. The District may reimburse original expenditures made for certain costs of the Abatement Project from the proceeds of the Bonds in an estimated maximum principal amount of \$479,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

(b) Declaration Made Not Later Than 60 Days. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of the Bonds, except for the following expenditures: (a) costs of issuance of the Bonds; (b) costs in an amount not in excess of \$100,000 or five percent (5%) of the proceeds of the Bonds; or (c) “preliminary expenditures” up to an amount not in excess of twenty (20) percent of the aggregate issue price of the Bonds that finance or are reasonably expected by the District to finance the Abatement Project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, bond issuance, and

similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Abatement Project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

(c) Reasonable Expectations; Official Intent. 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 Abatement Project and the principal amount of the Bonds described in Section 7(a), above, are consistent with the District's budgetary and financial circumstances. No sources other than proceeds of the Bonds 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 original expenditures. This resolution is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

(The remainder of this page is intentionally left blank.)

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

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA )  
 )  
COUNTIES OF BLUE EARTH )  
LE SUEUR, RICE, AND WASECA ) ss.  
 )  
INDEPENDENT SCHOOL )  
DISTRICT NO. 2143 )

I, the undersigned, being the duly qualified and acting Clerk of Independent School District No. 2143 (Waterville-Elysian-Morristown), Blue Earth, Le Sueur, Rice, and Waseca Counties, Minnesota (the “District”), hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the School Board of the District held on the date specified above, with the original minutes on file in my office and the extract is a full, true, and correct copy of the minutes, insofar as they relate to authorizing the issuance of the District’s General Obligation Tax Abatement Bonds, Series 2024A, in the maximum aggregate principal amount of approximately \$479,000.

WITNESS My hand as such Clerk this \_\_\_\_ day of April, 2024.

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Clerk of the School Board  
Independent School District No. 2143 (Waterville-  
Elysian-Morristown), Blue Earth, Le Sueur, Rice, and  
Waseca Counties, Minnesota