

Regular Board of Education Meeting
Tri-County School District 2358
May 20, 2020 6:30 PM via Zoom
Tri-County School Library, Karlstad, Minnesota

The meeting was called to order by Chairperson Burkel at 6:30 PM and a quorum was determined. The Pledge of Allegiance was recited.

Members Burkel, Caldwell, Duray, Hanson, Koland, Murray and Sollund were present plus Superintendent Baron and Dean of Students Hanson.

Member Duray moved and member Hanson seconded to approve the agenda as amended.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund.

Against: None. **UC**

Member Caldwell moved and member Sollund seconded to approve the minutes of the April 15, 2020 Regular Meeting, the April 27, 2020 Special Meeting and the May 8, 2020 Special Meeting.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund.

Against: None. **UC**

Member Burkel moved and member Caldwell seconded to authorize payment for claims in the following funds.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund.

Against: None. **UC**

	<u>Last Year</u>	<u>This Year</u>
GENERAL	\$30,469.71	\$28,147.87
FOOD SERVICE	10,188.29	6,568.75
COMMUNITY SERVICE	3,062.41	342.16
DEBT REDEMPTION	<u>57,500.00</u>	<u>57,500.00</u>
TOTAL	\$97,675.88	\$92,559.78

Visitors present were Mike Johnston, Jennifer Johnston, Gary Baufield, Kathy Donovan, Jennifer Klegstad, Keegan Krantz, Melissa Thompson, Karrah Oliver, Michael Hart, Jaron Englund, Northstar News, Erica Reese, Justina Pietruszewski.

Member Sollund moved and member Duray seconded to approve the following by consent: To place the following on summer leave of absence: Donald Carlson, Melissa Lefrooth, Michael Lefrooth, Roberta Walz, Amy Olson, Kayla Gonshorowski, Jennifer Johnston, Erica Reese, Justine Johnson, Rachel Pearson, Joyceln Englund, LeeAnn Gast, Susan Budziszewski, Laurie Lofstrom, Jessica Peterson, Karen Reitan, Camille Wollin, and Kristyne Duray.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund.

Against: None. **UC**

Member Hanson moved and member Caldwell seconded to involve the district in federal programs Title I, Title II and Title IV. The Board of Education has authorized the Superintendent/Principal and or the Dean of Students to act as LEA Representatives in filing an application for funds as provided under Public Law 103-382 for the 2020-21 school year.

Member Caldwell introduced the following resolution and moved its adoption:

RESOLUTION RELATING TO PROPERTY TAX ABATEMENT FOR PARKING LOT PROJECTS; GRANTING THE ABATEMENT

BE IT RESOLVED by the School Board (the "Board") of Independent School District No. 2358 (Tri-County Public Schools), Karlstad, Minnesota (the "District"), as follows:

Section 1. Authorization and Recitals.

1.01. The District, pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, as amended (the "Act"), is authorized to grant an abatement of certain property taxes levied against net tax capacity imposed by the District on parcels of property by the adoption of a resolution specifying the terms of the abatement.

1.02. The District intends to undertake the construction of and improvements to parking lots districtwide (the "Improvements") and benefiting certain properties within the District boundaries identified on EXHIBIT A attached hereto (collectively, the "Property").

1.03. The District has proposed to finance the Improvements by granting an abatement of the property taxes imposed by the District on the Property for taxes payable in 2021 through 2030 (the "Proposed Property Tax Abatement"), and by issuing bonds to provide an amount equal to the sum of said Proposed Property Tax Abatement.

1.04. Pursuant to the Act, this Board on May 20, 2020 at 6:30 o'clock p.m., conducted a public hearing by telephone or other electronic means, as permitted by Minn. Stat., Section 13D.021 or any other law, on the desirability of granting the Proposed Property Tax Abatement. Notice of Public Hearing (attached hereto as EXHIBIT A) was duly published as required by law in a newspaper of general interest and readership in the District, at least ten (10) days but not more than thirty (30) days prior to the date of the public hearing. The form of said Notice and the preparation and publication of said Notice prior to the date of adoption of this resolution is ratified and confirmed in all respects. The District is authorized to add instructions to the Notice as to how to access the public hearing.

