



ROCK RIDGE PUBLIC SCHOOLS  
1405 PROGRESS PARKWAY  
VIRGINIA MN 55792

**E-G Regular Meeting**  
**Tuesday, June 25, 2019 at 6:00 PM**  
**Board Room, 801 Jones St., Eveleth, Minnesota 55734**

## AGENDA

1. Call the Meeting to Order.
2. Pledge of Allegiance.
3. Roll Call.
4. Student Representative Information.
5. Agenda Additions/Deletions.
6. Visitor Input.
7. Approve Agenda.
8. Approve the Treasurer's Report for the Second Check Writing of June. 3
9. CONSENT AGENDA.
  1. Approve Minutes of the Regular Meeting of Monday, June 10, 2019. 6
  2. Approve the Minutes of the Joint Meeting of Thursday, June 13, 2019. 8
  3. Approve the Minutes of the Special Meeting of Monday, June 17, 2019. 9
  4. Approve 2019-2020 Membership Renewal for MREA. 10
  5. Approve 2019-2020 Membership Renewal for MSBA. 11
  6. Approve PSEO Agreement with Mesabi Range College. 12
  7. Approve Range Mental Health Purchase of Service Agreement. 17
10. ITEMS REMOVED FROM CONSENT AGENDA.
11. PERSONNEL.
  1. None.
12. NEW BUSINESS.
  1. Presentation on Broadband Project. 25
  2. Approve Property and Liability Insurance Renewal for FY 2019-20. 26

3. <u>Approve FY 2019-20 Preliminary Budget.</u>	<u>28</u>
4. <u>Approve 10-year Long Term Facilities Maintenance Plan.</u>	<u>32</u>
5. <u>Approve Joint Powers Agreement with Infinity Online.</u>	<u>35</u>
6. <u>Approve Resolution #696 Ratifying the Sale of the Bonds.</u>	<u>56</u>
7. <u>Set Closed Session to Discuss AFSCME and EdMN Negotiations Strategies.</u>	
13. OLD BUSINESS.	
14. ADMINISTRATIVE REPORT/INFORMATION.	
15. BOARD MEMBER TOPICS.	
16. ADJOURNMENT.	

INDEPENDENT SCHOOL DISTRICT #2154  
Eveleth-Gilbert Public Schools

Treasurer's Report

6/19/2019

For the Month of June 2019  
Check Writing

	Receipts	Disbursements	Payroll
General Fund		72,148.30	
Food Service		172.31	
Transportation		3,524.27	
Community Education		172.68	
Capital Outlay		2,000.00	
Debt Service			
Trust & Agency			
Channel 12		2,859.89	
Flex Benefit Plan			
OPEB			
TOTAL		80,877.45	

Eveleth-Gilbert ISD #2154  
Check Register by Bank and Check

Batch Co	Bank	Pynt No	Check No	Pay Type	Grp	Code	Red	Vendor	Print	Recon	Void	Currency	Pmt/Void Date	Amount
2154	1	50063	369174	Check	1	3679		A-1 RENTAL SERVICES INC	Yes	No	No	USD	06/19/2019	76.15
		50030	369175	Check	1	02150		ARROW AUTO SUPPLY COMPANY	Yes	No	No	USD	06/19/2019	65.00
		50047	369176	Check	1	2941		ARROWHEAD LIBRARY SYSTEM	Yes	No	No	USD	06/19/2019	450.55
		50078	369177	Check	1	4286		BRAINARD, PAUL	Yes	No	No	USD	06/19/2019	75.52
		50062	369178	Check	1	3674		CENTURY LINK	Yes	No	No	USD	06/19/2019	158.84
		50031	369179	Check	1	06175		CHRISTENSEN PARTS	Yes	No	No	USD	06/19/2019	42.93
		50032	369180	Check	1	06350		CITY OF EVELETH	Yes	No	No	USD	06/19/2019	1,616.68
		50045	369181	Check	1	2706		CITY OF VIRGINIA	Yes	No	No	USD	06/19/2019	2,000.00
		50040	369182	Check	1	2344		CUSTER DEBORAH	Yes	No	No	USD	06/19/2019	190.01
		50080	369183	Check	1	4371		D. ERVASTI SALES CO. LLC	Yes	No	No	USD	06/19/2019	747.45
		50089	369184	Check	1	4553		DORMANEN MELISSA	Yes	No	No	USD	06/19/2019	7.70
		50033	369185	Check	1	09450		ECOLAB PEST ELIMINATION	Yes	No	No	USD	06/19/2019	213.19
		50079	369186	Check	1	4318		EDUCATION INNOVATION PARTNER	Yes	No	No	USD	06/19/2019	209.67
		50053	369187	Check	1	3296		EDUCATORS BENEFIT CONSULTANT	Yes	No	No	USD	06/19/2019	226.94
		50082	369188	Check	1	4508		ELLEFSON SUSAN	Yes	No	No	USD	06/19/2019	199.75
		50036	369189	Check	1	1198		ENDRESEN SOUND COMPANY	Yes	No	No	USD	06/19/2019	20,494.00
		50073	369190	Check	1	4062		ESSENTIA HEALTH	Yes	No	No	USD	06/19/2019	108.00
		50034	369191	Check	1	10800		EVELETH FLORAL	Yes	No	No	USD	06/19/2019	207.90
		50077	369192	Check	1	4158		FARGO PUBLIC SCHOOL DISTRICT	Yes	No	No	USD	06/19/2019	392.95
		50035	369193	Check	1	11950		FOLLETT SCHOOL SOLUTIONS INC	Yes	No	No	USD	06/19/2019	4,036.26
		50074	369194	Check	1	4107		FORSMAN REIDA	Yes	No	No	USD	06/19/2019	972.83
		50076	369195	Check	1	4142		GRAND FORKS PUBLIC SCHOOLS	Yes	No	No	USD	06/19/2019	274.32
		50038	369196	Check	1	13750		GRANDE HARDWARE	Yes	No	No	USD	06/19/2019	58.53
		50037	369197	Check	1	1224		HENDRICKSON LARRY	Yes	No	No	USD	06/19/2019	2,660.00
		50064	369198	Check	1	3685		HOMETOWN FOCUS	Yes	No	No	USD	06/19/2019	345.60
		50041	369199	Check	1	2413		ISD #6076 NILC	Yes	No	No	USD	06/19/2019	3,093.98
		50090	369200	Check	1	4554		JARVI JULIE	Yes	No	No	USD	06/19/2019	36.80
		50088	369201	Check	1	4552		KARPIK DAVID	Yes	No	No	USD	06/19/2019	11.50
		50058	369202	Check	1	3479		KORPI MEGAN	Yes	No	No	USD	06/19/2019	9.50
		50087	369203	Check	1	4551		KUOPOS DIANA	Yes	No	No	USD	06/19/2019	44.51
		50066	369204	Check	1	3777		LARSON CATHERINE	Yes	No	No	USD	06/19/2019	70.34
		50086	369205	Check	1	4550		LICARI SR ROBERT	Yes	No	No	USD	06/19/2019	15.90
		50048	369206	Check	1	2965		MARIUCCI VIDEO PRODUCTION INC	Yes	No	No	USD	06/19/2019	2,984.89
		50067	369207	Check	1	3812		MENARDS	Yes	No	No	USD	06/19/2019	6.38
		50069	369208	Check	1	3832		METRO SALES INC	Yes	No	No	USD	06/19/2019	567.69
		50060	369209	Check	1	3612		MILIOS TERRY	Yes	No	No	USD	06/19/2019	231.42
		50046	369210	Check	1	2782		MN ENERGY RESOURCES CORP	Yes	No	No	USD	06/19/2019	12,436.24
		50042	369211	Check	1	25775		MN POLLUTION CONTROL AGENCY	Yes	No	No	USD	06/19/2019	602.02
		50050	369212	Check	1	3060		MN TELECOMMUNICATIONS	Yes	No	No	USD	06/19/2019	742.50
		50044	369213	Check	1	26750		NASCO	Yes	No	No	USD	06/19/2019	318.28
		50083	369214	Check	1	4517		NATIONAL RECOGNITION PRODUCT	Yes	No	No	USD	06/19/2019	800.00

**Eveleth-Gilbert ISD #2154**  
**Check Register by Bank and Check**

Batch Co	Bank	Pymt No	Check No	Pay Type	Grp	Code	Red	Vendor	Print	Recon	Void	Currency	Pmt/Void	Date	Amount
2154	1	50081	369215	Check	1	4412		NELSON TUCKER	Yes	No	No	USD		06/19/2019	192.50
		50068	369216	Check	1	3827		NEXTERA COMMUNICATIONS	Yes	No	No	USD		06/19/2019	662.40
		50061	369217	Check	1	3621		NORTHERN BUSINESS PRODUCTS I	Yes	No	No	USD		06/19/2019	30.69
		50084	369218	Check	1	4548		NOVAK RENAE	Yes	No	No	USD		06/19/2019	125.00
		50049	369219	Check	1	30412		PRAXAIR DISTRIBUTION INC	Yes	No	No	USD		06/19/2019	150.45
		50051	369220	Check	1	31415		RANGE AUTO PARTS COMPANY	Yes	No	No	USD		06/19/2019	528.05
		50052	369221	Check	1	31500		RANGE PAPER CORPORATION	Yes	No	No	USD		06/19/2019	2,410.39
		50085	369222	Check	1	4549		RINNE CATHY	Yes	No	No	USD		06/19/2019	46.40
		50056	369223	Check	1	3416		ROBERTS WAYNE	Yes	No	No	USD		06/19/2019	182.70
		50054	369224	Check	1	33450		SCHMITT MUSIC CENTER	Yes	No	No	USD		06/19/2019	56.00
		50055	369225	Check	1	33651		SCHOOL SPECIALTY INC	Yes	No	No	USD		06/19/2019	63.79
		50059	369226	Check	1	34800		SHERWIN WILLIAMS	Yes	No	No	USD		06/19/2019	78.66
		50039	369227	Check	1	2057		SHUBAT TRANSPORTATION	Yes	No	No	USD		06/19/2019	15,715.67
		50065	369228	Check	1	36860		STATE SUPPLY COMPANY	Yes	No	No	USD		06/19/2019	45.19
		50070	369229	Check	1	3845		SZUMAL KEVIN	Yes	No	No	USD		06/19/2019	389.76
		50057	369230	Check	1	3424		TELIN TRANSPORTATION GROUP LL	Yes	No	No	USD		06/19/2019	916.78
		50071	369231	Check	1	39350		TRIMARK INDUSTRIAL	Yes	No	No	USD		06/19/2019	38.65
		50072	369232	Check	1	39750		UNITED TRUCK BODY	Yes	No	No	USD		06/19/2019	51.65
		50075	369233	Check	1	41150		WASCHKE AUTO PLAZA INC	Yes	No	No	USD		06/19/2019	1,324.00
		50043	369234	Check	1	2668		WINMACTEL INC	Yes	No	No	USD		06/19/2019	66.00

Bank Total: 1

Report Total:

\$80,877.45
\$80,877.45

## **Minutes of the Regular Meeting of June 10, 2019**

The Regular Meeting of the Board of Education of I.S.D. #2154, Eveleth-Gilbert Public Schools, was held on Monday, June 10, 2019, at 6:00 p.m., in the Board Room. The meeting was called to order by Chair Bill Addy.

Present: Directors Addy, Gentilini, Sather, Sorcan, and Uhan. Directors Lautigar and Sjoberg were absent. Also present: Supt. Jeff Carey, Todd Griepentrog, and Angie Williams.

Additions/Deletions: Added Item 12.7: Set Closed Session to Discuss Negotiation Strategies for EdMN.

Motion: Sather, Support: Uhan, to approve the agenda as amended. Motion carried unanimously.

Motion: Gentilini, Support: Addy, to approve the Treasurer's Report for the Second Check Writing of May, with disbursements of \$237,554.31, for the Month of May, with receipts of \$1,086,778.03, disbursements of \$424,616.27, payroll of \$688,729.93, and electronic transfers as noted, and for the First Check Writing of June, with disbursements of \$78,003.80. Motion carried unanimously.

Motion: Sorcan, Support: Gentilini, to approve the consent agenda with a correction to the Minutes of the Regular Meeting of May 20, 2019, reflecting Director Sorcan's abstention during the renewal of the food service contract. Motion carried unanimously.

- A. Approved Minutes of the Regular Meeting of Monday, May 20, 2019, with amendment.
- B. Approved Minutes of the Study Session of Monday, May 20, 2019.
- C. Approved Minutes of the Special Meeting of Monday, June 3, 2019.
- D. Approved Lane Change for Tara Peshel from MA to MA+10, as per the EdMN contract.
- E. Approved Lane Change for Chris Chad from MA to MA+10, as per the EdMN contract.
- F. Approved Lane Change for Dave Kunz from BA+20 to BA+30, as per the EdMN contract.

### **PERSONNEL**

Motion: Sather, Support: Uhan, to approve Karwin Marks as Head Girls Basketball Coach, pending acquisition of licensure. Motion carried unanimously.

### **NEW BUSINESS**

Motion: Sather, Support: Gentilini, to approve the 2019-2020 Membership Renewal with ARCC. Motion carried unanimously.

Motion: Uhan, Support: Sather, to approve the Shared Services Agreement with Virginia Public Schools. Motion carried unanimously.

Motion: Uhan, Support: Gentilini, to move the second Regular Meeting in June to Tuesday, June 25, 2019. Motion carried unanimously.

Motion: Uhan, Support: Addy, to hold the Regular July Meeting Tuesday, July 23, 2019, at 6:00 p.m. in the Board Room. Motion carried unanimously.

Motion: Gentilini, Support: Sather, to approve the 2019-2020 District Activity Calendar. Motion carried unanimously.

