

**BOARD OF EDUCATION**  
**De Smet School District #38-2**  
**MINUTES**

The School Board of the De Smet School District #38-2 of Kingsbury County, SD convened pursuant to due notice at 5:30 PM on July 11<sup>th</sup>, 2022 in the high school Library Those in attendance were Pres. Shane Roth, Vice-Pres. Barb Asleson, Donita Garry, Jared Tolzin and Evan Buckmiller. Administrators present were Supt. Abi Van Regenmorter, Princ. Dan Bettin and Bus. Mgr. Susan Purintun. Visitors were Bob Garry, Sheila Schmidt representing DTO The meeting was recorded via Zoom for the *Kingsbury Journal*.

**Public Participation:** None

**Conflict of Interest Disclosure:** None

**Agenda Approval:** On motion by J. Tolzin, seconded by B. Asleson to approve the agenda with removal of agenda item #11, approval of health contract with Horizon, as it had not arrived by meeting time. All voting "aye", motion carried.

**Consent Agenda:** On motion by B. Asleson, seconded by D. Garry and unanimously carried to approve the consent agenda: the minutes from the regular meeting of June 13<sup>th</sup> and special meetings of June 27<sup>th</sup> and 29<sup>th</sup>, the financial report for the period of June 1<sup>st</sup> through June 30<sup>th</sup>; the bills for payment as presented (See attached listing.); Approval of open enrollment for student A & B; Approval of Resolution No. FY22-4 Supplemental Budget 2; Fuel bid quotes for July 1 through Dec 31<sup>st</sup> - Rich's Gas & Service Diesel - Cost plus .29, Ethanol Cost plus .27\* The Main Stop Diesel - Cost plus 28\*, Ethanol - Cost plus .29 (\*denotes quote award); No quote from the Cowboy Store; approval of contracts for Megan Ulrich, Drivers Ed for FY2023.

**DE SMET SCHOOL DISTRICT #38-2**  
**RESOLUTION NO. FY22-3**

**ADOPTION OF SUPPLEMENTAL BUDGET:**

LET IT BE RESOLVED, that the School Board of the De Smet School District #38-2, in accordance with SDCL 13-11-3.2 and after duly considering the proposed supplemental budget, hereby approves and adopts the following supplemental budget in total:

**APPROPRIATIONS:**

**GENERAL FUND**

Food Service Snack	\$ 1,081
Transfer Out	5,000
<b>Total</b>	<b>\$ 6,081</b>

**MEANS OF FINANCE:**

**GENERAL FUND**

Admissions	5,000
Contributions/Donations	1,081
<b>Total</b>	<b>\$ 6,081</b>

Shane Roth, Board President  
Business Manager - Susan Purintun  
June 30, 2022

## RESOLUTION NO. 22-4

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE AND PAYMENT OF GENERAL OBLIGATION BONDS, SERIES 2022, TO BE ISSUED IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED NINE MILLION DOLLARS (\$9,000,000) OF THE DE SMET SCHOOL DISTRICT 38-2 OF CLARK AND KINGSBURY COUNTIES, SOUTH DAKOTA AND AUTHORIZATION AND APPROVAL OF THE HEALTH AND EDUCATIONAL FACILITIES AUTHORITY IN STATE AID PLEDGE AGREEMENT.

WHEREAS, the voters of the De Smet School District 38-2 authorized the issuance of general obligation bonds at a special election held June 21, 2022. Approximately 75% of the voters voted in favor of authorizing the Bonds for the purpose of financing school facilities including (1) Laura Ingalls Wilder Elementary Building Project and (2) financing costs of issuance, including, but not limited to, Underwriter's discount, credit enhancement and rating agency fees; and

WHEREAS, the School Board has determined that the issuance of general obligation bonds of the School District is in the best interests of School District; and

WHEREAS, the School Board has determined that it is necessary and in the best interest of the School District to issue General Obligation Bonds, Series 2022, to be issued in one or more series, of the School District.

WHEREAS, the School Board has determined that it is necessary and in the best interest of the School District to participate in the Pledged State Aid Program authorized under SDCL §13-19-27 and SDCL §13-16A-97 administered by the South Dakota Health and Educational Facilities Authority and to pledge the School District's right to receive state aid to education to secure payment of such Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF THE DESMET SCHOOL DISTRICT 38-2 OF CLARK AND KINGSBURY COUNTIES, AS FOLLOWS:

### ARTICLE I

#### DEFINITIONS

##### Section 1.1. Definition of Terms.

In addition to the words and terms elsewhere defined in this Bond Resolution, the following words and terms as used herein, whether or not the words have initial capitals, shall have the following meanings, unless the context or use indicates another or different meaning or intent, and such definitions shall be equally applicable to both the singular and plural forms of any of the words and terms herein defined:

"Act" means collectively SDCL Chapter 6-8B and Title 13, as amended.

"Authority" means the South Dakota Health and Educational Facilities Authority and any successor or assigns.

"Authorized Officer of the School District" means the President of the School Board and the Business Manager, or, in the case of any act to be performed or duty to be discharged, any other member, officer, or employee of the School District then authorized to perform such act or discharge such duty.

