

ADMINISTRATIVE REPORT

DATE: November 21, 2024

TOPIC: 5.11 – Extension of Resolution Authorizing Award of Lease-Purchase Agreement and Sale of Certificates of Participation

PRESENTER: Kris Blackburn, Director of Business Services

REFERENCE TO POLICY/STATUTE: Policy 701, 702

A. PURPOSE OF REPORT

- a. South Washington County Schools Board, at its August 22, 2024 meeting, adopted a resolution (“parameters resolution”) for the award of a lease-purchase agreement and sale of certificates of participation relating to the financing of the special education Transition Program project. The resolution contained an expiration provision of December 31, 2024. Additionally, this type of financing requires the property be owned by the district.
- b. The purchase of the property involved, Light the Way Church, was approved by the Board via resolution at its September 26, 2024 meeting and a purchase and sale agreement was entered into on October 21, 2024.
- c. The seller is subject to Minnesota Statute 317A.811, which requires them to notify the attorney general of their intent to transfer all or substantially all of their assets and restricts transfers of those assets until 45 days after such written notice is provided to the attorney general.
- d. As a result, administration is recommending the parameters resolution be extended through December 31, 2025 to ensure sufficient time to close on the property in advance of the project financing.
- e. A copy of the proposed resolution is attached.



B. RECOMMENDATION

- a. The Board is asked to adopt the Resolution Extending Prior Authorizations Relating to the Award of a Lease-Purchase Agreement and the Sale of Certificates of Participation therein.

C. CONNECTION TO STRATEGIC PRIORITY

- a. Student Experience
- b. Student Pathways and Systemic Supports
- c. Operations, Staffing, and Finance



CERTIFICATION OF MINUTES RELATING TO LEASE-PURCHASE AGREEMENT AND
CERTIFICATES OF PARTICIPATION

Issuer: Independent School District No. 833 (South Washington County), Minnesota

Governing Body: School Board

Kind, date, time and place of meeting: A regular meeting held November 21, 2024, at 6:00 p.m., at the District Service Center, 7362 E. Point Douglas Rd. S., Cottage Grove, Minnesota, or by electronic means, as authorized by law.

Members present:

Members absent:

Documents Attached: Excerpt of minutes of the above-described meeting relating to the resolution described below.

RESOLUTION EXTENDING PRIOR AUTHORIZATIONS RELATING TO
THE AWARD OF A LEASE-PURCHASE AGREEMENT AND THE SALE OF
CERTIFICATES OF PARTICIPATION THEREIN

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto have been carefully compared with the original records of said public corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the portion of the minutes of a meeting of the governing body of said public 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 obligations; and that said meeting was duly held by the governing body of the public corporation at the time and place indicated above and attended throughout by the members of the governing body in a number sufficient to legally transact business, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on November __, 2024.

Clerk

EXCERPT OF MINUTES

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

RESOLUTION EXTENDING PRIOR AUTHORIZATIONS RELATING TO THE AWARD OF A LEASE-PURCHASE AGREEMENT AND THE SALE OF CERTIFICATES OF PARTICIPATION THEREIN

BE IT RESOLVED by the School Board (the “Board”) of the Independent School District No. 833 (South Washington County), Minnesota (the “District”), as follows:

SECTION 1. RECITALS. On August 22, 2024, the Board approved a resolution (the “Parameters Resolution”) authorizing the Superintendent, Director of Business Services, and a Board member (together, the “Award Committee”), in consultation with and upon the advice of representatives of Ehlers and Associates, Inc., municipal advisors to the District (the “Municipal Advisor”), to approve the award of a Lease-Purchase Agreement (the “Lease”) and issuance of certificates of participation therein (the “Certificates”) in an aggregate principal amount not to exceed \$9,445,000, provided that the true interest cost of the Lease and Certificates to the District is less than or equal to 5.00% per annum. The Parameters Resolution further authorized any member of the Award Committee to execute an agreement with a purchaser (the “Purchaser”) for the sale of Certificates provided the foregoing parameters are satisfied. The Parameters Resolution included a provision (the “Expiration Provision”) stating that if an agreement with the Purchaser for the sale of Certificates has not been entered into by December 31, 2024, the Parameters Resolution and all approvals thereunder would expire. The Board now finds it in the best interests of the District to extend the authorizations and other provisions in the Parameters Resolution.

SECTION 2. EXTENSION AND AMENDMENT. The Parameters Resolution is hereby extended and continued in its entirety to December 31, 2025; provided, however, that the limitations of the Expiration Provision are hereby deleted, removed, and nullified in full. The Parameters Resolution, as extended and amended hereby, remains in full force and effect.

Upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.