Mrs. Williams presented the Board with information regarding online learning program Infinity, which would replace MSC.

Motion: Sorcan, Support: Gentilini, to give Northland Securities the opportunity to present a proposal to serve as bond investment company. Motion failed with Directors Sorcan and Gentilini in favor, Directors Addy and Sather opposed, and Director Uhan abstaining.

Motion: Sather, Support: Addy, to approve Ehlers based on their proposal and work experience over the last year. Motion failed with Directors Addy and Sather in favor, Directors Sorcan and Gentilini opposed, and Director Uhan abstaining.

Motion: Gentilini, Support: Sather, to set a closed session to discuss negotiation strategies following the regular meeting. Motion carried unanimously.

**Minutes of the Regular Meeting  
of June 10, 2019**

ADMINISTRATIVE REPORT/INFORMATION

Supt. Carey discussed the collaboration and items that will be discussed during the Thursday, June 13, 2019 Joint Board Meeting.

Mr. Griepentrog and Mrs. Williams recognized 4<sup>th</sup> Quarter Junior and Senior High Exemplary and "A" Honor Roll students.

Mrs. Williams recognized and congratulated student athletes in Track, Boys Tennis, Boys Golf, and Girls Golf who competed at State.

BOARD MEMBER TOPICS

Kelly Sather recognized the Thrive Range Grant, received by St. Louis County, relating to mental health and substance abuse, and suicide prevention.

Polly Sorcan requested the schedule and chart of dates relating to the collaboration, which is posted on the Virginia School website, be posted on our website.

ADJOURNMENT

The meeting recessed at 6:57 p.m. The closed session began at 7:06 p.m. and ended at 7:44 p.m.

The meeting adjourned at 7:44 p.m.

There will be a Joint Board Meeting with Virginia Thursday, June 13, 2019, at 6:00 p.m. at the Northeast Service Cooperative, located at 5525 Emerald Ave., Mountain Iron, MN.

The next Regular Board Meeting is moved to Tuesday, June 25, 2019, at 6:00 p.m. in the Board Room.

The Regular Board Meeting in July will be held Tuesday, July 23, 2019, at 6:00 p.m. in the Board Room.

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Bill Addy, Chair

\_\_\_\_\_  
Kelly Sather, Clerk

**Joint Meeting Minutes**  
**June 13, 2019**

A Joint Meeting of the Board of Education of I.S.D. #2154, Eveleth-Gilbert Public Schools, and I.S.D. #706, Virginia Public Schools, was held on Thursday, June 13, 2019, at 5:00 p.m., at the Northeast Service Cooperative, in Mountain Iron, MN. The meeting was called to order by Virginia Chair Murray Anderson and Eveleth-Gilbert Chair Bill Addy.

Present: Directors Addy, Lautigar, Sather, Sjoberg, Sorcan, and the Virginia School Board. Directors Gentilini and Uhan were absent. Also present: Superintendents Jeff Carey and Noel Schmidt.

Supt. Schmidt presented the Boards with an overview of what needs to be done to merge the Eveleth-Gilbert and Virginia systems.

Tony Sjolander, Pat Mulcahey, both of Kraus-Anderson, and John Pflugger of Cuningham Group, presented the Boards with big picture merger considerations.

Jason Ness, Bill Bryson, and Mike Hoche presented the Boards with a plan for technology integration.

Gary Lee, MSBA, discussed the consolidation process, the role of the Board, and the impact on the Business Offices.

Mitch Brunfelt, attorney, discussed the process for consolidating labor agreement contracts and the joint powers agreement.

Greg Crow of Ehlers reviewed the presale reports for each district, including revised financial estimates.

Supt. Carey discussed the summer meeting schedule with the architects.

The public was given the opportunity for questions and comments.

The Board of Education of I.S.D. # 2154, Eveleth-Gilbert, will hold a Special Meeting on Monday, June 17, 2019 at 5:00 p.m. in the Board Room.

The next Regular Meeting of the Board of Education of I.S.D. #2154, Eveleth-Gilbert, will be on Tuesday, June 25, 2019, at 6:00 p.m. in the Board Room. There will be no meeting Monday, June 24.

The Regular July Meeting of the Board of Education of I.S.D. #2154, Eveleth-Gilbert, will be on Tuesday, July 23, 2019, at 6:00 p.m. in the Board Room. This is the only Regular Meeting in July.

The meeting adjourned at 7:57 p.m.

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Bill Addy, Chair

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Kelly Sather, Clerk

**Minutes of the Special Meeting  
Of June 17, 2019**

A Special Meeting of the Board of Education of I.S.D. #2154, Eveleth-Gilbert Public Schools, was held on Monday, June 17, 2019, at 5:00 p.m., in the Board Room. The meeting was called to order by Chair Bill Addy.

Present: Directors Addy, Gentilini, Lautigar, Sather, and Uhan. Directors Sjoberg and Sorcan were absent. Also present: Supt. Jeff Carey.

Motion: Lautigar, Support: Uhan, to approve the agenda as presented. Motion carried unanimously.

Motion: Sather, Support: Addy, to approve Ehlers, Inc. as the bond investment company. Motion carried 4-0 with Director Uhan abstaining.

The meeting adjourned at 5:06 p.m.

The next regular board meeting will be Tuesday, June 25, 2019, at 6:00 p.m. in the Board Room.

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Bill Addy, Chair

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Kelly Sather, Clerk



# MEMBERSHIP RENEWAL INVOICE

## 2019-20 MEMBERSHIP YEAR

**BILL TO:**

Jeff Carey, Superintendent  
Eveleth-Gilbert Public Schools  
801 Jones St  
Eveleth MN 55734-1633

**Date:** June 3, 2019  
**Invoice #:** 2020-1520  
**Due:** June 30, 2019

**Membership expiration:** June 30, 2019  
**New membership year:** July 1, 2019-June 30, 2020  
**2019-20 Membership type:** Full ISD Membership  
**\*APU =** 1035  
**\*\*Shared Districts:** NA

<b>Base Fee:</b> .....\$1100.00
<b>*Legislative Fee:</b> ..... +\$1035.00
<b>Shared Discount:</b> .....- <u>\$NA</u>
<b>2019-20 Dues:</b> ..... \$2135.00

*\*\$1.00 per Adjusted Pupil Unit (APU) to \$1,400 maximum, based on MDE APU estimates for 2019-20.  
\*\*Districts with Shared Superintendents must EACH join MREA to qualify for discount. Please notify MREA if your Shared District information has changed.*

Verify the information below and correct as needed:

**Organization:** Eveleth-Gilbert Public Schools  
**Primary Contact:** 1520  
**Position Title:** Superintendent  
**Email Address:** jcarey@egschools.org  
**Address:** 801 Jones St  
**City, State, Zip:** Eveleth, MN 55734-1633  
**Phone:** 218 - 744-7700  
**Website:** [www.egschools.org](http://www.egschools.org)

**County:** St. Louis  
**Service Coop:** NESC  
**MASA Region:** 7  
**State House District:** 06B  
**State Senate District:** 006  
**Federal District:** 08

**Update and return this form with membership dues payment.**

*MREA is a nonprofit 501(c)(4) membership association and dues are not tax deductible as charitable contributions. We estimate 46% of FY20 dues will be attributable to nondeductible lobbying activity and are NOT deductible under Internal Revenue Code Section 162 as an ordinary and necessary business expense. Provide a copy of this notice to your accountant and/or tax preparer.*

**Questions?** Contact Diane Vosen, Administrative Coordinator





Minnesota School Boards Association  
1900 West Jefferson Ave  
St. Peter, MN 56082-3015  
507-934-2450 or 800-324-4459

# INVOICE

ATTN: Accounts Payable  
I.S.D. 2154  
801 JONES ST  
EVELETH, MN 55734-1633

Invoice No: 22693G7X1V9  
Invoice Date: 6/7/2019  
Acct No: 129  
Due Date: 11/15/2019  
PO Number:

Invoice Item	Qty	Unit Price	Extended
Association Dues (FY 7/1/19 to 6/30/20)	1	\$4,237.00	\$4,237.00
Policy Services Renewal (FY 7/1/19 to 6/30/20)	1	\$700.00	\$700.00
		Subtotal:	\$4,937.00
		Amount Paid:	\$0.00
		Balance Due:	\$4,937.00

Dues for **ISD #2154** are based on 914.98 "Average Daily Membership of Students Served" for the fiscal year ended June 30, 2018, as provided by the Minnesota Department of Education.

**MSBA is not able to accept Credit, Debit, or Procurement Cards as a method of payment of your 2019-20 Dues Invoice. Please remit payment of this invoice to MSBA by CHECK. Thank you for your cooperation.**

In accordance with IRS Code Sec. 6113, contributions or gifts (including membership dues) to MSBA are not deductible as charitable contributions for Federal income tax purposes.

F.Y.	Cost Center	Obj. Code	Amount	Vendor #	P.O. #
2020					
2021					

**STATE OF MINNESOTA**

**MINNESOTA STATE COLLEGES AND UNIVERSITIES**

**MESABI RANGE COLLEGE**

**INCOME CONTRACT**

**FOR POSTSECONDARY ENROLLMENT OPTIONS (PSEO) BY CONTRACT**

This contract is by and between Eveleth-Gilbert ISD #2154 (hereinafter "SCHOOL DISTRICT") and the State of Minnesota, acting through its Board of Trustees of the Minnesota State Colleges and Universities, on behalf of MESABI RANGE COLLEGE (hereinafter "COLLEGE/UNIVERSITY"). This contract does not apply to concurrent enrollment courses.

WHEREAS, the SCHOOL DISTRICT has a need for a specific service provided by COLLEGE/UNIVERSITY in accordance with Minnesota Statutes §124D.09 and Minnesota State Board Policy 3.5 and System Procedure 3.5.1; and applicable COLLEGE/UNIVERSITY policies.

WHEREAS, the COLLEGE/UNIVERSITY, is empowered to enter into income contracts pursuant to Minnesota Statutes, Chapter 136F;

NOW, THEREFORE, it is agreed:

- I. DUTIES OF SCHOOL DISTRICT. The SCHOOL DISTRICT agrees to provide the following:
  - a. Perform all duties as required by the Postsecondary Enrollment Options Act (M.S. 124D.09) (Attachment A) and Minnesota State Board Policy 3.5 and System Procedure 3.5.1 (Attachment B).
  
- II. DUTIES OF COLLEGE/UNIVERSITY. COLLEGE/UNIVERSITY agrees to provide the following:
  - a. Perform all duties as required by the Postsecondary Enrollment Options Act (M.S. 124D.09) (Attachment A) and Minnesota State Board Policy 3.5 and System Procedure 3.5.1 (Attachment B).
  
- III. DUTIES OF COLLEGE/UNIVERSITY and SCHOOL DISTRICT. Both the SCHOOL DISTRICT and the COLLEGE/UNIVERSITY agree to:

- a. Perform all duties as required by the Postsecondary Enrollment Options Act (M.S. 124D.09) (Attachment A) and Minnesota State Board Policy 3.5 and System Procedure 3.5.1 (Attachment B); and all other duties as stipulated in Attachment C.

IV. CONSIDERATION AND TERMS OF PAYMENT.

A. Consideration for all services performed by the COLLEGE/UNIVERSITY pursuant to this contract shall be paid by the SCHOOL DISTRICT limited to the courses listed in Attachment D as follows:

1) The SCHOOL DISTRICT will be invoiced by the COLLEGE/UNIVERSITY at the respective academic year rate for tuition, fees, and textbook rental per credit hour per student as follows.

Academic Year	Rate
2019-2020	\$211.66/semester credit
2020-2021	\$213.20/semester credit

2) Additional fees required for students to complete course(s) shall be negotiated between the two parties and described here.

3) Other non-required costs related to course specific software and tools are the responsibility of the student and described here.

B. Terms of Payment. Payments shall be made by the SCHOOL DISTRICT as follows:

1) Invoices will be sent by the COLLEGE/UNIVERSITY to the SCHOOL DISTRICT by November 1 in the fall and March 2 in the spring.

2) Payments to the COLLEGE/UNIVERSITY by the SCHOOL DISTRICT for the tuition/fees/textbooks charge for each semester will be made within thirty (30) days of the SCHOOL DISTRICT receiving the invoice.

V. TERM OF CONTRACT. This contract shall be effective on August 15, 2019, **or upon the date that the final required signature is obtained by the COLLEGE/UNIVERSITY, whichever occurs later**, and shall remain in effect until June 15, 2021, or until all obligations set forth in this contract have been satisfactorily fulfilled, whichever occurs first. The COLLEGE/UNIVERSITY understands that NO work should begin under this contract until ALL required signatures have been obtained, and the COLLEGE/UNIVERSITY is notified to begin work by the SCHOOL DISTRICT's Authorized Representative.

This agreement is effective for the 2019-2020 and 2020-2021 Academic Year(s).

VI. CANCELLATION. This contract may be canceled by the COLLEGE/UNIVERSITY or the SCHOOL DISTRICT at any time, with or without cause, upon thirty (30) days' written notice to the other party. In the event of such a cancellation, the COLLEGE/UNIVERSITY shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed.

VII. AUTHORIZED REPRESENTATIVES.

THE COLLEGE/UNIVERSITY'S AUTHORIZED REPRESENTATIVE. The COLLEGE'S Authorized Representative for the purposes of administration of this contract is:

Name: Shelly McCauley Jugovich, Interim Provost  
Address: 1001 Chestnut St., Virginia, MN 55792  
Telephone: 218-748-2416  
E-Mail: s.mccauley@mesabirange.edu  
Fax:

THE SCHOOL DISTRICT'S AUTHORIZED REPRESENTATIVE. The SCHOOL DISTRICT'S Authorized Representative for the purposes of administration of this contract is:

Name: Jeff Carey  
Address: 801 Jones Street, Eveleth, MN 55734  
Telephone: 218 744 1900  
E-Mail: jcarey@egschools.org  
Fax: 218 744 4381

The SCHOOL DISTRICT'S Authorized Representative shall have final authority for acceptance of the COLLEGE/UNIVERSITY services and, if such services are accepted as satisfactory, shall so certify on each invoice submitted pursuant to Clause II, paragraph B.

