

INDEPENDENT SCHOOL DISTRICT #2396
 REGULAR MEETING – ACGC SCHOOL BOARD
 MONDAY, SEPTEMBER 23, 2019
 BOARD MEETING – 6:00PM
 JSHS MEDIA CENTER–GROVE CITY, MN

Members Present: Hendrickson, Kaisner, Lilleberg, Morrison, Rasmussen, Rivard, Stafford
 Member Absent: 0
 Administration Present: Onstad, Haase, Goracke, Wall
 Visitors Present: 4
 Student Member Present: 0

I. CALL MEETING TO ORDER

The meeting was called to order at 6:10PM by Hendrickson.

II. AGENDA REVISIONS/ADDITIONS

Removing VI-B, Monica Bogucki

III. AGENDA APPROVAL

Motion by Rasmussen, seconded by Morrison and carried, to approve the Agenda of the September 23, 2019 meeting. Vote 7-0-0.

IV. CONSENT AGENDA APPROVAL

Motion by Rasmussen, seconded by Kaisner and carried, to approve the following by consent: Vote 7-0-0.

A. MINUTE APPROVAL

1. August 26, 2019 Regular Board Meeting Minutes

B. APPROVAL OF EXPENDITURES AND TRANSFERS

1. Expenditures for the month dated August 1, 2019 to August 31, 2019

General	\$ 334,351.42
Food Service	\$ 733.58
Transportation	\$ 39,505.78
Community Service Fund	\$ 1,236.40
Building Construction Fund	\$ 806,732.61
Student Activities	\$ 9,701.19
TOTAL	\$ 1,192,260.98

2. Transfers for total wire payments of \$ 204,126.41

C. PERSONNEL

1. 7th Grade Boys Basketball Coach Resignation – Joel Slinden

2. Maternity Leave Request – Abby Zylstra

D. GIFTS

Booster Club	Athletic/Fine Arts Scholarships	\$2,400.00
Booster Club	Sports Ads – Newspaper	1,000.00
Philip and Jennifer Slinden	FFA	200.00
Tony Whitcomb & Karen Rauenhorst	Volleyball	100.00
Mary & Jeff Schimschock	School Supplies	50.00
	TOTAL	\$3750.00

V. PUBLIC COMMENT- NONE

VI. RECOGNITION OF VISITORS AND CORRESPONDENCE

A. Paige Danielson, Drive 4UR School

VII. REPORTS

- A. CHAIRPERSON – MICHAEL HENDRICKSON
- B. COMMITTEES
 - 1. BOC – Stafford
 - 2. Negotiations – Morrison
- C. BUSINESS MANAGER – KATHRYN HAASE
 - 1. Financial Update
 - 2. Preliminary 19 Payable 20 Levy
- D. BUILDING AND GROUNDS – TOM FORDYCE-ABSENT
- E. ACTIVITY/ATHLETICS DIRECTOR – MARJ MAUER-ABSENT
- F. ELEMENTARY PRINCIPAL – KODI GORACKE
 - 1. Review of Goals
 - 2. Upcoming Events
- G. 5-12 PRINCIPAL – ROBIN WALL
 - 1. Review of Goals
 - 2. Upcoming Events
- H. SUPERINTENDENT – NELS ONSTAD
 - 1. ALICE
 - 2. CLC Update
 - 3. Pre-Bid/Building Oversight Committee

VIII. BUSINESS

- A. SCHOOL BOARD POLICIES FOR REVIEW
 - 1. Policy 404- Employment Background Checks
 - 2. Policy 528 – Student Parental, Family and Marital Status Nondiscrimination
- B. SCHOOL BOARD POLICIES FOR APPROVAL
 - 1. Motion by Lilleberg, seconded by Rasmussen and carried to approve School Board Policy 506 – Student Discipline. Vote 7-0-0.
 - 2. Motion by Morrison, seconded by Rivard and carried to approve School Board Policy 527– Student Use and Parking of Motor Vehicles; Patrols, Inspections, and Searches. Vote 7-0-0.
- C. ATHLETE-FINE ARTS PARENT/STUDENT HANDBOOK
 - Motion by Rasmussen, seconded by Rivard and carried, to approve the 2019-2020 Athlete – Fine Arts Parent/Student Handbook. Vote 0-7-0. Motion Failed.
- D. IDENTIFIED OFFICIAL WITH AUTHORITY
 - Motion by Morrison, seconded by Rivard and carried, to designate Superintendent Onstad or his designee as the district authority to provide authorization for access to the Minnesota Department of Education’s secure website. Vote 7-0-0.
- E. CERTIFY PRELIMINARY LEVY FOR 2019 PAYABLE 2020
 - Motion by Rasmussen, seconded by Stafford and carried, to certify the Preliminary Levy for 2019 Payable 2020 at maximum. Vote 7-0-0.
- F. REVISED 2019-2020 ACGC SCHOOL CALENDAR
 - Motion by Morrison, seconded by Stafford and carried, to approve the Revised 2019-2020 ACGC School Calendar. Vote 7-0-0.
- G. RESOLUTION APPROVING SALE OF PROPERTY

