INDEPENDENT SCHOOL DISTRICT 271 Bloomington, Minnesota

REQUEST FOR SCHOOL BOARD ACTION

DATE OF BOARD MEETING:

January 23, 2017

SUBJECT:

Resolution stating the intention of the School Board to

issue General Obligation Refunding Taxable OPEB Bonds, Series 2017B to Refund General Obligation Taxable OPEB

Bonds 2009A

ORIGINATING DEPARTMENT:

Business Office

APPROVAL OF ADMINISTRATIVE

Rod Y. Zivkovich, Executive Director of

CABINET MEMBER:

Finance and Support Services

RESOLUTION FOR BOARD TO ADOPT:

RESOLVED, that the School Board of Independent School District 271 has determined that it is necessary and expedient to issue General Obligation taxable OPEB Bonds, Series 2017B, to refund certain maturities of the District's \$12,585,000 General Obligation Taxable OPEB Bonds, Series 2009A.

The sale of bonds will be conducted in accordance with the Bond Sale Guidelines attached.

RECOMMENDATION OF SUPERINTENDENT:

Approve.

ALS

DETAILED BACKGROUND:

The primary reason for this refunding is to reduce our annual school debt service levy beginning in Pay 18.

BOND SALE GUIDELINES

- 1) Sale. The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, Minnesota, as its independent financial advisor for the Bonds. Ehlers is authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9). If the issuance of the Bonds is approved, the School Board shall meet at the time and place specified in the Official Statement to receive and consider proposals for the purchase of the Bonds.
- 2) Official Statement; Negotiation of Sale. Ehlers is authorized to prepare and distribute an Official Statement and to open, read and tabulate the proposals for presentation to the School Board.
- 3) Minnesota School District Credit Enhancement Program. (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 Finance 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 chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

EXTRACT OF MINUTES OF A MEETING OF THE SCHOOL BOARD OF INDEPENDENT SCHOOL DISTRICT NO. 271 (BLOOMINGTON) STATE OF MINNESOTA

Pursuant to due call and notice thereof, a regular meeting of the School Board of Independent School District No. 271 (Bloomington), Minnesota, was duly held on January 23, 2017 at 7:00 PM.

MEMBERS PRESENT:

MEMI	BERS ABSENT:
Membe	er introduced the following resolution and moved its adoption:
	RESOLUTION PROVIDING FOR THE SALE OF GENERAL OBLIGATION TAXABLE OPEB REFUNDING BONDS, SERIES 2017B; 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 THESE BONDS
Minnes	BE IT RESOLVED by the School Board of Independent School District No. 271 (Bloomington), sota, as follows:
issue \$	1. Bond Authorization. The School Board has determined that it is necessary and expedient to General Obligation Taxable OPEB Refunding Bonds, Series 2017B.
in acco	2. Sale. The District has retained Ehlers & Associates, Inc. (Ehlers) in Roseville, sota, as its independent municipal advisor for the Bonds. Ehlers is authorized to solicit proposals rdance with Minnesota Statutes, Section 475.60, Subdivision 2(9). If the issuance of the Bonds is ed, the School Board shall meet at the time and place specified in the Official Statement to receive asider proposals for the purchase of the Bonds.

Official Statement; Negotiation of Sale. Ehlers is authorized to prepare and distribute

an Official Statement and to open, read and tabulate the proposals for presentation to the Board.

- 4. Minnesota School District Credit Enhancement Program. (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 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 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 Registrar. The District understands that as a result of its covenant to be bound by the provision 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 and 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 chair, clerk, superintendent or business manager is authorized to execute any applicable Minnesota Department of Education forms.

The	motion	for	adoption	of	the	foregoing	resolution	was	duly	seconded	by
Member	,		_, and upon	vote	being	taken thereo	on, the follow	ing vo	ted in f	avor thereof	:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)
COUNTY OF SCOTT)
	,
I, the undersigned, being the d	uly qualified and acting recording officer of the public corporation
issuing the obligations referred to in th	e title of this resolution, certify that the documents attached hereto,
as described above, have been carefu	lly 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	of the governing body of said corporation, and correct and complete
copies of all resolutions and other action	ons taken and of all documents approved by the governing body at
said meeting, so far as they relate to	o said obligations; and that said meeting was duly held by the
governing body at the time and place	e and was attended throughout by the members indicated above,
pursuant to call and notice of such mee	ting given as required by law.

WITNESS MY HAND officially as such recording officer this ____ day of _____,

School District Clerk

2017.