VIII. ASSIGNMENT. The SCHOOL DISTRICT shall neither assign nor transfer any rights or obligations under this contract without the prior written consent of the COLLEGE/UNIVERSITY.

IX. LIABILITY. Each party will be responsible for its own acts and behavior and the results thereof. The COLLEGE/UNIVERSITY and the SCHOOL DISTRICT's liability is governed by the Minnesota Tort Claims, Act, Minn. Stat. § 3.736, and other applicable laws.

X. AMERICANS WITH DISABILITIES ACT COMPLIANCE (hereinafter "ADA"). The SCHOOL DISTRICT is responsible for complying with the ADA Act, 42 U. S. C. 12101, et seq. and regulations promulgated pursuant to it for educational services it provides to its students. The COLLEGE/UNIVERSITY will inform students of support services

available at COLLEGE/UNIVERSITY but IS NOT responsible for issues or challenges related to compliance with the ADA beyond its own routine use of facilities, services, or other areas covered by the ADA.

XI. AMENDMENTS. Any amendments to this contract shall be in writing and shall be executed by the same parties who executed the original contract or their successors in office.

XII. GOVERNMENT DATA PRACTICES ACT. Both parties must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by either party in accordance with this contract, and as it applies to all data, created, collected, received, stored, used, maintained, or disseminated by either party in accordance with this contract. The civil remedies of Minnesota Statutes Section 13.08, apply to the release of the data referred to in this Article by either the SCHOOL DISTRICT or the COLLEGE/UNIVERSITY. In the event either party receives a request to release the data referred to in this Article, the receiving party must immediately notify the other and receive instructions from the other party concerning the release of the data to the requesting party before the data is released.

XIII. JURISDICTION AND VENUE. This contract shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this contract, or the breach thereof, shall be in the state or federal court with competent jurisdiction in St. Louis County, Minnesota.

XIV. AUDITS. The books, records, documents, and accounting procedures and practices of either party relevant to this contract shall be subject to examination by the contracting department and the Legislative Auditor for the COLLEGE/UNIVERSITY and the State Auditor for the SCHOOL DISTRICT.

XV. OTHER PROVISIONS. (Attach additional page(s) if necessary):

IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

**APPROVED:**

**1. MINNESOTA STATE COLLEGES AND UNIVERSITIES**

**Mesabi Range College**

By (authorized college/university/office of the chancellor initiating agreement)
Title
Date

**2. SCHOOL DISTRICT:**

**School District certifies that the appropriate person(s) have executed the contract on behalf of the School District as required by applicable articles, by-laws, resolutions, or ordinances.**

By (authorized signature)
Title
Date

**3. AS TO FORM AND EXECUTION:**

By (authorized college/university/office of the chancellor initiating agreement)
Title
Date

**PROFESSIONAL SERVICES  
CONTRACT**

This Professional Services Contract entered into this 16<sup>th</sup> day of May, 2019 by and between Independent School District #2154, Eveleth / Gilbert School, (hereinafter ISD #2154) and Range Mental Health Center (hereinafter RMHC) is intended to establish a relationship through which Child Therapeutic Support Services may be provided to the students of ISD #2154.

**RECITALS**

**WHEREAS**, ISD #2154 wishes to secure a provider of Children's Therapeutic Support Services and provide the same to the students it serves; and

**WHEREAS**, RMHC is a provider of mental health and related services and it has been determined that they are qualified to provide Child Therapeutic Support Services.

**NOW, THEREFORE**, for good and valuable mutual consideration, and with the intent of being legally bound, ISD #2154 and RMHC agree as follows:

1. **ENGAGEMENT.** Upon the terms and conditions set forth in this Agreement, ISD #2154 hereby contracts with RMHC, to provide Child Therapeutic Support Services at all locations and at such times as it is determined there is a need for such services.
2. **TERM.** The term of Agreement shall begin July 1, 2019 and shall continue for a period of one year concluding on June 30, 2020.

This Agreement may be terminated by either party upon 60 days notice, provided however that by mutual agreement termination may be deemed effective upon the commencement of service by a qualified replacement service provider.

3. **DUTIES.** RMHC agrees that it shall skillfully and diligently provide all such services as are identified in the attached Exhibit A. It is further agreed and understood between the parties as follows:
  - a. All services provided pursuant to this Agreement shall be performed by licensed mental health providers/practitioners who shall conform to such requirements as are established by the Minnesota Department of Human Services certification for Children's Therapeutic Support Services.
  - b. All services provided pursuant to this Agreement shall be in line with appropriate standards of care.

- c. All services provided pursuant to this Agreement shall be covered by such professional and liability insurance policies as are commonly required within the industry. Such policies are specifically identified in the attached Exhibit B.
4. **SCHEDULE.** RMHC shall provide all services contemplated by this Agreement at such times and locations as are convenient to ISD #2154 to the extent practicable. Each party acknowledges and agrees that they will use best efforts to work together to schedule the provision of services in the best interest of the students of ISD #2154 while respecting practical reality of each party's schedules. However, it is acknowledged that RMHC shall control its own scheduling.
5. **COMPENSATION.** In consideration of the performance of services rendered by RMHC pursuant to this Agreement it is agreed by and between the parties that the rates associated with the services and outlined in Exhibit A shall be the billable rate and sole compensation which shall be remitted to RMHC. It is further acknowledged that no agent or service provider employed by RMHC shall receive any additional benefits, compensation, or remuneration from ISD #2154. All services performed shall be invoiced by RMHC to ISD #2154. All invoices submitted shall be due and payable within 30 days of issuance.

ISD #2154 acknowledges and agrees that it is responsible for payment of all invoices properly submitted and in the event of early cancellation of this Agreement shall be responsible to pay all amounts due for services actually performed prior to and including the date of final service.

It is further acknowledged that each facility or location where RMHC shall be engaged to provide services pursuant to this Agreement shall be considered a satellite office of RMHC during the term of this Agreement and for purposes of the provision of service and billing.

6. **INDEMNIFICATION.** The parties hereto mutually acknowledge and agree as follows:
  - a) RMHC agrees that it will defend, indemnify and hold harmless ISD #2154 its officers and employees against any and all liability, loss, costs, damages and expenses which the ISD #2154, its officers or employees may herein sustain, incur, or be required to pay arising out of the RMHC's performance or failure to adequately perform its obligations pursuant to this Agreement.
  - b) ISD #2154 agrees it will defend, indemnify and hold harmless the RMHC, against any and all liability, loss, costs, damages and expenses which the RMHC may herein sustain, incur, or be required to pay arising out of the ISD #2154's performance or

failure to adequately perform its obligations pursuant to this Agreement.

7. **CONTROL OF INFORMATION.** The parties hereby acknowledge and agree that certain State and Federal laws control the manner in which information is collected, stored, and disseminated. Specifically it is agreed and acknowledged as follows:
  - a. All data collected, created, received, maintained, or disseminated for any purposes by the activities of RMHC because of this contract is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13.01 et seq., as those provisions may be amended from time to time, the Minnesota Rules implementing such act now in force or as adopted in the future, as well as federal regulations on data privacy.
  - b. Because of the nature of the services provided certain information, records, and documents created pursuant to this Agreement is subject to the Health Insurance Portability and Accountability Act. In the implementation of its obligation under that act, RMHC has developed and adopted implementation policies which are summarized and attached hereto as Exhibit C. All information, documents, and records created pursuant to this Agreement shall be subject to those policies.
  - c. Both RMHC and ISD #2154 acknowledge that by the nature of the services provided pursuant to this Agreement each will have access to confidential information regarding individuals involved in the provision and receipt of services as well as the business operations of the other party to this Agreement. The parties hereby covenant that they will maintain the confidentiality of all such information which shall from time to time come into their possession to the greatest extent permitted or required by any applicable laws, rules, or regulations.
8. **INDEPENDENT PROVIDER.** The parties to this Agreement acknowledge and agree that RMHC is and shall be an independent provider of services and that such independence is critical to the proper provision of mental health services. The parties further agree RMHC is free to employ or contract with other persons or entities to provide services under this Agreement. RMHC is free to provide services to other businesses or organizations and may reject any assignment given it by ISD #2154.
9. **DEFAULT.** If the RMHC fails to perform any of the provisions of this Agreement or fails to discharge its duty so as to endanger the performance of this

Agreement, this shall constitute default. Likewise, if ISD #2154 fails to perform any of the provisions of this Agreement or fails to discharge any duty born upon it so as to endanger the performance of this Agreement, this shall constitute default.

10. **NOTICE.** Any notice which is required or permitted to be given pursuant to this Agreement shall not be effective unless delivered in writing to a designated representative as indicated below:

**District**  
Superintendent  
ISD #2154  
801 Jones Street  
Eveleth, MN 55734

**Service Provider**  
Janis Allen, CEO  
Range Mental Health Center  
624 13<sup>th</sup> Street South  
Virginia, MN 55792

11. **SEVERABILITY.** If any part of this Agreement is rendered void, invalid or unenforceable, by a court of competent jurisdiction or by operation of law, such rendering shall not affect the remainder of this Agreement unless it shall substantially impair the value of the entire Agreement with respect to either party. The parties agree to substitute for the invalid provision a valid provision that most closely approximates the intent of the invalid provision.

The undersigned parties hereto have caused this Agreement to be executed and do intend that it shall be effective to control the relationship between them.

RANGE MENTAL HEALTH CENTER:

ISD #2154:

By Janis A. Allen 6/6/11/2019  
CEO MNSW, LCSW Date

\_\_\_\_\_  
Superintendent Date

Witness:  
By [Signature]  
Business Manager

By [Signature]  
Grants/Contract Coordinator

## EXHIBIT A

### Schedule of available services/rates

- a. **Indirect and Consultative Support to Intervention Teams and Special Education Staff:** The hourly rate for mental health professional or practitioner consultation is \$69.00.
- b. **Individual Educational Plan Team Meetings:** The hourly rate for mental health professional or practitioner involvement in IEP team meetings is \$69.00.
- c. **Skills Training Services:** The hourly rates for mental health skills training services that are provided as part of a student's Individual Education Plan are:
  1. Individual: \$69.00/hour or \$17.25 /15 min
  2. Group: \$300.00 per hour/ # in group
- d. **Crisis Assistance:** The rate for crisis assistance services that are provided as part of a student's Individual Education Plan is \$17.25 per fifteen (15) minute unit.
- e. **Staff Training and In-service:** The hourly rate for formal staff training and in-services provided to special education staff by mental health professional or practitioner is \$69.00.

## **EXHIBIT B**

### Liability/Professional Insurance in Force:

- a. Commercial General Liability Insurance Policy with minimum limits of \$1,500,000 combined single limit (CSL), with coverage pertaining premise operations. In the event Combined Single Limits Coverage is not secured by the Service Provider, the minimum limits apply:
  1. \$3,000,000 Aggregate
  2. \$2,000,000 Each Occurrence
- b. Automobile Liability Insurance including owned, non-owned, and hired vehicles in an amount not less than \$2,000,000 combined single limit (CSL) for total bodily injuries and/or damages arising from any one accident.
- c. Professional Liability Insurance (when required) the following minimum limits apply:
  1. \$3,000,000 Aggregate
  2. \$2,000,000 Each Occurrence
- d. Excess Umbrella Liability Policy will be additionally required if any of the above policies have lower limits than stated.
- e. Worker's Compensation Insurance.
- f. Prior to the effective date of this Agreement, and as a condition precedent, the Service Provider will furnish the District with an original Certificate of Insurance listing the District as an "Additional Insured" in all coverage areas except Worker's Compensation and Professional Liability.

## **EXHIBIT C**

### Information Control/Dissemination Policies:

RMHC has developed and adopted implementation policies under the Minnesota Government Data Practices Act. If you would like to see copies of these policies listed below please contact our compliance officer:

G'na Tuomala  
Compliance/Privacy Officer  
218-749-2881 x 1249  
218-741-3080 (fax)  
[gtuomala@rangementalhealth.org](mailto:gtuomala@rangementalhealth.org)

Policies available:

1. HIPAA Privacy Compliance Policies & Procedures
2. Notice of Privacy Practices
3. Disclosure to Family Members



## BBC Project Plan Guidelines

**Project Name:** Technology Upgrades

**Project Description:**

The Chamber hosts businesses and community members for meetings and events and does not have current up-to-date technology for projecting and providing presentations.

**Project Team Leader** (name, affiliation, contact info): Melissa Cox

**Other Project Team Members:**

- 

**Who else should be involved in this project? (person or organization)**

- All Chamber Committees that could utilize the need

**What are the goals of your project:**

- To be able to provide better technology environmental for our members and the community.

**What are some strategies for achieving those goals:**

We would be able to have the equipment required for meetings and events in the goal to promote and support the overall chamber mission.

**What are the desired outcomes? At the end of the project, what will be different, better, more or less of?**

We would have better quality events and would be able to be more self-sufficient.

**How will you measure the success of your project?**

We would look at the number of people we are impacting through our meetings and events .

