

EXTRACT OF MINUTES OF MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 272
(EDEN PRAIRIE SCHOOLS)
HENNEPIN COUNTY, MINNESOTA

Pursuant to due call and notice thereof a regular meeting of the School Board of Independent School District No. 272 (Eden Prairie Schools), Hennepin County, Minnesota, was held in the School District on January 22, 2024, at 6:00 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 DISTRICT TO ISSUE TAXABLE CERTIFICATES OF PARTICIPATION, SERIES 2024A, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF APPROXIMATELY \$13,950,000; AND TAKING OTHER ACTIONS WITH RESPECT THERETO

BE IT RESOLVED by the School Board (the “Board”) of Independent School District No. 272 (Eden Prairie Schools), Hennepin County, Minnesota (the “District”), as follows:

1. Findings; Authorizations; Determinations.

(a) The District is authorized by Minnesota Statutes, Section 465.71, as amended (the “Act”) and Minnesota Statutes, Section 126C.40, as amended (“Section 126C.40”) to enter into lease-purchase agreements for the lease of real and personal property with an option to purchase.

(b) The District has determined to finance the purchase of land and an existing building (the “Project”) on property located in the District (the “Site”).

(c) The District hereby deems it necessary and advisable to provide for the issuance of Taxable Certificates of Participation, Series 2024A (the “Certificates”), in the aggregate principal amount not to exceed approximately \$13,950,000, to finance the costs of the Project (the “Certificate-Financed Project”).

(d) The District intends to enter into an Indenture of Trust (the “Indenture”) with a corporate trustee to be selected by the District (the “Trustee”), pursuant to which the Certificates will be issued. The District also intends to enter into a Ground Lease (the “Ground Lease”) with the Trustee, as lessee, pursuant to which the Trustee will acquire from the District a leasehold interest in the Site on which the Certificate-Financed Project is located. Furthermore, the District intends to enter into a Lease-Purchase Agreement (the “Lease-Purchase Agreement”) with the Trustee, as lessor, pursuant to which the Trustee will lease the Site and the Certificate-Financed Project (collectively, the “Leased Property”) to the District, and the District will make lease payments (the “Lease Payments”) to the Trustee, subject to the District’s right to non-appropriation under the terms of the Lease-Purchase Agreement. Subject to the requirements of Section 126C.40, the Board authorizes the use of its lease levy authority for the purpose of making all or a portion of the Lease Payments.

2. The Act. The District covenants to comply with all procedures now or hereafter established by the Minnesota Department of Education pursuant to the Act and Section 126C.40 and to take all actions required under the terms of the Act and Section 126C.40 for the issuance, sale, delivery, and payment and prepayment of the Certificates in accordance with their terms and the terms of the Indenture, the Ground Lease, the Lease-Purchase Agreement, and related documents.

3. Authority of Municipal Advisor. Ehlers and Associates, Inc., the District’s independent municipal advisor (the “Municipal Advisor”), is authorized and directed to take all actions that are necessary or appropriate to assist the District in the issuance, sale, and delivery of the Certificates and in connection with any continuing disclosure obligations that may be imposed on the District in connection with the Certificates. The officers, employees, and agents of the District are hereby authorized to assist the Municipal Advisor in all actions that are necessary or appropriate in connection with the issuance, sale, and delivery of the Certificates and any related matters.

4. Procedure for Review of Proposals and Selection of Purchaser. The Board hereby authorizes and directs the Superintendent or Executive Director of Business Services and any Board member (the “Authorized Officials”), with the advice of the Municipal Advisor, to review proposals for the purchase of the Certificates and award the sale of the Certificates to the prospective purchaser (the “Purchaser”) based on the recommendation of the Municipal Advisor and the following parameter: the true interest cost shall not exceed seven percent (7.00%).

5. Acceptance of Proposal. The Board will meet at a regular or special meeting, on the first practicable date after acceptance by the Authorized Officials of the proposal of the Purchaser, to ratify such acceptance and take any other appropriate action with respect to the Certificates.

6. Authority of Bond Counsel. The law firm of Kennedy & Graven, Chartered (“Bond Counsel”) is authorized to act as bond counsel for the District and to assist in the preparation and review of necessary documents, certificates, and instruments relating to the Certificates. 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. Limited Obligations. The Certificates shall be special, limited obligations payable solely from annual appropriations of the District made to pay the Lease Payments, in the manner provided in the Lease-Purchase Agreement, and amounts held by the Trustee under the terms of the Indenture. The obligations of the Lease-Purchase Agreement and the Certificates shall not constitute a general or moral obligation, or a pledge of the full faith and credit or any taxing power of the District, the State of Minnesota, or any political subdivision thereof. The Lease-Purchase Agreement shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the District except its interest in the Lease-Purchase Agreement and the Leased Property.

8. Non-Appropriation. The Lease-Purchase Agreement shall provide that the District may elect in any fiscal year to not appropriate funds for the next fiscal year to make the Lease Payments required under the terms of the Lease-Purchase Agreement. The obligations of the District under the Lease-Purchase Agreement shall not be payable from nor charged upon any funds of the District other than the funds appropriated annually to the payment thereof. In the event of a non-appropriation of Lease Payments by the District in any fiscal year, the District shall lose the right to operate and occupy the Leased Property for the remaining term of the Lease-Purchase Agreement and the Certificates.

9. Representations, Warranties, and Covenants. In the resolution awarding the sale of the Certificates, the District shall approve such agreements, instruments, and other documents as are necessary or appropriate to the issuance of the Certificates and provide for such representations, warranties, and covenants as are required by the terms of the Act, as are agreed to by the District and the Trustee, and as the District deems necessary or appropriate in connection with the issuance, sale, and delivery of the Certificates.

10. Reimbursement from Bond Proceeds. The District may incur certain expenditures that may be financed temporarily from sources other than the Certificates and reimbursed from the proceeds of the Certificates. 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 Certificates 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 Certificates to finance the costs of the Certificate-Financed Project. The District may reimburse original expenditures made for certain costs of the Certificate-Financed Project from the proceeds of the Certificates in an estimated maximum principal amount of \$13,950,000. 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.

(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 Certificates, except for the following expenditures: (a) costs of issuance of the Certificates; (b) costs in an amount not in excess of \$100,000 or five percent (5%) of the proceeds of the Certificates; or (c) “preliminary expenditures” up to an amount not in excess of twenty (20) percent of the aggregate issue price of the Certificates that finance or are reasonably expected by the District to finance the Certificate-Financed 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 Certificate-Financed 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 Certificate-Financed Project and the principal amount of the Certificates described in Section 10(a), above, are consistent with the District’s budgetary and financial circumstances. No sources other than proceeds of the 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 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 member _____, and upon vote being taken thereon, the following members voted in favor of the motion:

and the following voted against:

whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNTY OF HENNEPIN) ss.
)
INDEPENDENT SCHOOL)
DISTRICT NO. 272)

I, the undersigned, being the duly qualified and acting Clerk of Independent School District No. 272 (Eden Prairie Schools), Hennepin County, 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 dated 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 the intention of the District to issue Taxable Certificates of Participation, Series 2024A, in the maximum aggregate principal amount of approximately \$13,950,000.

WITNESS My hand as such Clerk this 22nd day of January 2024.

Clerk of the School Board
Independent School District No. 272 (Eden Prairie
Schools), Hennepin County, Minnesota