

CERTIFICATION OF MINUTES RELATING TO
GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2025A

Issuer: Independent School District No. 77 (Mankato Area Public Schools), Minnesota

Governing Body: School Board

Kind, date, time and place of meeting: A regular meeting held on July 21, 2025 at 5:30 p.m. at the Civic Center Plaza.

Members present:

Members absent:

Documents attached:

Minutes of said meeting (including):

RESOLUTION RELATING TO GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2025A; AUTHORIZING THE ISSUANCE AND AUTHORIZING THE SUPERINTENDENT OR DIRECTOR OF BUSINESS SERVICES AND ANY BOARD OFFICER TO AWARD THE SALE THEREOF AND TO TAKE SUCH ACTION AND EXECUTE ALL DOCUMENTS NECESSARY TO ACCOMPLISH SAID AWARD AND SALE; AUTHORIZING THE ISSUANCE AND SALE THEREOF AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT THERETO, AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

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 this 21st day of July, 2025.

School District Clerk

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

RESOLUTION RELATING TO GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2025A; AUTHORIZING THE ISSUANCE AND AUTHORIZING THE SUPERINTENDENT OR DIRECTOR OF BUSINESS SERVICES AND ANY BOARD OFFICER TO AWARD THE SALE THEREOF AND TO TAKE SUCH ACTION AND EXECUTE ALL DOCUMENTS NECESSARY TO ACCOMPLISH SAID AWARD AND SALE; AUTHORIZING THE ISSUANCE AND SALE THEREOF AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT THERETO, AND ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 77 (Mankato Area Public Schools), Minnesota (the District), as follows:

SECTION 1. AUTHORIZATION AND ELECTION. This Board hereby determines it is in the best interests of the District to authorize the issuance and sale of its General Obligation Facilities Maintenance Bonds, Series 2025A in the maximum aggregate principal amount of \$37,800,000 (the Bonds). The proceeds of the Bonds will be used, together with any funds of the District which might be required, to finance certain deferred facilities maintenance projects at Bridges, Kennedy, Eagle Lake and Hoover Elementary (collectively, the Project), as described in the District's ten-year facility plan for Fiscal Year 2027 (the Facility Plan) hereby approved by this Board. Pursuant to the provisions of Minnesota Statutes, Section 123B.595, Subdivision 5, it is hereby determined that the total amount of District indebtedness as of July 1, 2025 will be \$198,450,000.

SECTION 2. APPROVAL BY COMMISSIONER OF EDUCATION OF THE STATE OF MINNESOTA. The Facility Plan will be submitted to and approved by the Commissioner of Education of the State of Minnesota (the Commissioner) as required by Minnesota Statutes, Section 123B.595, subdivision 5.

SECTION 3. NOTICE PUBLICATION. The Clerk has caused notice of the intended Project, the amount of Bonds to be issued to finance the Project, and the total amount of the District's indebtedness to be published in a legal newspaper of general circulation in the District.

SECTION 4. SOLICITATION OF PROPOSALS; APPROVAL OF THE SALE OF THE BONDS. The District has retained PMA Securities, LLC, in Albertville, Minnesota (PMA), as its independent municipal advisor with respect to the sale of the Bonds. PMA is authorized to solicit proposals for the Bonds on behalf of the District on a competitive basis without requirement of published notice, in accordance with Minnesota Statutes, Section 475.60, subdivision 2, paragraph (9). In consultation with PMA, the Superintendent or Director of Business Services and any Board officer are hereby authorized to approve the sale of the Bonds and execute a bond purchase agreement for the Bonds with the purchaser, provided that the aggregate principal amount of the Series 2025A Bonds shall not exceed \$37,800,000 and the true interest cost does not exceed 5.50%.

SECTION 5. BOARD RATIFICATION OF SALE. Upon approval of the sales of the Bonds by the Superintendent or Director of Business Services and any Board officer, the Board will take action at a regularly scheduled or special meeting thereafter to adopt bond resolutions prepared by the District's bond counsel ratifying the sale of the Bonds and incorporating the terms and conditions with respect thereto.

SECTION 6. OFFICIAL STATEMENT. PMA is authorized to prepare and distribute, for the District, a preliminary Official Statement and an Official Statement relating to the sale of the Bonds, and PMA and the Underwriter are each hereby authorized to use a final Official Statement substantially in the form of said Preliminary Official Statement but with such changes therein as are required to conform the same to the terms of the Bonds, and the Superintendent or Business Manager and any Board officer, in consultation with and upon the advice of representatives of PMA and bond counsel, are hereby authorized and directed to finalize and approve such Official Statement and execute and deliver such certifications and to take such steps as are necessary to comply with SEC Rule 15c2-12.

SECTION 7. STATE CREDIT ENHANCEMENT PROGRAM. (a) The District hereby covenants and obligates itself to notify the Commissioner of the Department of Education of the State of Minnesota (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 Director of Business Services is authorized to execute any applicable Minnesota Department of Education forms.

SECTION 8. REIMBURSEMENT. (a) (i) The Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the Regulations) dealing with the issuance of tax-exempt obligations all or a portion of the proceeds of which are to be used to reimburse the District for Project expenditures made by the District prior to the date of issuance (the Reimbursement Obligations).

(ii) The Regulations generally require that the District make a declaration of its official intent to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued series of tax-exempt obligations within 60 days after payment of the expenditures, that such obligations be issued and the reimbursement allocation be made from the proceeds of such obligations within the reimbursement period (as defined in the Regulations), and that the expenditures reimbursed be capital expenditures or costs of issuance of the obligations.

(iii) The District desires to comply with requirements of the Regulations with respect to the Project.

(b) (i) The District proposes to undertake Project and to make original expenditures with respect thereto prior to the issuance of Reimbursement Obligations, and reasonably expects to issue Reimbursement Obligations for such project in the maximum principal amounts shown below:

Project	Maximum Amount of Obligations Expected to be Issued for Project
Facilities maintenance projects at Bridges, Kennedy, Eagle Lake and Hoover Elementary	\$37,800,000

(ii) Other than (i) de minimis amounts permitted to be reimbursed pursuant to Section 1.150-2(f)(1) of the Regulations or (ii) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, the District will not seek reimbursement for any original expenditures with respect to the foregoing Project paid more than 60 days prior to the date of adoption of this resolution. All original expenditures for which reimbursement is sought will be capital expenditures or costs of issuance of the Reimbursement Obligations.

(c) As of the date hereof, there are no District funds reserved, pledged, allocated on a long term basis or otherwise set aside (or reasonably expected to be reserved, pledged, allocated on a long term basis or otherwise set aside) to provide permanent financing for the original expenditures related to the Project other than pursuant to the issuance of the Reimbursement Obligations. Consequently, it is not expected that the issuance of the Reimbursement Obligations will result in the creation of any replacement proceeds.

(d) The District's Director of Business Services shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Reimbursement Obligations to reimburse the source of temporary financing used by the District to make payment of the original expenditures relating to the Project. Each reimbursement allocation shall be made not later than (i) eighteen (18) months after the date of the original expenditure or (ii) eighteen (18) months after the date the Project is placed in service or abandoned (but in no event later than three (3) years after the original expenditure is paid) and shall be evidenced by an entry on the official books and records of the

District maintained for the Reimbursement Obligations and shall specifically identify the original expenditures being reimbursed.

SECTION 9. EXPIRATION OF AUTHORITY. If the Superintendent or Director of Business Services and any Board officer have not approved the sale of the Bonds and executed the related bond purchase agreement or agreement by December 31, 2025, the authorization provided in Section 2 of this resolution shall expire.

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.