*Please submit a detailed budget including sources of cash and in-kind match.*

# Quote Option Overview

EVELETH GILBERT ISD 2154 | 07/01/19



## Option 001: \$155,522

Ref# X052046-001  
Renewal Quote

## Option 002: \$157,859

Ref# X052046-002  
Updated Opt with Cyber increased

### A - Commercial Property

Premium	\$72,784	\$72,784	
Deductible Range	9 bldg @ \$5,000	9 bldg @ \$5,000	
Extension Endorsement	Not Applicable	Not Applicable	
Unreported Buildings	\$50,000 included	\$50,000 included	
Unique Forms			

### C - Commercial Inland Marine

Premium	\$301	\$301	
Class Description	CAMERAS-COMM-EXCL MOTION PICT.	CAMERAS-COMM-EXCL MOTION PICT.	
	MUSICAL INSTR-ALL OTHER BANDS	MUSICAL INSTR-ALL OTHER BANDS	
	COMPUTER COVERAGE-UNSCHEDULED	COMPUTER COVERAGE-UNSCHEDULED	
Unique Forms			

### D - General Liability

Premium	\$5,811	\$5,811	
Occurrence Limit	\$1,000,000	\$1,000,000	
Aggregate Limit	\$2,000,000	\$2,000,000	
Medical Limit	\$10,000	\$10,000	
Damage to Premises	\$500,000	\$500,000	
EPLI	Not Applicable	Not Applicable	
Extension Endorsement	Elite Extension Endorsement	Elite Extension Endorsement	
Unique Forms			

### E - Business Auto

Premium	\$18,053	\$18,053	
Liability Limit	\$1,500,000	\$1,500,000	
Trucks & Trlrs Comp	\$250 Deductible	\$250 Deductible	
Trucks & Trlrs Coll	\$500 Deductible	\$500 Deductible	
Public Auto Comp	\$250 Deductible	\$250 Deductible	
Public Auto Coll	\$500 Deductible	\$500 Deductible	
Extension Endorsement	Elite Extension	Elite Extension	
Unique Forms			

### H - Workers Compensation

Premium	\$51,367	\$51,367	
Liability Limits	\$500,000/\$500,000/\$500,000	\$500,000/\$500,000/\$500,000	
Experience Mod	1.020 MN	1.020 MN	
Unique Forms			

### J - Commercial Umbrella

Premium	\$3,199	\$3,199	
Liability Limit	\$1,000,000	\$1,000,000	
SIR	\$0	\$0	
Unique Forms			

\* Differs per Option

# Quote Option Overview

EVELETH GILBERT ISD 2154 | 07/01/19



## Option 001: \$155,522

Ref# X052046-001  
Renewal Quote

## Option 002: \$157,859

Ref# X052046-002  
Updated Opt with Cyber increased

### K - Linebacker

Premium	\$3,364	\$3,364	
Loss Limit	\$1000000	\$1000000	
Aggregate Limit	\$2000000	\$2000000	
Deductible	\$1,000	\$1,000	
Unique Forms			

### Q - Cybersolutions

Premium*	\$444	\$2,781	
Cyber Liability*	\$50,000 Limit	\$1,000,000 Limit	
	\$1,000 Deductible	\$10,000 Deductible	
Data Compromise*	\$50,000 Limit	\$1,000,000 Limit	
	\$1,000 Deductible	\$10,000 Deductible	
Unique Forms	Comparison Unavailable	Comparison Unavailable	

### S - Commercial Crime

Premium	\$199	\$199	
Unique Forms			

\* Differs per Option

# **EVELETH-GILBERT PUBLIC SCHOOL**

**INDEPENDENT SCHOOL DISTRICT #2154**

## **2019-20 PROPOSED BUDGET**

**PRESENTED TO THE SCHOOL BOARD  
JUNE 24, 2019**



**Eveleth-Gilbert Public Schools**

*A world class school district preparing all students for the future*

# 2019-20 PROPOSED BUDGET ASSUMPTIONS

## 1. Enrollment

- Assumptions include 60 incoming Kindergarten Students
- Assumptions include 872 K-12 Students
- Estimated decrease of 28 students

## 2. Staffing

- Estimated increases for salary & benefits for ongoing negotiated contracts

## 3. General Fund

- Basic State Aid of 2.0%
  - 2018-19 Aid per pupil = \$6,312
  - 2019-20 Aid per pupil = \$6,438
- General Fund revenue shows an overall increase of \$52,000.
  - Reduction of general fund revenue by \$95,000 due to decrease of students.
  - Increase of special education funding by \$109,000 (partially due to increased special education transportation costs).
  - Increase in Capital Funding (State formula) of \$38,000
- General Fund expenditures are increasing by about \$194,000.
  - Due to staffing cost increases (steps/lanes/negotiations)

## 4. Fund Balance

- The 2018-19 budget included current year deficit spending of \$556,044
- The 2019-20 Proposed budget includes a \$495,278 deficit.
- This budget represents a decrease to the overall Unassigned Fund Balance
  - Budgeted 2018-19 estimated unassigned fund balance \$4,622,870
  - Budgeted 2019-20 estimated unassigned fund balance \$4,127,592
    - 1. This would represent a fund balance of 33.3% of expenditures.

## GENERAL – FUND 01 / 03 / 05

The general fund is used to account for the majority of the Districts operations. All educational, transportation and building/maintenance revenue and expenditures are included in this fund. Capital revenue must be spent on building maintenance and any remaining fund balance must be kept for building maintenance projects.

## FOOD SERVICE – FUND 02

All revenues and expenditures for our breakfast and lunch programs are included in fund 02.

## COMMUNITY EDUCATION – FUND 04

The Community Education fund includes revenues and expenditures for all community education activities, early childhood family education, and school readiness.

## DEBT SERVICE – FUND 07

The Debt Service Fund is used to record revenues and expenditures for outstanding bonded indebtedness, whether for building construction or operating capital.

## SCHOLARSHIP TRUST – FUND 08

Over the years, the School Board has accepted donations to set up scholarships for students. In doing so, the Board has agreed to accept the responsibility to serve as trustee. Trust funds are composed of two types: expendable and nonexpendable. Expendable trust funds are used where both principal and earnings may be spent. Nonexpendable trust funds are used to account for trusts which require that only earnings and not principal be spent. Donors set the rules for distribution of the scholarship funds and decide whether the funds will be expendable or nonexpendable.

## FUND BALANCE

The projected fund balance at the end of the 2019-20 school year is \$4,127,592. This represents 33.3% of general operating expenses.

INDEPENDENT SCHOOL DISTRICT #2154 – EVELETH-GILBERT, MN  
2019-20 DRAFT BUDGET

**2019-20 DRAFT Budget**

As of 6/19/2019

Revenue						
	<u>2017-18</u>	<u>2018-19</u>	<u>2018-19</u>	<u>2019-20</u>	<u>Change</u>	<u>%</u>
	<u>Actual</u>	<u>Adopted</u>	<u>Revised</u>	<u>Adopted</u>		
Total Operating Funds	\$12,744,235	\$11,861,825	\$11,861,825	\$11,914,794	\$52,969	0.4%
Fund 0200 Food Service	\$402,762	\$436,775	\$436,775	\$436,775	\$0	0.0%
Fund 0400 Community Ed	\$358,159	\$245,158	\$245,158	\$250,724	\$5,566	2.3%
Fund 0700 Debt Service	\$389,179	\$316,866	\$0	\$0	\$0	-
Fund 0800 Scholarships	\$4,958	\$1,000	\$1,000	\$1,000	\$0	0.0%
Fund 2500 OPEB	\$44,019	\$20,000	\$20,000	\$40,000	\$20,000	100.0%
Fund 2700 OPEB Debt	\$1,437,289	\$251,934	\$251,934	\$233,628	(\$18,306)	-7.3%
Total All Funds	\$15,380,600	\$13,133,558	\$12,816,692	\$12,876,921	\$60,229	0.5%

Expenditures						
	<u>2017-18</u>	<u>2018-19</u>	<u>2018-19</u>	<u>2019-20</u>	<u>Change</u>	<u>%</u>
	<u>Actual</u>	<u>Adopted</u>	<u>Revised</u>	<u>Adopted</u>		
Total Operating Funds	\$12,684,562	\$12,417,870	\$12,399,978	\$12,410,072	\$10,094	0.1%
Fund 0200 Food Service	\$382,608	\$435,030	\$433,500	\$437,835	\$4,335	1.0%
Fund 0400 Community Ed	\$310,290	\$307,676	\$307,676	\$332,025	\$24,349	7.9%
Fund 0700 Debt Service	\$396,083	\$321,083	\$0	\$0	\$0	-
Fund 0800 Scholarships	\$5,500	\$7,150	\$7,150	\$7,150	\$0	0.0%
Fund 2500 OPEB	\$167,587	\$287,000	\$287,000	\$287,000	\$0	0.0%
Fund 2700 OPEB Debt	\$205,117	\$250,000	\$250,000	\$250,000	\$0	0.0%
Total All Funds	\$14,151,747	\$14,025,809	\$13,685,304	\$13,724,082	\$38,778	0.3%

Net						
	<u>2017-18</u>	<u>2018-19</u>	<u>2018-19</u>	<u>2019-20</u>	<u>Change</u>	<u>%</u>
	<u>Actual</u>	<u>Adopted</u>	<u>Revised</u>	<u>Adopted</u>		
Total Operating Funds	\$59,672	(\$556,044)	(\$538,152)	(\$495,278)	\$42,874	
Fund 0200 Food Service	\$20,154	\$1,745	\$3,275	(\$1,060)	(\$4,335)	
Fund 0400 Community Ed	\$47,870	(\$62,518)	(\$62,518)	(\$81,301)	(\$18,783)	
Fund 0700 Debt Service	(\$6,904)	(\$4,217)	\$0	\$0	\$0	
Fund 0800 Scholarships	(\$542)	(\$6,150)	(\$6,150)	(\$6,150)	\$0	
Fund 2500 OPEB	(\$123,568)	(\$267,000)	(\$267,000)	(\$247,000)	\$20,000	
Fund 2700 OPEB Debt	\$1,232,172	\$1,934	\$1,934	(\$16,372)	(\$18,306)	
Total All Funds	\$1,228,853	(\$892,251)	(\$868,612)	(\$847,161)	\$21,451	

Unassigned Fund Balance	\$5,161,023 40.7%	\$4,604,978 37.1%	\$4,622,870 37.3%	\$4,127,592 33.3%
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	Fiscal Yr. 2019	Fiscal Yr. 2020	Fiscal Yr. 2021	Fiscal Yr. 2022	Fiscal Yr. 2023	Fiscal Yr. 2024	Fiscal Yr. 2025	Fiscal Yr. 2026	Fiscal Yr. 2027	Fiscal Yr. 2028	Fiscal Yr. 2029
<b>H &amp; S Expenditures</b>											
<b>347 Physical Hazards</b>											
Elevator Repair/Maint/Inspection	17,400	17,400	17,400	17,500	17,700	18,200	18,200	18,350	18,350	18,350	17,500
Lift Repair	1,200	1,200	1,200	1,300	1,300	1,300	1,350	1,400	1,400	1,400	1,300
Parts/Supplies	1,000	1,000	1,000	1,157	1,325	1,378	1,500	1,600	1,600	1,600	1,757
Personal Protective Equipment	1,000	1,000	1,000	1,075	1,150	1,150	1,225	1,319	1,319	1,319	1,394
Shop Eq Inspect/Repair Annual	3,000	2,000	3,000	3,050	3,100	3,100	3,218	3,300	3,300	3,300	3,350
Wood Chip Replacement Annual	3,000	0									
<b>347 Total Physical Hazards</b>	<b>26,600</b>	<b>22,600</b>	<b>23,600</b>	<b>24,082</b>	<b>24,575</b>	<b>25,128</b>	<b>25,493</b>	<b>25,969</b>	<b>25,969</b>	<b>25,969</b>	<b>25,301</b>
<b>349 Other Hazardous Materials</b>											
Annual Water Testing/Mitigation	3,000										
Fuel Tank Inspection/Repair Annual	1,000	1,000	1,100	1,100	1,100	1,100	1,100	1,100	1,300	1,300	1,000
Recycling	3,400	3,650	3,700	3,700	3,200	3,200	3,700	3,700	3,900	3,900	3,650
State Reports	100	100	100	100	100	100	100	100	100	100	100
<b>348 Total Other Hazardous Materials</b>	<b>7,500</b>	<b>4,750</b>	<b>4,900</b>	<b>4,900</b>	<b>4,400</b>	<b>4,400</b>	<b>4,900</b>	<b>4,900</b>	<b>5,300</b>	<b>5,300</b>	<b>4,750</b>
<b>352 Environmental H &amp; S Management</b>											
OSHA Compliance Program	5,700	5,700	5,700	5,700	5,775	5,775	5,775	5,900	5,900	5,900	5,700
H & S Compliance Program	5,700	5,700	5,700	5,700	5,775	5,775	5,775	5,900	5,900	5,900	5,700
H & S Committee Staff Salaries- <b>MIKE H</b>	19,500	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Playground Inspections/Repair	2,000	2,000	2,000	2,000	2,250	2,250	2,250	2,250	2,250	2,250	2,000
AED Contract	2,100	2,100	2,100	2,100	2,200	2,200	2,200	2,200	2,200	2,200	2,100
<b>352 Total Environmental H &amp; S Management</b>	<b>35,000</b>	<b>55,500</b>	<b>55,500</b>	<b>55,500</b>	<b>56,000</b>	<b>56,000</b>	<b>56,000</b>	<b>56,250</b>	<b>56,250</b>	<b>56,250</b>	<b>55,500</b>
<b>358 Asbestos Removal &amp; Encapsulation</b>											
Asbestos Abatement	5,500	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Floor Removal	2,400	0	0	0	0	0	0	0	0	0	0
Sampling/Air Monitoring	2,100	0	0	0	0	0	0	0	0	0	0
<b>358 Total Asbestos Removal &amp; Encapsulation</b>	<b>10,000</b>	<b>3,000</b>									
<b>363 Fire Safety</b>											
Inspections/Certifications	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
5 Year Inspections	0	0	0	5,000	0	0	0	0	5,000	0	0
Contracts	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Central Station Monitor	500	500	500	500	500	500	600	600	600	600	600
Computer Room Fire Suppression	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Kitchen Fire Suppression	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Kitchen Hood Cleaning	2,500	2,500	2,500	2,500	3,000	3,000	3,000	3,000	2,500	3,000	3,000
Fire Marshal Orders	2,000	2,000	2,000	1,500	2,000	2,000	2,000	2,284	2,284	2,284	2,284
Fire Alarm Monitor/Repair	2,500	2,500	2,500	1,000	2,500	2,500	2,500	2,500	2,000	2,500	2,500
Fire Extinguishers	2,300	2,300	2,300	362	2,331	2,708	2,800	2,800	0	2,800	2,800
Outdoor Emergency Lights	250	250	250	100	300	300	377	400	100	400	400
Security Camera Repair	500	500	500	100	600	600	700	700	100	700	700
Boiler Pressure Switch	250	250	250	100	300	300	315	400	100	400	400
<b>363 Total Fire Safety</b>	<b>18,100</b>	<b>18,100</b>	<b>18,100</b>	<b>18,462</b>	<b>18,831</b>	<b>19,208</b>	<b>19,592</b>	<b>19,984</b>	<b>19,984</b>	<b>19,984</b>	<b>19,984</b>
<b>366 Indoor Air Quality</b>											
Indoor Air Testing	3,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Maintenance	2,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
<b>366 Total Indoor Air Quality</b>	<b>5,000</b>	<b>6,000</b>									