"Bonds" means not to exceed \$9,000,000 in aggregate principal amount of General Obligation Bonds, Series 2022, authorized and issued under this Resolution.

"Bond Counsel" means Meierhenry Sargent LLP, a firm of attorneys recognized as having experience in matters relating to the issuance of state or local governmental obligations.

"Bond Payment Date" means such dates as are set forth in the Bond Purchase Agreement.

"Bond Purchase Agreement" means the agreement or agreements between the School District and the Underwriter for the purchase of the Bonds.

"Bond Resolution" means this Resolution, duly adopted by the School Board on the date hereof, as it may be amended from time to time.

"Bondholder", "Holder" and "Registered Owner" means the registered owner of a Bond, including any nominee of a Depository.

"Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository or to its nominee as Registered Owner, with the certificated bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the School District or the Registrar and Paying Agent, constitute the written record that identifies, and records the transfer of the beneficial "book-entry" interests in those bonds.

"Business Manager" means the Business Manager of the School District appointed pursuant to the provisions of South Dakota Codified Laws Title 13 or, in the absence of such appointment or in the event the person so

appointed is unable or incapable of acting in such capacity, the person appointed by the School Board to perform the duties otherwise performed by the Business Manager, or his designee.

"Closing Date" means the date the Bonds are exchanged for value.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of Treasury promulgated thereunder as in effect on the date of issuance of the Bonds.

"County Auditor" means the County Auditor of Clark and Kingsbury Counties, South Dakota.

"Delinquency" means the failure of the School District to deposit with the Registrar and Paying Agent any amount due with respect to the Outstanding Bonds or any Parity Obligation on or before the fifteenth day preceding an Interest Paying Date for any Outstanding Bonds or Parity Bonds.

"Delinquent Amount" means (i) regarding a Delinquency with respect to an Interest Payment Date, all principal, interest, and other amounts coming due on the Bonds or Parity Obligations on such date and on the next occurring Interest Payment Date, and (ii) regarding a Delinquency with respect to an Interest Payment Date, all principal, interest, and other amounts coming due on the Bonds or Parity Obligations on such date.

"Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to DTC.

"District" means the De Smet School District 38-2.

"DOE" means the South Dakota Department of Education.

"DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC system.

"DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

"Improvements" means financing school facilities and improvements including (1) Laura Ingalls Wilder Elementary Building Project and (2) costs of issuance, including, but not limited to, Underwriter's discount, credit enhancement and rating agency fees.

"Interest Payment Dates" means such dates as set forth in the Bond Purchase Agreement.

"Letter of Representation" means the Blanket Issuer Letter of Representations to DTC of the School District.

"Mail" means delivery through the United States Postal Office or other delivery service, e-mail or delivery through other electronic means.

"Official Statement" and "Preliminary Official Statement" means that Official Statement and Preliminary Official Statement described in Section 8.2 hereof pertaining to the sale of the Bonds.

"Original Issue Discount or OID" means an amount by which the par value of a security exceeds its public offering price at the time of its original issuance.

"Original Issue Premium or OIP" means the amount by which the public offering price of a security at the time of its original issuance exceeds its par value.

"Outstanding," "Bonds Outstanding," or "Outstanding Bonds" means, as of a particular date all bonds issued and delivered under this Resolution except: (1) any bond paid or redeemed or otherwise canceled by the School District at or before such date; (2) any bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the School District for the benefit of the Owner thereof; (3) any bond for the redemption of which cash, equal to the redemption price thereof with interest to the redemption date, shall have theretofore been deposited with the Registrar and Paying Agent and for which notice of redemption shall have been mailed in accordance with this Resolution; (4) any certificate in lieu of or in substitution for which another bond shall have been delivered pursuant to this Resolution, unless proof satisfactory to the School District is presented that any bond, for which a certificate in lieu of or in substitution therefore shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the certificate in lieu of or in substitution for which a new bond has been delivered and such new bond so delivered therefor shall be deemed Outstanding; and, (5) any bond deemed paid under the provisions of Article VII of this Resolution, except that any such bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of being exchanged, transferred, or registered.

"Parity Obligations" means any bond, note, certificate or other obligation of the School District issued after the date hereof which is secured by Pledged State Aid and is still "outstanding" under the resolution, indenture or other instrument pursuant to which it was issued.

"Paying Agent" means a commercial bank or regulated financial institution which is serving as the Registrar and Paying Agent under Sections 4.3(c), 4.5, and 4.6, and Article VI of this Resolution and who is also party to the State Pledge Agreement in the capacity of the "Paying Agent".

"Person" means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

"Pledged State Aid" means the state aid to education funds provided under Title 13 of South Dakota Codified Laws, SDCL §13-19-27 and SDCL 1-16A-97 and administered by the Authority in order to provide additional security for payment of the Bonds out of state aid to education appropriated by the Legislature from time to time and payable to the School District.

"President" means the president of the School Board elected pursuant to the provisions of SDCL 13-8 or his or her designee acting on his or her behalf.