Section 2. Findings. On the basis of the information compiled by the District and elicited at the public hearing referred to in Section 1.04, it is hereby found, determined and declared:

2.01. The District expects that the benefits to the District associated with granting the Proposed Property Tax Abatement are at least equal to or exceed the associated costs to the District.

2.02. The granting of the Proposed Property Tax Abatement is in the public interest because it will finance and provide public infrastructure and help provide access to services for residents of the District.

2.03. The nature and extent of the public benefits which the District expects to result from the Proposed Property Tax Abatement are the construction of and improvements to parking lots districtwide which will enable District residents to continue to conveniently and safely access these facilities which are regularly utilized by the public for school and community events.

2.04. The Property is not located in a tax increment financing district.

2.05. The granting of the Proposed Abatement will not cause the aggregate amount of abatements granted by the District under the Act to exceed the greater of (i) ten percent (10%) of the District's net tax capacity for each taxes payable year to which the abatement applies, or (ii) \$200,000.

2.06. It is in the best interests of the District to grant the tax abatement authorized in this resolution.

2.07. Under Section 469.1813, Subdivision 9 of the Act, it is not necessary for the District to obtain the consent of any owner of the Property to grant an abatement.

Section 3. Granting of Tax Abatement.

3.01. A property tax abatement (the "Abatement") is hereby granted in respect of property taxes levied by the District on the Property for ten (10) years, commencing with taxes payable in 2021 and concluding with taxes payable in 2030. The total Abatement amount shall not exceed \$650,000 over ten (10) years.

3.02. The District shall retain the Abatement and apply it to payment of all or a portion of the costs of acquiring or constructing the Improvements or to the payment of the principal and interest on the bonds of the District issued to finance costs of acquiring or constructing the Improvements, whether such bonds are issued pursuant to the Act, or other law, as authorized by Section 469.1815, Subdivision 2 of the Act.

3.03. The Abatement may not be modified or terminated by the Board during its term.

The motion for the adoption of the foregoing resolution was duly seconded by Member Duray and upon vote being taken

thereon, the following voted in favor thereof: Sollund, Duray, Caldwell, Hanson, Koland, Burkel.

and the following voted against the same: Murray

Member Caldwell introduced the following resolution and moved its adoption:

RESOLUTION APPROVING THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2020A; COVENANTING AND OBLIGATING THE DISTRICT TO BE BOUND BY AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO

GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON THE BONDS

BE IT RESOLVED by the School Board of Independent School District No. 2358 (Tri-County Public Schools), State of Minnesota (herein, the "District"), as follows:

1. The School Board hereby finds and declares that it is necessary and expedient for the District to sell and issue fully registered general obligation bonds in the total aggregate principal amount not to exceed \$1,200,000 (herein, the "Bonds"). A portion of the proceeds of the Bonds will be used to finance construction of and improvements to parking lots districtwide (the "new money portion") and a portion of the proceeds will be used to finance a current refunding (the "refunding portion") of all or a portion of the February 1, 2021 through 2027 maturities,

aggregating up to \$595,000 in principal amount, of the District's General Obligation Alternative Facilities Bonds, Series 2010C, dated December 29, 2010 as date of original issue (the "Refunded Bonds"), and to pay the costs of issuing the Bonds.

2. The School Board desires to proceed with the sale of the Bonds by direct negotiation with Northland Securities, Inc. (herein, "NSI"). NSI will purchase the Bonds in an arm's-length commercial transaction with the District.

3. The Board Chair and the Superintendent are hereby authorized to approve the sale of the Bonds in an aggregate principal amount of not to exceed \$1,200,000 and to execute a bond purchase agreement for the purchase of the Bonds with NSI, provided the true interest cost is less than 3.00% on the new money portion and the total net savings on the refunding portion is at least \$20,000.