	Fiscal Yr. 2019	Fiscal Yr. 2020	Fiscal Yr. 2021	Fiscal Yr. 2022	Fiscal Yr. 2023	Fiscal Yr. 2024	Fiscal Yr. 2025	Fiscal Yr. 2026	Fiscal Yr. 2027	Fiscal Yr. 2028	Fiscal Yr. 2029
<b>TOTAL Health and Safety Capital Projects</b>	<b>102,200</b>	<b>109,950</b>	<b>111,100</b>	<b>111,944</b>	<b>112,806</b>	<b>113,736</b>	<b>114,985</b>	<b>116,103</b>	<b>116,503</b>	<b>116,503</b>	<b>114,535</b>
<b>Deferred Capital Expenditures &amp; Maintenance Projects</b>											
<b>368 Building Envelope</b>											
Exterior Doors	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Tuck Pointing	40,000	0	0	0	0	0	0	0	0	0	0
<b>368 Total Building Envelope</b>	<b>50,000</b>	<b>10,000</b>									
<b>369 Building Hardware &amp; Equipment</b>											
Annual Locker Repair	3,000	3,000	3,000	3,000	3,000	4,000	4,000	4,000	4,000	4,000	4,000
Bleacher Guardrails	13,500	0	0	0	0	0	0	0	0	0	0
Electronic Doors (Fob System)	8,500	5,000	0	0	0	0	0	0	0	0	0
Repair/Replace Athletic Items	0	2,000	0	0	0	11,000	11,000	11,000	11,000	11,000	11,000
<b>369 Total Building Hardware &amp; Equipment</b>	<b>25,000</b>	<b>10,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>370 Electrical</b>											
Annual Electrical Repairs	2,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
LED Retrofitting (Strategic Replacing)	23,000	0	0	0	0	0	0	0	0	0	0
<b>370 Total Electrical</b>	<b>25,000</b>	<b>5,000</b>									
<b>379 Interior Surfaces</b>											
Painting Annual	5,000	0	0	0	0	0	0	0	0	0	0
Replace Carpet	0	15,000	10,000	0	0	0	0	0	0	0	0
Replace Tile (\$5000 Class/\$75000 Commons)	105,000	0	0	0	0	0	0	0	0	0	0
<b>379 Total Interior Surfaces</b>	<b>110,000</b>	<b>15,000</b>	<b>10,000</b>	<b>0</b>							
<b>380 Mechanical Systems</b>											
Boiler Inspections/Repair	5,000	5,000	20,000	20,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<b>380 Total Mechanical Systems</b>	<b>5,000</b>	<b>5,000</b>	<b>20,000</b>	<b>20,000</b>	<b>10,000</b>						
<b>381 Plumbing</b>											
Plumbing Supplies (Toilets, Valves, etc.)	15,000	15,000	10,000	10,000	10,000	7,000	7,000	7,000	7,000	7,000	7,000
<b>381 Total Plumbing</b>	<b>15,000</b>	<b>15,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
<b>382 Professional Services &amp; Salary</b>											
District Carpenter/Annual Maintenance	22,500	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
<b>382 Total Professional Services &amp; Salary</b>	<b>22,500</b>	<b>75,000</b>									
<b>383 Roof Systems</b>											
Replacer/Repair Media Center Roof	150,000	25,000	0	0	0	0	0	0	0	0	0
General Repairs	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Replace Fine Arts Roof	0	0	0	0	0	0	0	0	0	0	0
Link Roof Replace	0	0	0	0	0	0	0	0	0	0	0
<b>383 Total Roof Systems</b>	<b>150,000</b>	<b>35,000</b>	<b>10,000</b>								
<b>384 Site Projects</b>											
Football Field Maintenance	0	0	0	0	0	0	0	0	0	0	0
Softball Field Maintenance	0	0	0	0	0	0	0	0	0	0	0
Parking Lot Maintenance	10,000	10,000	10,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Sidewalk Maintenance	15,000	10,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
<b>384 Total Site Projects</b>	<b>25,000</b>	<b>20,000</b>	<b>12,500</b>	<b>5,000</b>							

LTFM DETAIL

	Fiscal Yr. 2019	Fiscal Yr. 2020	Fiscal Yr. 2021	Fiscal Yr. 2022	Fiscal Yr. 2023	Fiscal Yr. 2024	Fiscal Yr. 2025	Fiscal Yr. 2026	Fiscal Yr. 2027	Fiscal Yr. 2028	Fiscal Yr. 2029
TOTAL Deferred Capital Expense & Maintenance	427,500	190,000	155,500	138,000	128,000	137,000	137,000	137,000	137,000	137,000	137,000
TEN YEAR LTFM TOTAL	529,700	299,950	266,600	249,944	240,806	250,736	251,985	253,103	253,503	253,503	251,535
ANNUAL LTFM REVENUE	387,482	385,035	383,000	381,000	379,000	377,000	375,000	373,000	371,000	369,000	369,000
LTFM Fund Balance	153,730	238,815	355,215	486,271	624,465	750,729	873,744	993,641	1,111,138	1,226,635	1,344,100

**JOINT POWERS AGREEMENT  
ESTABLISHING A DISTANCE LEARNING PROGRAM**

THIS AGREEMENT is made pursuant to Minn. Stat. §471.59 which authorizes local governmental units and school districts to jointly and cooperatively exercise any power common to any of the member parties.

**ARTICLE I.  
PARTIES**

The parties to this agreement are the following governmental units and political subdivisions of the State of Minnesota:

See attached Exhibit A, which is incorporated herein by this reference.

**ARTICLE II.  
GENERAL PURPOSE**

The general purpose of this Agreement is to create a body hereinafter referred to as **INFINITY**, with a board to organize, manage, undertake, implement and accomplish all of the programs, purposes and functions designed and intended to establish and provide accredited on-line or distance learning opportunities and programs for member students who seek educational experience and credits outside of the traditional learning environment. The on-line and distance learning opportunities and programs developed are to be of a quality and efficacy which would meet the academic and graduation requirements of member, units and better assure students of their transferability.

**ARTICLE III.  
JOINT GOVERNING BOARD**

**Section 1. Creation.** A **joint board**, hereinafter called and referred to as the **INFINITY board**, shall be formed and created as set forth and provided herein.

**Section 2. Members.** The **INFINITY joint powers board** shall consist of no less than six (6) and no more than fifteen (15) members, with one member being selected and appointed by the governing board of each school district represented on the executive council (refer to Article VIII., EXECUTIVE COUNCIL contained herein). The members selected shall be a board member from that member district. The chair and vice chair(s) of the executive council shall also be considered voting members of this **joint powers board**.

**Section 3. Vacancies.** A vacancy occurs on the **INFINITY joint powers board** upon the happening of any one of the following:

- a) The member or party by whom the member was appointed no longer is represented on the executive council;
- b) Resignation or death of a member of the board;
- c) A member is no longer employed by or associated with the governmental unit by whom the appointment was made;
- d) The member's appointment to the **INFINITY joint powers board** is rescinded or terminated by a two-thirds vote of the full membership of the board of the governmental unit which made the appointment.

When a vacancy occurs, it shall be filled within 30 days by the governmental unit which is eligible to make the appointment, with eligibility being determined by membership in the executive council.

**Section 4. Expenses.** All members of the **joint powers board** shall serve without compensation or reimbursement for any expenses incurred in the performance of the duties contemplated by this agreement.

#### **ARTICLE IV. MEETINGS**

**Section 1. Regular Meetings.** The **INFINITY joint powers board** shall meet bi-annually at a time, date and site to be determined and set by the **joint powers board** at its first meeting; and thereafter determined on an annual basis.

**Section 2. Special Meetings.** Special meetings of the **INFINITY joint powers board** may be called by the chairperson, or any two (2) other members of the board, upon three (3) days written notice to each member of the board. Such notice shall contain the date, time, place, and purpose of the special meeting.

**Section 3. Open Meeting Compliance.** All meetings of the **INFINITY joint powers board**, or any of its committees, shall be in full compliance and accord with the Minnesota Open Meeting Law requirements.

**Section 4. Quorum.** A quorum of the **INFINITY joint powers board** shall consist of a designated number of members present; to be determined on an annual basis by the governing board. A quorum shall be necessary to conduct or

transact any business. If a quorum is not present, no business can or shall be conducted. The designated number of board members shall be necessary for approval or passage, unless otherwise provided herein. Abstentions shall be considered as a vote with the majority of those voting on an issue or matter.

**Section 5. Executive Director Attendance.** If an executive director is hired and/or employed by the **INFINITY joint powers board**, the executive director shall attend all regular meetings and those special and committee meetings as directed by the board.

**Section 6. Minutes.** Written minutes shall be kept and maintained at each meeting of the **INFINITY joint powers board**, and shall be approved by the board at its next regular meeting. Copies of all minutes, whether or not formally approved by the board, and notices of all meetings, shall be provided to the parties to this agreement upon request, and, if requested, without unnecessary delay.

## **ARTICLE V. OFFICERS AND ADMINISTRATIVE ISSUES**

**Section 1. Election.** At the first meeting of the **INFINITY joint powers board**, and at its first regular meeting of each year thereafter, the board shall elect a chairperson and vice-chairperson from its membership.

**Section 2. Fiscal Agent, Funds, Expenditures, Authorized Signatures.**

a) The **INFINITY joint powers board** may name one or more federally insured banks or savings institutions as official depositories, and the treasurer shall promptly deposit all funds in said depositories as the chief fiscal

officer of the board and the guardian of its funds. However, at its option, the **joint powers board** may, on an annual basis, contract for fiscal and/or financial services with any one of the parties to this agreement. Any such fiscal or financial agent or representative must comply with the laws of the state of Minnesota with regard to the depositing and holding of public funds.

b) No expenditures shall be made by any employee or officer of the **joint powers board** without being formally approved by the board at a properly conducted meeting. No bills or claims shall be paid unless and until approved by the **joint powers board**. However, the **joint powers board** may give the executive council prior or subsequent authority to make expenditures and/or pay bills and claims that were clearly within the budget approved by the **joint powers board**.

c) All checks or drafts shall require the signature of both the chairperson and vice-chairperson, but the **joint powers board** may develop a procedure providing for the signatures of other officers in the absence of the chairperson or vice-chairperson. However, in no event shall a check or draft be issued without the signature of two officers.

**Section 3. Terms of Office.** **Joint powers board** officers shall hold office for a term of one year. A vacancy in an office shall be filled from the membership of the **joint powers board** by a majority vote, and the officer shall serve for the remainder of the unexpired term of the vacated office.

**Section 4. Rules, Regulations, By-Laws, and Policies.**

a) The **INFINITY joint powers board** shall adopt such rules, regulations, by-laws, policies and procedures as it may deem necessary and proper to carry out its affairs, purpose, and mission. However, no rules, regulations, by-laws, policies or procedures shall be adopted which conflict with the provisions of this agreement, or with federal or state law, rules or regulations.

b) All rules, regulations, by-laws, policies and procedures, and any amendments or changes thereto, must be approved by a majority of the full membership of the **joint powers board**, and not a majority of a quorum.

**ARTICLE VI.  
GENERAL POWERS AND DUTIES OF THE  
INFINITY JOINT POWERS BOARD**

**Section 1. General Powers.**

a) The **INFINITY joint powers board** shall have and exercise all powers which may be necessary to enable it to perform and carry out the powers, duties, and responsibilities necessary and appropriate to fulfill its general purpose and its specific mission

b) The **joint powers board** shall develop, adopt, and implement all policies and procedures necessary to carry out and accomplish the initiatives, goals, and desired outcomes intended and contemplated by its general purpose and mission.

c) The **joint powers board** shall have the power to make cooperative agreements with any other governmental units or non-profit corporations not

parties to this agreement when such agreements would prove advantageous and beneficial to carrying out and fulfilling its general purpose and mission.

