

HAWLEY SCHOOL BOARD REGULAR MEETING

December 19, 2022

MEMBERS PRESENT: Kara Brager, Jeff Lee, Cody Marshall, Steve Olson, Mark Sellin, Bobbi Siegel
MEMBERS ABSENT: TJ Tibbetts
OTHERS PRESENT: Phil Jensen, Kelly Anderson, Chris Ellingson, Maria Beringer, Brett Mayer Schmit, Aaron Haugen, Dylan Olson, Lonnie Neuner, Sean Mork, Loree Jegtvig and Dan Benson.

The meeting was called to order by Chairman Marshall at 7:00 p.m.

Olson/Brager to approve the agenda as presented.
Motion carried: 6-0

Board held the 2022 Payable 2023 Tax Levy Hearing at 7:02 p.m.

Board held the Tax Abatement Hearing at 7:10 p.m.

The following Committee Reports were given: Member Lee – Administrative, Member Sellin – Activities;

Kelly Anderson presented the High School Principal's report.

Chris Ellingson presented the Elementary Principal's report.

Brett Mayer Schmit presented the Activities Director report.

Superintendent Jensen presented the Administrative report.

Enrollment numbers for December 1, 2022 were presented – 1,046 students K-12.

Scheduled Meetings: Regular Board Meeting – Monday, January 23, 2023 @ 7 pm

Sellin/Lee to approve the consent agenda:

- 5.1 November 28, 2022 Regular Board Meeting Minutes
- 6.2 GBB Volunteer Coach - Paige Thompson
- 6.3 Resignation – Candi Rekedal, HS Para
- 6.4 Resignation- Ally Hokanson, JH VB Coach
- 6.5 Resignation – Addie Harms, Pool Manager
- 6.6 Resignation – Kara Hansen, Pool Manager
- 6.7 Asst. Track Coach – Dylan Olson - \$2,950 (6.9%-1)

Motion carried: 5-0 (Olson abstained)

Superintendent Jensen recognized the Art Dept. for their recent accomplishments.

Sellin/Olson to approve the November board bills totaling \$273,336.55 (#69918-70061), wire transfers totaling \$401,469.52 and Treasurer's Report as presented.

Motion carried: 6-0

Olson/Lee to approve 2022 Payable 2023 Levy Limitation & Certification.

Motion carried: 6-0

Member Lee introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING TAX ABATEMENT ON SELECT PROPERTY WITHIN INDEPENDENT SCHOOL DISTRICT NO. 150 FOR THE PURPOSE OF PROMOTING NEW RESIDENTIAL DEVELOPMENT

WHEREAS, Minnesota Statutes, Sections 469.1812 to 469.1816 (the "Act") authorizes political subdivisions to grant property tax abatements which promote development which is believed to advance a public interest; and

WHEREAS, on October 11, 2022, the Clay County Board of Commissioners adopted an abatement resolution which established a county-wide "Two-year Residential Property Tax Abatement Program" (the "Program") through which the County would abate Clay County's residential property taxes on new residential construction within cities and towns which adopted a corresponding abatement resolution by December 31, 2022; and

WHEREAS, the School Board wishes to participate with those cities and towns who are participating in the Program ; and

WHEREAS, the School Board held a public hearing on Monday, December 19, 2022 at 7:10 P.M. following publishing notice of the hearing as required by the Act.

NOW, THEREFORE, BE IT RESOLVED by the School Board of Independent School District No. 150, as follows:

1. Findings. The School Board finds that the benefits to the School District from the Abatement will be at least equal to the costs of the Abatement. New residential homes will serve to improve the tax base of the School District and enhance enrollment.
2. Abatement. Subject to the provisions of the Act, the School Board hereby authorizes the Abatement of property taxes as follows:
 - a. Abatements shall only apply where the city or township jurisdiction (the “Local Jurisdiction”) has approved a residential property tax abatement that satisfies the requirements of the Clay County Program and where the Local Jurisdiction accepts the following responsibilities:
 - a. The Local Jurisdiction will determine eligibility of parcels for Property Tax Abatement.
 - b. The Local Jurisdiction or Clay County will prepare and submit a report to the School Board no later than June 1st of 2023 and 2024 which lists parcels which qualify for a property tax abatement in the following year and which accurately calculates the total School District property tax abatement for the following year.
 - c. The School District will make lump sum payments to the County by December 15, 2023, and December 15, 2024. The County will make all individual payments to parcels qualifying for school property tax abatement by December 31st of the same year.
 - d. Any remaining funds shall be returned to the School District promptly.
 - e. Abatements shall apply to the same types and classes of residential development approved for abatement by the Local Jurisdiction’s abatement resolution.
 - b. The term “Abatement” means 100% of the real property taxes generated in a tax-payable year which are calculated by extending the School District’s total tax rate for that year against the lessor of the actual tax capacity each new residential home as of January 2 in the prior year or tax capacity of the homestead market value.
 - c. The time frame for abatements shall be for two taxes payable years, corresponding to the first two years of full value assessment after construction has been completed.
 - d. In accordance with Section 469.1813, subdivision 8 of the Act, in no case shall the Abatement, together with all other abatements approved by the School District under the Act and paid in any one year, exceed the greater of 10% of the School District’s tax capacity for that year or \$200,000.
 - e. In accordance with Section 469.1815 of the Act, the School District will add to its levy in each year during the term of the Abatement the total estimated amount of current year Abatement granted under this resolution. The District shall estimate the amount of tax abatement to be generated and shall add such amount to the District’s levy.