4. Upon approval of the sale of the Bonds by the Board Chair and the Superintendent:

a. The School Board will take action at its next regularly scheduled or special meeting thereafter to adopt the necessary approving resolutions as prepared by the District's bond counsel (the "Ratifying Resolutions"); and

b. The Refunded Bonds will be redeemed and prepaid in accordance with the terms and conditions set forth in the Ratifying Resolutions and Northland Trust Services, Inc., as registrar and paying agent on the Refunded Bonds, is hereby authorized and directed to cause notice of such redemption to be given to each registered holder of the Refunded Bonds not less than thirty (30) days prior to the redemption date, and to notify DTC.

5. (a) The District hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee payment of the principal and interest on the Bonds when due. The District further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar for the Bonds is authorized and directed to notify the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Bonds or if, on the day two (2) business days prior to the date a payment is due on the Bonds, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Bonds of this issue remain outstanding.

(b) The District further covenants to comply with all procedures now or hereafter established by the Departments of Management and Budget and Education of the State of Minnesota pursuant to Minnesota Statutes, Section 126C.55, subdivision 2(c) and otherwise to take such actions as necessary to comply with that section. The Board Chair, Clerk, or Superintendent is authorized to execute any applicable Minnesota Department of Education forms.

6. NSI is authorized to prepare and distribute an Official Statement related to the sale of the Bonds.

7. If the Board Chair and the Superintendent have not approved the sale of the bonds to NSI and executed the related bond purchase agreement by October 31, 2020 this resolution shall expire.

The motion for the adoption of the foregoing resolution was duly seconded by Sollund and upon

vote being taken there on, the following voted in favor thereof: Koland, Burkel, Caldwell, Hanson, Sollund, Duray.

and the following voted against the same: Murray

Whereupon said resolution was declared duly passed and adopted.

Member Burkel moved and member Sollund seconded to approve McKinstry as Construction Manager Agent for the parking lot project.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Sollund.

Against: Murray.

Member Caldwell moved and member Duray seconded to accept the resignation of Susan Budziszewski as Close-Up Advisor, effective at the conclusion of the 2020-21 School Year.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund

Against: None. **UC**

Member Sollund moved and member Hanson seconded to accept the resignation of Jennifer Klegstad as National Honor Society Advisory, effective at the conclusion of the 2019-20 School Year.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund

Against: None. **UC**

Member Caldwell moved and member Burkel seconded to approve the two- year contract (2020-21 and 2021-22) with the Support Staff as presented. Details are on file in the Superintendent's Office.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund

Against: None. **UC**

Member Hanson moved and member Duray seconded to approve the Track & Field Plan for Graduation 2020 as presented. Details are on file in the Superintendent's Office.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund

Against: None. **UC**

Member Murray moved and member Koland seconded to approve the nonrenewal of Paul Henning as social

studies teacher, effective at the conclusion of the 2019-20 school year.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund

Against: None. **UC**

Member Murray moved and member Duray seconded to approve the hiring of Shari Knutson as Elementary Special Education teacher commencing with the 2020-21 school year.

In favor of: Burkel, Caldwell, Duray, Hanson, Koland, Murray, Sollund

Against: None. **UC**

Member Sollund moved and member Duray seconded to proceed with the parking lot project. Details on file in the District Office.

Dean of Student's Report included Distance Learning, last Senior day May 15,2020, Senior Graduation Parade, 2020-21 High School classes.

Superintendent Baron reported on Lockers, Swimming Lessons Grant, State Aid.

CO-OP SPORTS BOARD: Girls Basketball Coach interview

NWRIC: No meeting

REGION I: Meet next week

Next regular board meeting scheduled for July 15, Tri County School, Karlstad, MN, 6:30 PM.

Member Sollund moved and member Hanson seconded to adjourn. UC

Respectfully submitted by Mark Koland, Clerk _____