**Section 2. Personnel.**

a) The **INFINITY joint powers board** shall have the power to employ an individual to serve as executive director of and for its services and programs, and to help and direct the board and executive council in carrying out their respective purposes and mission. The salary and benefits paid to the executive director shall annually be determined by the **joint powers board**. The hiring and employment of the executive director must be approved by at least a majority of the full membership of the **INFINITY joint powers board**. The job description and qualifications of the executive director shall be determined by the **joint powers board** and approved by a majority of the full membership of the **joint powers board**.

The **joint powers board** shall negotiate and enter into a written contract with the executive director. The employment rights of the executive director shall be subject to and governed by Minnesota Statutes §122A.40.

b) The **INFINITY joint powers board** shall also have the power to hire and employ other personnel in order to carry out its duties, purpose and mission.

c) The **INFINITY joint powers board** shall establish and adopt non-discriminatory procedures and policies with regard to the hiring and employment of an executive director and any other employees. Any and all vacancies must be properly posted and advertised, and all hiring practices shall be in compliance with federal and state law, rule and regulation.

d) Any volunteers working in any of the **INFINITY** programs or activities must have approval of the **Executive Council**.

e) All individuals hired or employed by the **joint powers board**, including the executive director, and any volunteers working in any of its programs, must undergo and successfully complete both a criminal history background check and an employment background check as a condition to being offered employment prior to performing services.

f) The **INFINITY joint powers board** shall establish such personnel policies, job descriptions and qualifications as it deems necessary and appropriate to apply to the executive director and other employees and staff.

g) The executive director and all other staff and personnel shall be considered employees of the **INFINITY joint powers board**, and shall not be considered as employees of any member of or party to this agreement.

h) The salary, workers' compensation insurance, other benefits, and other expenses of the executive director and all other staff and personnel shall be paid from the funds of the **INFINITY joint powers board** in accordance with the provisions of this agreement.

i) The **INFINITY joint powers board** shall supervise and oversee the position of executive director. All other staff and personnel hired by the **joint powers board** shall be supervised by the executive council. However, should an executive director be hired, the executive director shall have immediate supervisory responsibilities over other staff and personnel with the executive council having overall supervision.

j) Any professional employee falling within the definition of a teacher as set forth in Minn. Stat. §122A.40, Subd. 1, shall sign and execute a contract with the **INFINITY joint powers board**, and shall have employments rights as set forth in and by said statute.

All other employees hired by the **joint powers board** shall have employment rights as set forth in and provided by PELRA.

If any employee or group of employees properly organize under and pursuant to state and/or federal law for purpose of collectively bargaining, the provisions of any collective bargaining agreement, to the extent not inconsistent with law or administrative or agency rule, shall prevail.

k) Neither the executive director nor any other employee of the **joint powers board** shall have the power or authority to in any way bind the **INFINITY joint powers board**, or any of the parties to this agreement, to any agreement or contract, or to the expenditure of any funds, or to create any other form of debt or legal obligation.

### **Section 3. Contracts.**

a) The **INFINITY joint powers board** may contract for and make purchases of materials, supplies, equipment, services, including financial, accounting, bookkeeping or administrative services, and such other items as it may deem necessary to carry out its purpose and mission. All such contracts, when required by law, may only be made or let in full compliance and in accordance with the letter and spirit of the Uniform Municipal Contracting Act and/or other competitive bidding requirements. It shall be the responsibility of

the **joint powers board** to make certain, as far as possible, that it is getting the best bargain for the smallest expenditure.

b) Any contracts entered into by the **INFINITY joint powers board** shall not extend beyond the legal existence of the **joint powers board**, and must contain language specifying that the contract and underlying obligation is the sole responsibility of the **joint powers board**.

c) The **INFINITY joint powers board** may not deficit spend unless this agreement is amended.

d) The **INFINITY joint powers board** has no power to issue bonds, borrow money, pledge assets, or to otherwise create any indebtedness, except as provided above.

e) The **INFINITY joint powers board** may delegate some or all of the contracting responsibilities to the executive council when and where consistent with the budget adopted by the **joint powers board**. Under such circumstances, the executive council is bound by the provisions herein.

#### **Section 4. Insurance.**

a) The **INFINITY joint powers board** shall obtain Comprehensive General Liability and Errors-and-Omissions insurance protecting itself, its officers, executive council, executive director, and other employees and volunteers, against liability claims which may arise in the ordinary course of carrying-out and conducting its mission, purpose and programs, in amounts which must comply with the minimum requirements of Minn. Stat. §466.04. All such policy(s) shall name the parties hereto as additional named insureds to the extent possible.

Said policy(s) shall provide for thirty (30) days notice of cancellation to the parties hereto, and provide for the ability of the parties hereto to pay premiums in the event of non-payment by the **INFINITY joint powers board**.

b) The **INFINITY joint powers board** can either purchase insurance directly, participate in a pooled insurance program with other public entities or governmental units, or acquire its insurance as a rider or in addition to the insurance coverages of any one of the parties to this agreement. But it must be considered a separate, named insured.

c) The **INFINITY joint powers board** shall also obtain and maintain workers' compensation insurance for its executive director and all other employees, and automobile liability insurance for any vehicle owned or leased by the **joint powers board**.

## **ARTICLE VII. FINANCIAL MATTERS**

**Section 1. Funding and Revenue.** Funding and revenue for the **INFINITY joint powers entity** may come from various sources, including but not limited to, grants and gifts. However, it shall be the primary responsibility of the parties to this agreement to adequately fund the **INFINITY joint powers board** and its programs. The total amount necessary to fund the **INFINITY joint powers**

shall be determined on an annual basis, but may be examined and readjusted as necessary as determined by the **joint powers board**.

**Section 2. Budget.** The **INFINITY joint powers board** shall submit a proposed budget and comprehensive program report to each party hereto annually. The comprehensive program report shall set forth the proposed plans and programs for the ensuing school year. Each party shall have 45 days to review and comment on the proposed budget and program report. The budget and program report shall be utilized by the **joint powers board** to determine the expected funding and contribution of each of the parties for the subsequent year. The **INFINITY joint powers board** shall only spend more than that which has been budgeted when there are sufficient other revenues to guaranty that the board shall not deficit spend in a fiscal year.

The **INFINITY joint powers board** may set, establish, collect and receive charges and users fees in conjunction with any of its programs. Any such charges and fees must be approved by a majority of the full membership of the **joint powers board**. Any funds derived in this fashion shall be considered in and during the budgeting process to determine the contribution obligation of the parties hereto.

**Section 3. Reserve Funds.** The **INFINITY joint powers board** may accumulate reasonable reserve funds for the purpose of operating its services and programs, and it may invest such funds not currently needed for program operation in a manner consistent with, and subject to, the laws of the state of Minnesota applicable to cities, counties and school districts.

**Section 4. Fiscal Year.** The fiscal year of the **joint powers board** shall be as determined by the board and its fiscal agent, if any.

**Section 4. Annual Audit.** An audit of all funds and accounts of the **INFINITY joint powers board** shall be made annually, with the cost of said audit to be at the expense of the **INFINITY joint powers board**. Said audit must be conducted by an auditing firm familiar with auditing practices and procedures accepted, recognized and approved by the state of Minnesota. A copy of said audit shall be provided to each of the parties hereto upon request.

#### **ARTICLE VIII. EXECUTIVE COUNCIL**

**Section 1. Purpose and powers.** The day-to-day care, management, and operational control of the **INFINITY** programs will be vested in the executive council, subject to policies adopted, and oversight, by the **INFINITY joint powers board**. All expenditures are subject to budgetary approval by the joint powers board and subsequent review or ratification.

**Section 2. Members.** Regional representation on the executive council shall be based on MASA Region District involvement as of April 15 of each calendar year. Representation shall be reviewed and eligibility determined at the next executive council meeting following. Executive council members agree to facilitate executive council elections at fall regional meetings or through other approved voting methods to ensure fair representation from member districts.

**Section 3. Terms.** Terms on the executive council will be for two years, with odd-numbered regions selecting membership in September of odd years to

be seated in January, and even-numbered regions selecting membership in September of even years to be seated in January.

**Section 4. Vacancies.** Should a majority of the executive council determine that a vacancy exists, the vacancy can be filled by an appointment by a majority vote of the executive council for the remainder of the unexpired term.

**Section 4. Quorum.** A quorum of the executive council shall consist of a shall consist of a designated number of members present; to be determined on an annual basis by the executive council. A quorum shall be necessary to conduct or transact any business. If a quorum is not present, no business can or shall be conducted.

**Section 5. Specific Powers and Authority of the Executive Council.** The executive council shall be involved with the making and implementation of unified and cooperative proposals for funding, development, and the establishment of on-line or distance learning programs and services in the name of **INFINITY**.

The executive council shall carry out those powers and duties granted to it by the **joint powers board**, and its powers and duties shall always be subject to the review and modification by the **joint powers board**.

#### **ARTICLE IX. DURATION**

**Section 1. Continuing Existence.** This agreement and the **joint powers board** created thereby shall continue in existence from year-to-year until terminated at any time by a majority vote of the full board or council of all of the parties hereto.

**Section 2. Withdrawal of Parties.** Any party may withdraw from this agreement by giving 120 days written notice of the party's intent to do so. The effective date of withdrawal shall be considered to be on the 121<sup>st</sup> day following the receipt of the required written notice of the intent to withdraw. Said written notice shall be given to each of the other parties to this agreement.

A withdrawing party shall continue to give contributions and comply with this agreement through the effective date of withdrawal. Should a member of that party hold office either on the **joint powers board** or the executive council, the term of office of that member shall cease to exist on the effective date of withdrawal and a vacancy may be declared. Notice of withdrawal may be rescinded in written form at any time prior to the effective date of withdrawal. Any withdrawing party shall continue to be held responsible for any liabilities and obligations incurred prior to the effective date of withdrawal.

**Section 3. Division of Assets.**

- a) Upon Termination of this Agreement.

Upon termination or dissolution of this agreement, all real and personal property of the **INFINITY joint powers board** shall be utilized, as a first priority, to pay off any existing or contingent liabilities. Upon the payment of all existing and contingent liabilities, any and all surplus monies and property shall be returned to the remaining parties to this agreement in equal amounts, or as otherwise agreed upon by the parties.

- b) Upon Withdrawal.

Should a party withdraw from this agreement in accordance with

Article IX., Section 2), that party shall waive and forego any right or interest it shall have in and to the real or personal property of the **INFINITY joint powers entity**.

**ARTICLE X.  
DISPUTE AND DEFAULT PROCEDURE**

**Section 1. Disputes.** If any party shall fail or refuse to fulfill or fully perform any obligation or covenant required by this agreement, or should there be any unresolved dispute or disagreement among or between the parties as to the interpretation or application of the terms of this agreement, the parties agree that the matter shall be submitted to binding arbitration in accordance with the procedures of the Bureau of Mediation Services of the state of Minnesota.

**Section 2. Arbitration Procedure**

a) Any party seeking arbitration must provide a written statement to all the other parties to this agreement clearly setting forth and outlining the dispute or disagreement, the issues being raised, and the remedy sought. Within thirty (30) days of the receipt of the written statement, the parties agree to meet, mediate and attempt to informally resolve the matter. If resolution cannot be reached within thirty (30) days thereafter, the party(s) submitting the written statement may petition for arbitration through the Minnesota Bureau of Mediation Services (BMS). BMS shall submit a list of seven potential arbitrators. The parties shall, within fifteen (15) days of receipt of this list, rank each of the potential arbitrators by number, with one being the highest, etc. The arbitrator having the highest ranking among all the parties shall be selected as the

arbitrator in the matter. However, the parties may, by unanimous agreement, select one (1) arbitrator from the list, or may select any other qualified individual(s).

b) Within thirty (30) days after the selection of the arbitrator, the arbitrator shall commence a hearing on the dispute. The hearing may be recorded or transcribed at the request and expense of any party. The public shall be given notice of the hearing, and the hearing shall be open to the public. The arbitrator shall prepare written findings and make a written decision within thirty (30) days of the close of the hearing, and the arbitrator's decision shall be served by mail upon all the parties to this agreement.

**Section 3. Arbitrator's Authority.** The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from, the terms and conditions of this agreement. The arbitrator shall consider and decide only the specific issue(s) submitted in the written statement, and shall have no authority to make a decision on any other issues not so submitted. The arbitrator shall be without power to make a decision contrary to, or inconsistent with, or modifying or varying in any way, those laws, rules or regulations pertaining to the parties hereto and all governmental units in the state of Minnesota.

**Section 4. Costs of Arbitration.** Each party shall pay its own costs and attorney's fees associated with the arbitration process, except as otherwise provided herein.

**Section 5. Judicial Relief.** Any party may seek judicial relief to the extent authorized by Minn. Stat. §572.08 through §572.30, as amended, or where any

party fails to participate in a good faith and timely fashion in the arbitration process as set forth herein. If judicial relief is sought to compel a party to participate in good faith and in a timely fashion in the arbitration process, after said party has refused and failed to do so, costs, including reasonable attorney's fees, may be awarded to the prevailing party(s). In any other effort to seek judicial relief, each party shall pay its own costs and attorney's fees.

## **ARTICLE XI. GENERAL PROVISIONS**

**Section 1. Amendments.** This Agreement may be amended from time to time, but any such amendment must be in written form, and approved by all of the parties to the Agreement.

**Section 2. New Members.** Any new governmental unit, or other entity contemplated by Minn. Stat. §471.59 may be added to this agreement by receiving the approval of two-thirds of all of the other parties to this agreement. Once approved, the contribution and other obligations of the new member(s) shall be set forth in written fashion by amending this agreement, and the new member(s) shall be fully obligated and bound by the terms of this agreement.