The motion for the adoption of the foregoing resolution was duly seconded by Member Sellin and upon vote being taken thereon, the following voted in favor: Brager; Lee; Olson, Sellin, Siegel

and the following voted against the same: Member Marshall

On a roll call vote Whereupon said resolution was declared duly passed and adopted.

Lee/Brager to approve the third reading of Policy #418, Drug-Free Workplace/Drug-Free School as presented.
Motion carried: 6-0

Olson/Siegel to approve the third reading of Policy #722, Public Data and Data Subject Requests as presented.
Motion carried: 6-0

Sellin/Olson to approve the FY 24 Budget Calendar as presented.
Motion carried: 6-0

Sellin/Lee to approve the corporate partner requests as presented.
Motion carried: 6-0

Lee/Olson to approve A2Z Administrative Services contract as presented.
Motion carried: 6-0

Sellin/Lee to approve the activity travel guidelines as presented.
Motion carried: 6-0

Member Lee introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE DISTRICT'S GENERAL OBLIGATION SCHOOL BUILDING BONDS (MINNESOTA SCHOOL DISTRICT CREDIT ENHANCEMENT PROGRAM); AUTHORIZING THE NEGOTIATION FOR THE SALE OF SUCH BONDS; AND 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 SUCH BONDS

BE IT RESOLVED by the School Board ("School Board") of Independent School District No. 150 (Hawley Public Schools), State of Minnesota (the "District"), as follows:

Section 1. Purpose.

It is hereby determined to be in the best interests of the District to issue its General Obligation School Building Bonds, in one or more series, in the aggregate principal amount of not to exceed \$52,950,000 (the "Bonds"), pursuant to Minnesota Statutes, Chapters 475, as approved by the electors of the District at the special election held on November 8, 2022.

Proceeds of the Bonds will be used to (i) finance the acquisition and betterment of school sites and facilities, including but not limited to, construction of a new middle school building; and (ii) pay costs of issuance associated with the issuance of the Bonds (collectively, the "Project").

In addition to the proceeds from the sale of the Bonds, the District plans to contribute up to \$1,500,000 from its general fund to pay for costs of the Project.

Section 2. Sale. The School Board, desires to proceed with the sale of the Bonds by direct negotiation to Robert W. Baird & Co., Inc. (herein "Baird"). Baird will purchase the Bonds in an arms-length commercial transaction with the District. The School Board will obtain fee quotes for an independent municipal advisor to provide bond pricing opinion services for the purposes set forth in Minnesota Statutes, Section 475.60, Subdivision 2(9), as amended. The Superintendent or Finance Officer is hereby authorized to approve an independent municipal advisor. Baird is authorized to prepare an Official Statement related to the sale of the Bonds.

The Superintendent or the Finance Officer and a School Board officer are hereby authorized to approve the sale of the Bonds, to be issued in one or more series, in an aggregate principal amount not to exceed \$52,950,000 and to execute a Bond Purchase Agreement with Baird for the purchase of the Bonds, provided that the True Interest Cost of this issue does not exceed 5.25%.

Section 3. Approval Meeting. Upon approval of the sale of the Bonds by the Superintendent or Business Manager and a School Board officer, the School Board will meet at its next regularly scheduled meeting to adopt the necessary approving resolution as drafted by the District's Bond Counsel.

Section 4. State Credit Enhancement Program.

(a) The District hereby covenants and obligates itself to be bound by and to use the provisions of Minnesota Statutes, Section 126C.55 (the "**Credit Enhancement Act**") to guarantee payment of the principal of, the premium, if any, and the interest on the Bonds when due. The District shall comply with all procedures now or hereafter established by the Minnesota Department of Management and Budget and the Minnesota Department of Education pursuant to subdivision 2(c) of the Credit Enhancement Act and to take such actions as necessary to comply with the Credit Enhancement Act. The Chair of the School Board and the clerk, the superintendent and the business manager of the District are each authorized to execute any applicable forms of the Minnesota Department of Management and Budget or the Minnesota Department of Education. The District understands and acknowledges that the provisions of the Credit Enhancement Act shall be binding on the District as long as any Bonds are outstanding.

(b) The District further covenants to deposit with any registrar and paying agent for the Bonds (the "**Registrar**"), at least three (3) business days prior to the date on which any payment of principal of, premium, if any, or interest on the Bonds is due, an amount sufficient to pay such payment. If the District believes it may be unable to pay the principal of, the premium, if any or the interest on the Bonds on the date any such payment is due, the District shall notify the Commissioner of the Department of Education as soon as possible, but not less than 15 business days before the date such payment is due. The District shall authorize and direct the Registrar to notify the Commissioner of the Department of Education if (i) the Registrar becomes aware of a potential payment default with respect to the Bonds or (ii) two (2) business days prior to the date a payment is due on the Bonds the Registrar does not have sufficient funds to make the payment due on such date.

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

Brager; Lee; Marshall; Olson, Sellin; Siegel

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted.

Sellin/Olson to adjourn at 8:32 p.m.

Motion carried: 6-0