Member Rasmussen introduced the following Resolution and moved it adoption:

RESOLUTION APPROVING SALE OF PROPERTY

WHEREAS, the District owns a parcel of property (“Property”), PID No. 05-0219020, containing approximately 2.18 acres on the northeast corner of the intersection of County State Aid Highway 22 and 545th Avenue in the Township of Danielson;

WHEREAS, the Property was deeded by a private party to a school district that is a predecessor in interest to the District, with the predecessor relationship having been verified by the Department of Education;

WHEREAS, the Property is vacant, has no structures, or improvements, and is no longer needed by the District for educational purposes;

WHEREAS, the Property directly adjoins agricultural land owned and operated by Ralph Pearson;

WHEREAS, pursuant to direction from the Board, District Administration negotiated the sale of the Property to Ralph Pearson for \$5,000; and

WHEREAS, it is in the District's best interest to convey the Property to Ralph Pearson, or his successors or assigns.

NOW, THEREFORE, BE IT RESOLVED, by the School Board of Independent School District No. 2396, as follows:

1. The sale of the Property, "as is," to Ralph Pearson, or his successors or assigns, for the price of \$5,000, is approved.
2. The Board Chair and Board Clerk are authorized to execute a Quit Claim Deed and any other documents necessary to effectuate the transaction.

The motion for the adoption of the foregoing resolution was duly seconded by Kaisner and upon vote being taken thereon, the following voted in favor thereof: Kaisner, Stafford, Rivard, Rasmussen, Lilleberg, Morrison, Hendrickson.

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.

H. RESOLUTION RELATING TO PROPERTY TAX ABATEMENT FOR PARKING LOT CONSTRUCTION, RECONSTRUCTION AND IMPROVEMENT PROJECTS; GRANTING THE ABATEMENT

Member Morrison introduced the following resolution and moved its adoption, which motion was seconded by Member Rasmussen.

RESOLUTION RELATING TO PROPERTY TAX ABATEMENT FOR PARKING LOT CONSTRUCTION, RECONSTRUCTION AND IMPROVEMENT PROJECTS; GRANTING THE ABATEMENT

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 2396 (Atwater-Cosmos-Grove City), 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 the property taxes 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 parking lot construction, reconstruction and improvement projects at ACGC Elementary and ACGC Junior/Senior High (together, 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 (the Proposed Property Tax Abatement).

1.04. Pursuant to the Act, this Board, on September 23, 2019, conducted a public hearing on the desirability of granting the Proposed Property Tax Abatement. Notice of the public hearing was duly published as required by law in the *Litchfield Independent Review*, the official newspaper of the District, on September 4, 2019.

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 District residents.

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 and reconstruction of and improvements to the parking lots adjacent to various school sites throughout the District which will enable District residents to continue to conveniently and safely access these facilities which are regularly utilized by the public for 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, in any year, the greater of (i) ten percent (10%) of the District's net tax capacity for the 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 five (5) years, commencing with taxes payable in 2020 and concluding with taxes payable in 2024. The total Abatement amount shall not exceed \$400,000 over five (5) 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 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 be modified or terminated at any time by the Board in accordance with the Act.

Upon vote being taken thereon, the following voted in favor thereof: Morrison, Lilleberg, Rasmussen, Rivard, Stafford, Kaisner, Hendrickson.

and the following voted against the same: None

whereupon the resolution was declared duly passed and adopted.

I. RESOLUTION RELATING TO \$4,270,000 GENERAL OBLIGATION FACILITIES MAINTENANCE AND TAX ABATEMENT BONDS, SERIES 2020A; STATING OFFICIAL INTENT TO PROCEED WITH AND AUTHORIZING THE ISSUANCE AND SALE THEREOF AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT THERETO

Member Morrison introduced the following resolution and moved its adoption, which motion was seconded by Member Kaisner.