**Section 3. Address for Service of Notices and Documents.** All notices, statements, or other written documents required to be given under this agreement shall be in written form, and shall be considered and received if

delivered personally or if deposited in the United States First Class Mail, postage prepaid, as follows:

See attached Exhibit A which lists all member districts and their current addresses, which is incorporated herein.

**Section 4. Savings Clause.** Should any provision of this agreement be found unlawful or invalid, the other provisions of this agreement shall remain in full force and effect if, by doing so, the purpose of this agreement, taken as a whole, can be reached, fulfilled, and made operative. Should any provision be found unlawful or invalid, the parties shall attempt to agree upon an amendment to this agreement to replace that portion that has been determined to be unlawful or invalid.

**ARTICLE XII.  
EFFECTIVE DATE**

It is intended that this agreement shall be effective upon approval of the boards of each party hereto and the signing of this agreement by the authorized representatives of each said party.

**ARTICLE XIII.  
COUNTERPARTS**

This Joint Powers Agreement may be executed in any number of counterparts, each of which, taken together, shall constitute one Agreement.

IN WITNESS WHEREOF, each party executed this Agreement pursuant to the authority of resolutions passed and approved by their respective governing bodies, which are incorporated herein by this reference.

**INDEPENDENT SCHOOL DISTRICT NO. \_\_\_\_\_**

Dated:

By \_\_\_\_\_  
Chair of School Board

By \_\_\_\_\_  
Clerk

(Separate page for each signature)

## EXHIBIT "A"

### Current Members

1. ISD No. 0745, Albany
2. ISD No. 0001, Aitkin
3. ISD No. 0091, Barnum
4. ISD No. 0181, Brainerd
5. ISD No. 0911, Cambridge-Isanti
6. ISD No. 0182, Crosby-Ironton
7. ISD No. 0317, Deer River
8. ISD No. 0656, Faribault
9. ISD No. 0698, Floodwood
10. ISD No. 0318, Grand Rapids
11. ISD No. 0316, Greenway
12. ISD No. 0002, Hill City
13. ISD No. 0738, Holdingford
14. ISD No. 0473, Isle
15. ISD No. 2171, Kittson
16. ISD No. 0441, Marshall County Central
17. ISD No. 0004, McGregor
18. ISD No. 0097, Moose Lake
19. ISD No. 0319, Nashwauk-Keewatin
20. ISD No. 0345, New London-Spicer
21. ISD No. 0118, Northland Community
22. ISD No. 0480, Onamia
23. ISD No. 2174, Pine River Backus
24. ISD No. 0139, Rush City
25. ISD No. 0743, Sauk Centre
26. ISD No. 0363, South Koochiching
27. ISD No. 0742, St. Cloud

CERTIFICATION OF MINUTES RELATING TO  
\$29,490,000 GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2019A

Issuer: Independent School District No. 2154 (Eveleth-Gilbert Public Schools), Minnesota

Governing Body: School Board

Kind, date, time and place of meeting: A regular meeting held on June 25, 2019, at 6:00 p.m. at the School District offices.

Members present:

Members absent:

Documents attached:

Minutes of said meeting (including):

RESOLUTION RELATING TO \$29,490,000 GENERAL OBLIGATION  
SCHOOL BUILDING BONDS, SERIES 2019A; RATIFYING THE AWARD OF  
SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR  
THE PAYMENT THEREOF

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds 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 bonds; 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 on this 25<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
School District Clerk

It was reported that \_\_\_\_ (\_\_\_) sealed proposals for the purchase of the District's General Obligation School Building Bonds, Series 2019A were received prior to 10:30 a.m., on June 25, 2019, pursuant to the Preliminary Official Statement distributed to potential purchasers of the Bonds by Ehlers & Associates, Inc., independent municipal advisor to the District. The proposals have been publicly opened, read and tabulated and were found to be as follows:

(See Attached)

Member \_\_\_\_\_ introduced the following resolution and moved its adoption, which motion was seconded by Member \_\_\_\_\_:

**RESOLUTION #696 RELATING TO \$29,490,000 GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2019A; RATIFYING THE AWARD OF SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT THEREOF**

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 2154 (Eveleth-Gilbert Public Schools), Minnesota (the District), as follows:

**SECTION 1. AUTHORIZATION, SALE AND RATIFICATION.**

1.01. Authorization and Election. By resolution duly adopted on May 20, 2019 (the Parameters Resolution), this Board authorized any Board officer and the Superintendent or Business Manager, in conjunction with Ehlers & Associates, Inc., in Roseville, Minnesota (Ehlers), to solicit proposals for the purchase and sale of its General Obligation School Building Bonds, Series 2019A (the Bonds) and directed any Board officer and the Superintendent or Business Manager to approve the sale of the Bonds and execute a bond purchase agreement for the Bonds with the purchaser, provided that a favorable recommendation to accept the proposal is received from Ehlers, the aggregate principal amount shall not exceed \$30,940,000 and the true interest cost does not exceed 4.50%. The proceeds of the Bonds will be used to finance the acquisition and betterment of school sites and facilities, including but not limited to, construction of a new High School Career Academy together with Independent School District No. 706 (Virginia Public Schools), Minnesota and construction of a new District elementary school, as approved by the electors at a special election held on May 14, 2019 (collectively, the Project) and pursuant to Minnesota Statutes, Chapter 475 and Section 123A.482. The District is hereby authorized and directed to enter into a Joint Powers Agreement with Independent School District No. 706 (Virginia Public Schools), Minnesota, with respect to the joint operation of the High School Career Academy, pursuant to Minnesota Statutes, Section 123A.482.

1.02. Sale. The District has retained Ehlers as independent municipal advisor in connection with the sale of the Bonds, in the aggregate principal amount of \$29,490,000. A proposal that meets the requirements set forth in the Parameters Resolution has been received from \_\_\_\_\_, in \_\_\_\_\_, \_\_\_\_\_ (the Purchaser), to purchase the Bonds at a price of \$\_\_\_\_\_ plus accrued interest on all Bonds to the day of delivery and payment, on the further terms and conditions hereinafter set forth.

1.03. Ratification of Award. Pursuant to the Parameters Resolution, the sale of the Bonds has been awarded by the [Board Officer] and [Superintendent][Business Manager] to the Purchaser. The sale of the Bonds to the Purchaser and the execution of the contract for the sale of the Bonds to the Purchaser by the [Board Officer] and [Superintendent][Business Manager] are hereby ratified in all respects.

**SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.**

2.01. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done prior to the issuance of the Bonds having been done, existing and having happened, it is necessary for this Board to establish the form and terms of the Bonds, to provide for the security thereof, and to issue the Bonds forthwith.

2.02. Maturities, Interest Rates and Denominations. The Bonds shall be originally dated as of July 18, 2019, shall be in denominations of \$5,000 or any integral multiple thereof of single maturities, shall mature on February 1 in the years and amounts stated below and shall bear interest from date of issue until paid or duly called for redemption at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2021	\$	%	2031	\$	%
2022			2032		
2023			2033		
2024			2034		
2025			2035		
2026			2036		
2027			2037		
2028			2038		
2029			2039		
2030			2040		

[REVISE MATURITY SCHEDULE FOR ANY TERM BONDS]

The Bonds shall be issuable only in fully registered form. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest thereon and, upon surrender of each Bond, the principal amount thereof, shall be payable by check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.08 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.03. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.07 and upon any subsequent transfer or exchange pursuant to Section 2.06, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. The interest on the Bonds shall be payable on February 1 and August 1, commencing February 1, 2020, to the owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.04. Redemption. Bonds maturing in 2029 and later years shall be subject to redemption and prepayment at the option of the District, in whole or in part, in such order as the District shall determine and within a maturity by lot as selected by the Registrar in multiples of

\$5,000, on February 1, 2028, and on any date thereafter, at a price equal to the principal amount thereof and accrued interest to the date of redemption. The Clerk shall cause notice of the call for redemption thereof to be published as required by law and, at least thirty (30) days prior to the designated redemption date, shall cause notice of the call for redemption to be mailed, by first class mail, to the registered owners of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.06 hereof but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

[COMPLETE THE FOLLOWING PROVISIONS IF THERE ARE TERM BONDS-  
ADD ADDITIONAL PROVISIONS IF THERE ARE MORE THAN TWO TERM BONDS]

[Bonds maturing on February 1, 20\_\_ and 20\_\_ (the Term Bonds) shall be subject to mandatory redemption prior to maturity pursuant to the sinking fund requirements of this Section 2.04 at a redemption price equal to the stated principal amount thereof plus interest accrued thereon to the redemption date. The Registrar shall select for redemption, by lot or other manner deemed fair, on February 1 in each of the following years the following stated principal amounts of such Bonds:

<u>Year</u>	<u>Principal Amount</u>
	\$

The remaining \$\_\_\_\_\_ stated principal amount of such Bonds shall be paid at maturity on February 1, 20\_\_.

<u>Year</u>	<u>Principal Amount</u>
	\$

The remaining \$\_\_\_\_\_ stated principal amount of such Bonds shall be paid at maturity on February 1, 20\_\_.

Notice of redemption shall be given as provided in the preceding paragraph.]

2.05. Appointment of Initial Registrar. The District hereby appoints Bond Trust Services Corporation, in Roseville, Minnesota, as the initial bond registrar, transfer agent and paying agent (the Registrar). The Chairperson and the Clerk are authorized to execute and deliver, on behalf of the District, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company organized under the laws of the United States or one of the states of the United States and authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The District agrees to pay the reasonable and customary charges of the

Registrar for the services performed. The District reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment and acceptance of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.06. Registration. The effect of registration and the rights and duties of the District and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the District.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The District and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the District and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the District. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the District, evidencing the same debt, and entitled to the same benefits under this resolution as the Bonds surrendered upon such transfer or exchange.

2.07. Execution; Authentication and Delivery. The Bonds shall be prepared under the direction of the Clerk and shall be executed on behalf of the District by the signatures of the Chairperson and the Clerk, provided that all signatures may be printed, engraved, or lithographed facsimiles of the originals. In case any officer whose signature, or a facsimile of whose signature, shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on such Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so delivered and authenticated, they shall be delivered by the Clerk to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.08. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the District agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the District shall be affected by any notice to the contrary. Neither the Registrar nor the District shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC’s Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the District’s obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the District to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the District determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the District may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through

DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Chairperson or Clerk, if not previously filed, or required to be refiled, with DTC, is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

**SECTION 3. FORM OF BONDS.** The Bonds shall be prepared in substantially the form found at EXHIBIT A hereto.

**SECTION 4. USE OF PROCEEDS.**

4.01. **General Obligation School Building Bonds, Series 2019A Construction Fund.** There is hereby established on the official books and records of the District a General Obligation School Building Bonds, Series 2019A Construction Fund (the Construction Fund), and the District shall continue to maintain the Construction Fund until payment of all costs and expenses incurred in connection with the Project financed by the Bonds have been paid. To the Construction Fund there shall be credited from the proceeds of the Bonds an amount equal to the estimated construction costs and expenses of the Project and from the Construction Fund there shall be paid all such construction costs and expenses. After payment of all such construction costs and expenses, the Construction Fund shall be discontinued and any Bond proceeds remaining therein shall be credited to the Debt Service Fund established by Section 4.02 hereof. All proceeds of the Bonds deposited in the Construction Fund will be expended solely for the payment of the costs and expenses of the Project as required pursuant to Minnesota Statutes, Section 475.58, Subdivision 4.

4.02. **General Obligation School Building Bonds, Series 2019A Debt Service Fund.** So long as any of the Bonds are outstanding and any principal of or interest thereon unpaid, the District shall maintain a separate debt service fund on the official books and records of the District to be known as the General Obligation School Building Bonds, Series 2019A Debt Service Fund (the Debt Service Fund) which the District agrees to maintain until the Bonds have been paid in full, and the principal of and interest on the Bonds shall be payable from the Debt Service Fund. The moneys on hand in the Debt Service Fund from time to time shall be used only to pay the principal of and interest on the Bonds. The District irrevocably appropriates to

the Debt Service Fund: (a) any funds received from the Purchaser upon delivery of the Bonds in excess of (i) the amount required by Section 4.01 above to be credited to the Construction Fund and (ii) the amount required by Section 7.04 hereof to be set aside for payment of the costs of issuance of the Bonds; (b) the amounts specified in Section 4.01 above, after payment of all costs and expenses of the Project; (c) all taxes levied and collected in accordance with this resolution or any additional resolutions of the Board; (d) all other moneys as shall be appropriated by the Board to the Debt Service Fund from time to time; and (e) the District's portion of funds to be disbursed to the District and Independent School District No. 706 (Virginia Public Schools), Minnesota, in the form of an ongoing annual expenditure of up to \$4,900,000 for twenty (20) years from the Iron Range school consolidation and cooperatively operated school account based on a recommendation by the Iron Range Resources and Rehabilitation Advisory Board (the Advisory Board) as reflected in Advisory Board Resolution No. 19-024, dated as of February 22, 2019, and as approved, all contingencies having been satisfied, by the Commissioner of Iron Range and Rehabilitation in its "Approval of agency funding for collaborative school project" correspondence dated as of June 12, 2019, all pursuant to Minnesota Statutes, Section 298.28. If any payment of principal of and interest on the Bonds shall become due when there is not sufficient money in the Debt Service Fund to make such payment, the Clerk shall pay the same from any other available fund of the District, and such other fund shall be reimbursed for such advances out of the proceeds of the taxes levied for the payment of the Bonds when available.

4.03. Tax Levies. For the prompt and full payment of the principal of and interest on the Bonds as the same respectively become due, the full faith, credit and taxing power of the District shall be and are hereby irrevocably pledged. To provide moneys for the payment of principal of and interest on the Bonds as required by Minnesota Statutes, Section 475.61, Subdivision 1, there is hereby levied on all taxable property in the District a direct, annual ad valorem tax which shall be spread upon the tax rolls for collection in the years and amounts as follows, as a part of other general taxes of the District, as follows:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
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(See attached levy computation)

The taxes shall be irrevocable as long as any of the Bonds are outstanding and unpaid; provided that the District reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61. It is estimated that the ad valorem taxes will be collected in amounts not less than five percent in excess of the annual principal and interest requirements of the Bonds. If, as of the date tax levies are certified in any year, the sum of the balance in the Debt Service Fund plus any ad valorem taxes theretofore levied for the payment of Bonds payable therefrom and collectible through the end of the following calendar year is not sufficient to pay when due all principal and interest to become due on all Bonds payable therefrom in said following calendar year, or the Debt Service Fund has incurred a deficiency in the manner provided in Section 4.02, an additional direct, irrevocable, ad valorem tax shall be levied on all taxable property within the corporate limits of the District for the purpose of restoring such accumulated or anticipated deficiency in accordance with the provisions of this resolution.

4.04. Debt Service Fund Balance Restriction. In order to ensure compliance with the Internal Revenue Code of 1986 (the Code), and applicable Treasury Regulations (the Regulations), upon allocation of any funds to the Debt Service Fund, the balance then on hand in the Fund shall be ascertained. If it exceeds the amount of principal and interest on the Bonds to become due and payable through February 1 next following, plus a reasonable carryover equal to 1/12th of the debt service due in the following bond year, the excess shall (unless an opinion is otherwise received from bond counsel) be used to prepay or purchase Bonds, or invested at a yield which does not exceed the yield on the Bonds calculated in accordance with Section 148 of the Code.

SECTION 5. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of the Bonds shall cease. The District may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The District may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The District may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date. Provided, however, that if such deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the District shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or earlier designated redemption date.

SECTION 6. TAX COVENANTS, ARBITRAGE MATTERS, REIMBURSEMENT AND CONTINUING DISCLOSURE.

6.01. Restrictive Action. The Project will be owned and maintained by the District and used to carry out its program of public education. The District shall not enter into any lease, management agreement, use agreement or other contract with any nongovernmental entity relating to the Project or a portion thereof which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to the provisions of Section 141 of the Code. The District covenants and agrees with the registered owners of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any actions that would cause interest on the Bonds to become includable in gross income of the recipient under the Code and applicable Regulations and covenants to take any and all actions within its powers to ensure

that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations.

6.02. Arbitrage Certification. The Chairperson and Clerk being the officers of the District charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable Regulations stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of the Code and the Regulations.

6.03. Arbitrage Rebate. The District acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The District covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

6.04. Not Qualified Tax-Exempt Obligations. The Bonds are not designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions.

6.05. Reimbursement. The District certifies that the proceeds of the Bonds will not be used by the District to reimburse itself for any expenditure with respect to the Project which the District paid or will have paid more than 60 days prior to the issuance of the Bonds unless, with respect to such prior expenditures, the District shall have made a declaration of official intent which complies with the provisions of Section 1.150-2 of the Regulations; provided that this certification shall not apply (i) with respect to certain de minimis expenditures, if any, with respect to the Project meeting the requirements of Section 1.150-2(f)(1) of the Regulations, or (ii) with respect to “preliminary expenditures” for the Project as defined in Section 1.150-2(f)(2) of the Regulations, including engineering or architectural expenses and similar preparatory expenses, which in the aggregate do not exceed 20% of the “issue price” of the Bonds.

6.06. Continuing Disclosure. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the District hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds. The District is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the District fails to comply with any provisions of this section, any person aggrieved thereby, including the

Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The District will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the District, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the District, commencing with the fiscal year ending June 30, 2019, the following financial information and operating data in respect of the District (the Disclosure Information):
  - (A) the audited financial statements of the District for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the District, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the District; and
  - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under the headings: Current Property Valuations; Direct Debt; Tax Levies and Collections; Student Body; and Employment/ Unemployment Data, which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the District shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the District shall provide the audited financial

statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (the MSRB) through its Electronic Municipal Market Access System (EMMA) or the SEC. The District shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the District have materially changed or been discontinued, such Disclosure Information need no longer be provided if the District includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other District operations in respect of which data is not included in the Disclosure Information and the District determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the District shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner, not in excess of 10 business days, to the MSRB through EMMA, notice of the occurrence of any of the following events (each a “Material Fact,” as hereinafter defined):
  - (A) principal and interest payment delinquencies;
  - (B) non-payment related defaults, if material;
  - (C) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (D) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (E) substitution of credit or liquidity providers, or their failure to perform;
  - (F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
  - (G) modifications to rights of Bond holders, if material;
  - (H) Bond calls, if material and tender offers;
  - (I) defeasances;
  - (J) release, substitution, or sale of property securing repayment of the Bonds if material;
  - (K) rating changes;
  - (L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
  - (M) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination

- of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
  - (O) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; “financial obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule; and
  - (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

As used herein, for those events that must be reported if material, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a Material Fact is also a fact that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

- (3) In a timely manner, to the MSRB through EMMA, notice of the occurrence of any of the following events or conditions:
  - (A) the failure of the District to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

- (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the District under subsection (d)(2);
- (C) the termination of the obligations of the District under this section pursuant to subsection (d);
- (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
- (E) any change in the fiscal year of the District.

(c) Manner of Disclosure.

- (1) The District agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the District in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the District under this section shall terminate and be without further effect as of any date on which the District delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the District to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the District from time to time, without notice to (except as provided in paragraph (c)(2) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the District accompanied by an opinion of Bond Counsel, who may rely on certificates of the District and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the District or the type of operations conducted by the District, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any

change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the District agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

## SECTION 7. CERTIFICATION OF PROCEEDINGS.

7.01. Filing with County Auditor. The Clerk is hereby authorized and directed to file with the County Auditor of St. Louis County a certified copy of this resolution together with such other information as the County Auditor shall require and to obtain from the County Auditor a certificate that the Bonds have been entered upon the bond register and that the tax for the payment of the Bonds has been levied as required by law.

7.02. Certification of Proceedings. The officers of the District and the County Auditor are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the District relating to the Bonds and to the financial condition and affairs of the District, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as they appear from the books and records under the officer's custody and control or as otherwise known to the them. All such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the District to the correctness of all statements contained herein.

7.03. Official Statement. The Preliminary Official Statement relating to the Bonds, dated June 13, 2019, prepared and distributed by Ehlers, is hereby approved. Ehlers is hereby authorized on behalf of the District to prepare and distribute to the Purchaser within seven business days from the pricing date of the Bonds, a Final Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission (the SEC) under the Securities Exchange Act of 1934. The officers of the District are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

7.04. Authorization of Payment of Certain Costs of Issuance of the Bonds. The District authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Old National Bank, in Chaska Minnesota, on the closing date for further distribution as directed by Ehlers.

**SECTION 8. STATE PAYMENT; DISTRICT AND REGISTRAR OBLIGATIONS.** The District hereby covenants and obligates itself to notify the Commissioner of Education (the Commissioner) of any potential default in the payment of the principal of or interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 (the State Payment Law), to guarantee, to the extent permitted by law, payment of the principal of and interest on the Bonds when due. The District further covenants to deposit with the Registrar not less than three business days prior to each February 1 and August 1 as set forth in Section 2.03 hereof, an amount sufficient to make that payment or to notify the Commissioner as provided in the State Payment Law that it will be unable to make all or a portion of such payment. The Registrar will notify the Commissioner if it becomes aware of a potential default in the payment of principal of and interest on the Bonds on any payment date or if, on the date two business days prior to the date on which a payment is due, there are insufficient funds on deposit with the Registrar to make the required payment on such date. The Registrar will cooperate with the District, the Commissioner and the Commissioner of Management and Budget in implementing the provisions of the State Payment Law. In the event that amounts sufficient to make any such interest or principal payment are held by an escrow or paying agent and invested as authorized by Minnesota Statutes, Chapter 475 and such escrow or paying agent is required to use proceeds from such investment to pay to the Registrar the amount necessary to pay such interest or principal on such payment date, then the requirements of the State Payment Law relating to the deposit of such amounts with the Registrar prior to the payment date of such interest or principal shall be deemed satisfied and neither the District nor the Registrar shall be required to notify the Commissioner that insufficient funds are available to pay such interest or principal on such payment date. The District shall do all other things which may be necessary to perform the Bonds hereby undertaken under the State Payment Law, including any requirements hereafter adopted by the Commissioner of Management and Budget or the Commissioner.

Upon vote being taken on the foregoing resolution, the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

Tax Levies

**EXHIBIT A**

UNITED STATES OF AMERICA

STATE OF MINNESOTA  
ST. LOUIS COUNTY

INDEPENDENT SCHOOL DISTRICT NO. 2154 (EVELETH-GILBERT PUBLIC SCHOOLS)

GENERAL OBLIGATION SCHOOL BUILDING BOND, SERIES 2019A

R-1 \$\_\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
__%	February 1, 20__	July 18, 2019	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS

INDEPENDENT SCHOOL DISTRICT NO. 2154 (EVELETH-GILBERT PUBLIC SCHOOLS), ST. LOUIS COUNTY, STATE OF MINNESOTA (the District), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal sum specified above on the maturity date specified above, and to pay interest thereon from the date of original issue specified above, or from the most recent interest payment date to which interest has been paid or duly provided for, at the annual rate specified above, payable on February 1 and August 1 in each year, commencing February 1, 2020, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month, all subject to the provisions referred to herein with respect to the redemption of the principal of this Bond prior to its stated maturity. The interest hereon and, upon presentation and surrender hereof at the principal office of the Registrar described below, the principal hereof, are payable in lawful money of the United States of America by check or draft drawn on Bond Trust Services Corporation, in Roseville, Minnesota, as bond registrar, transfer agent and paying agent, or its successor designated under the bond resolution described herein (the Registrar). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the District have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$29,490,000 (the Bonds), issued by the District to finance the acquisition and betterment of school sites and facilities, including but not limited to, construction of a new High School Career Academy together with Independent School District No. 706 (Virginia Public Schools), Minnesota and construction of a new District elementary school, and is issued pursuant to and in full conformity with a resolution adopted by the School Board adopted on June 25, 2019 (the Bond Resolution), and authority conferred by more than the requisite majority vote of the qualified electors of the District voting on the question of its issuance at an election duly and legally called and held, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapter 475 and Section 123A.482. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds having stated maturity dates in 2029 and later years are each subject to redemption and prepayment at the option of the District, in whole or in part, in such order as the District shall determine and, within a maturity, by lot as selected by the Registrar in multiples of \$5,000, on February 1, 2028, and on any date thereafter, at a price equal to the principal amount thereof plus interest accrued to the date of redemption. The District will cause notice of the call for redemption to be published as required by law and, at least thirty (30) days prior to the designated redemption date, will cause notice of the call thereof to be mailed by first class mail to the registered owner of any Bond to be redeemed at the owner's address as it appears on the bond register maintained by the Registrar, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

[COMPLETE THE FOLLOWING PROVISIONS IF THERE ARE TERM BONDS-  
ADD ADDITIONAL PROVISIONS IF THERE ARE MORE THAN TWO TERM BONDS]

[Bonds maturing in the years \_\_ and 20\_\_ shall be subject to mandatory redemption, at a redemption price equal to their principal amount plus interest accrued thereon to the redemption date, on February 1 in each of the years shown below, in an amount equal to the following principal amounts:

<u>Term Bonds Maturing in 20__</u>		<u>Term Bonds Maturing in 20__</u>	
<u>Sinking Fund Payment Date</u>	<u>Aggregate Principal Amount</u>	<u>Sinking Fund Payment Date</u>	<u>Aggregate Principal Amount</u>
20__ (final maturity)	\$	20__ (final maturity)	\$

Notice of redemption shall be given as provided in the preceding paragraph.]

As provided in the Bond Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the District at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the District will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The District and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the District nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and

interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the District.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen, to exist and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding general obligation of the District according to its terms have been done, have happened, do exist and have been performed in regular and due form, time and manner as so required; that, prior to the issuance hereof, a direct, annual, ad valorem tax has been duly levied upon all taxable property in the District for the years and in amounts not less than five percent in excess of sums sufficient to pay the interest hereon and the principal hereof as the same respectively become due; that additional taxes, if needed to meet the principal and interest requirements of the Bonds, shall be levied upon all such property without limitation as to rate or amount; and that the issuance of the Bonds does not cause the indebtedness of the District to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, Independent School District No. 2154 (Eveleth-Gilbert Public Schools), St. Louis County, State of Minnesota, by its School Board, has caused this Bond to be executed on its behalf by the facsimile signatures of the Chairperson and Clerk.

INDEPENDENT SCHOOL DISTRICT NO. 2154  
(EVELETH-GILBERT PUBLIC SCHOOLS),  
MINNESOTA

(Facsimile Signature – Chairperson)

(Facsimile Signature - Clerk)

\_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Bond Resolution mentioned within.

Date of Authentication: \_\_\_\_\_

BOND TRUST SERVICES CORPORATION, Registrar

By \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_



CERTIFICATE OF ST. LOUIS COUNTY AUDITOR  
AS TO REGISTRATION OF BONDS AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of St. Louis County, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on June 25, 2019, by the School Board of Independent School District No. 2154 (Eveleth-Gilbert Public Schools), Minnesota, setting forth the form and details of an issue of \$29,490,000 General Obligation School Building Bonds, Series 2019A, dated as of July 18, 2019, and levying taxes for their payment.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been levied and filed as required by Minnesota Statutes, Sections 475.61 to 475.63.

WITNESS my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
St. Louis County Auditor

(SEAL)