RESOLUTION RELATING TO \$4,270,000 GENERAL OBLIGATION FACILITIES MAINTENANCE AND TAX ABATEMENT BONDS, SERIES 2020A; STATING OFFICIAL INTENT TO PROCEED WITH AND AUTHORIZING THE ISSUANCE AND SALE THEREOF AND PROVIDING FOR CREDIT ENHANCEMENT WITH RESPECT THERETO

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 2396 (Atwater-Cosmos-Grove City), Minnesota (the District), as follows:

SECTION 1. AUTHORIZATION AND DISTRICT INDEBTEDNESS. The District is authorized, pursuant to Minnesota Statutes, Section 123B.595, Section 469.1814 and Chapter 475, to borrow money by the issuance of its general obligation facilities maintenance bonds and general obligation tax abatement bonds. This Board hereby determines that it is necessary and desirable and in the best interest of the District to issue its General Obligation Facilities Maintenance and Tax Abatement Bonds, Series 2020A in the approximate principal amount of \$4,270,000 (the Bonds), pursuant to Minnesota Statutes, Section 123B.595, Section 469.1814, and Chapter 475, a portion of which (\$3,990,000) will be used to finance indoor air quality projects, fire safety, asbestos removal and encapsulation at ACGC Elementary School and fire safety and indoor air quality projects at ACGC Secondary School (collectively, the Facilities Maintenance Projects), as described in the District's ten-year facility plan (the Facility Plan) approved by this Board and a portion of which (\$280,000) will be used to finance parking lot construction, reconstruction and improvement projects at ACGC Elementary and ACGC Junior/Senior High (together, the Tax Abatement Projects). To pay all or a portion of the costs of the Tax Abatement Projects or to pay a portion of the principal of and interest on general obligation bonds to be issued by the District to pay for the Tax Abatement Projects, this Board by a resolution adopted on September 23, 2019 (the Abatement Approving Resolution), has granted an abatement of property taxes to be imposed by the District on certain parcels in the District identified in the Abatement Approving Resolution (the Abated Parcels) for a period of five (5) years commencing with property taxes payable in 2020 and concluding with property taxes payable in 2024, all pursuant to Minnesota Statutes, Sections 469.1812 to 469.1815, as amended. It is hereby determined to be in the best interests of the District to issue the Bonds, a portion of which will finance the Facilities Maintenance Projects and a portion of which will finance the Tax Abatement Projects including every item of cost of the kinds authorized in Minnesota Statutes, Section 469.1814, subdivision 5, benefiting the Abated Parcels. 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 September 10, 2019 is \$15,905,000.

SECTION 2. APPROVAL BY COMMISSIONER OF EDUCATION OF THE STATE OF MINNESOTA. The Facility Plan will be submitted for approval by the Commissioner of Education of the State of Minnesota as required by Minnesota Statutes, Section 123B.595, subdivision 5 and such approval will be received prior to the date on which the Bonds will be issued.

SECTION 3. NOTICE PUBLICATION. The Clerk is authorized and directed to cause notice of the intended Projects, the amount of the facilities maintenance bonds to be issued, and the total amount of the District's indebtedness to be published in a legal newspaper of general circulation in the District.

SECTION 4. SALE. The District has retained Ehlers & Associates, Inc., in Roseville, Minnesota, as its independent municipal advisor in connection with the sale of the Bonds. Ehlers &

Associates, Inc. is authorized to solicit proposals for the Bonds in accordance with Minnesota Statutes, Section 475.60, subdivision 2, paragraph (9). The Board shall meet at the time and place specified in the Official Statement for the Bonds to receive and consider proposals for the purchase of the Bonds.

SECTION 5. OFFICIAL STATEMENT; PROPOSALS. Ehlers & Associates, Inc. is authorized to prepare and distribute an Official Statement for the Bonds and to open, read, and tabulate the proposals for presentation to the Board.

SECTION 6. STATE 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.

Upon vote being taken thereon, the following voted in favor thereof: Kaisner, Stafford, Rivard, Rasmussen, Lilleberg, Morrison, Hendrickson.

and the following voted against the same: None

whereupon the resolution was declared duly passed and adopted.

IX. BOARD COMMENTS

Morrison - \$5000 land proceeds going where.

Lilleberg – Death of Bob Sandin, long-time school board member from Crosby-Ironton.

X. ADJOURNMENT

Motion by Rasmussen, seconded by Kaisner and carried, to adjourn the meeting at 7:34PM.