"Program" means the Authority's State Aid Pledge Program authorized pursuant to SDCL §13-19-27.

"Purchase Agreement" means the Bond Purchase Agreement or Agreements authorized pursuant to and described in Section 9.1 hereof by and between the School District and the Underwriter.

"Rating Agency" means one or more of the following rating agencies: S&P Global Ratings, Moody's Investors Service Inc. and Fitch IBCA, Inc.

"Record Date" means such date or dates as set forth in the Bond Purchase Agreement.

"Registrar and Paying Agent" means the Business Manager or any Registrar and Paying Agent appointed by the Business Manager its successor or successors hereafter appointed in the manner provided in Article VI hereof.

"Resolution" means this Resolution as it may be amended from time to time.

"Schedule" means the schedule which indicates the principal and interest payments on the Bonds.

"School Board" means the School Board of the School District elected pursuant to the provisions of the SDCL Title 13.

"School District" means the De Smet School District 38-2.

"State Aid Pledge Agreement" means the agreement in which the School District pledges its State Aid to secure payment of the Bonds and any Parity Obligations.

"Underwriter" means D.A. Davidson, Omaha, Nebraska.

"Vice-President" means the Vice-President of the School Board who may act for the President in the absence of the President.

Section 1.2. References to Resolution.

The words "hereof", "herein", "hereunder", and other words of similar import refer to this Resolution as a whole. Section 1.3. References to Articles, Sections, Etc.

References to Articles, Sections, and other subdivisions of this Resolution are to the designated Articles, Sections, and other subdivisions of this Resolution as originally adopted.

Section 1.4. Headings.

The headings of this Resolution are for convenience only and shall not define or limit the provisions hereof.

## ARTICLE II

### FINDINGS

Section 2.1.

It is hereby found and determined by the School Board as follows:

- (a) The principal amount of the Bonds has been authorized by voters of the School District;
- (b) The School District hereby determines that all limitations upon the issuance of Bonds have been met and the Bonds are being authorized, issued and sold in accordance with the provisions of this Resolution and the Act. The School District hereby finds and determines that it is in the best interest of the School District to enter into a State Aid Pledge Agreement with the Authority pursuant to their Program.

## ARTICLE III

### AUTHORITY, PLEDGE, AND LEVY

Section 3.1. Authority.

It is declared necessary for the School District to finance the Improvements and issue, pursuant to, and in accordance with the provisions of the Act, this Bond Resolution, and other applicable provisions of law, General Obligation Bonds of the School District in the aggregate principal amount of not to exceed \$9,000,000, to be issued in one or more series.

### Section 3.2. Pledge.

Pursuant to Article XIII § 5 of the State of South Dakota Constitution, the School District does hereby provide for an annual tax sufficient to pay principal, premium if any, and interest when due. The full faith, credit and unlimited taxing powers of said School District shall be and they are hereby irrevocably pledged to the prompt and full payment of the principal of, premium, if any, and interest on each and all of said Bonds as such principal and interest respectively become due.

To provide moneys for payment of principal and interest when due, there is hereby levied upon all taxable property in said District a direct, annual ad valorem tax, to be spread with other levies of the School District upon the tax rolls in an amount sufficient to produce collected taxes in an amount not less than the amount sufficient to pay principal, premium, if any, and interest when due as indicated on a debt service schedule to be attached and made a part hereof.

The proceeds of said levies are hereby appropriated to, and shall be held in a separate sinking fund and used for no purpose other than for payment of principal, premium, if any, and interest on said Bonds; provided that, if any payment of interest or principal falls due when moneys in said sinking fund are insufficient, the School District shall request and the County Auditors shall spread additional levies sufficient for payment of principal, premium, if any, and interest when due or the same shall be advanced from any funds of the School District to said sinking fund.

Said levies shall be irrevocable so long as any of the Bonds or interest thereon shall remain unpaid, except that the School Board of the School District and the County Auditors shall have the power to reduce the levy as provided by state law.

The Business Manager is hereby directed to file a certified copy of this Resolution with the County Auditors, and this Resolution shall constitute authority to said Auditor and her successor in office to spread said levy on the tax rolls for all years on the debt service schedule.

### Section 3.3. Pledge of State Aid.

The School District pledges its Pledged State Aid to secure payment of the Bonds and any Parity Obligations. In the event of a delinquency as defined in the State Aid Pledge Agreement, the Pledged State Aid shall be applied to the Delinquent Amount as specified in the Delinquency Notice.

### Section 3.4. Deposit of Pledged Moneys.

Pursuant to the requirements of the Program, the School District shall deposit with the Registrar and Paying Agent on or before the fifteenth day of the month preceding the principal and/or interest payment coming due on the next Interest Payments Date.

## ARTICLE IV

### *FORM, TERMS, EXECUTION, AND TRANSFER OF BONDS*

#### Section 4.1. Authorized Bonds.

The aggregate principal amount of Bonds that may be issued under this Bond Resolution shall not exceed Nine Million and No/100 Dollars (\$9,000,000).

#### Section 4.2. Form of Bonds; Execution.

(a) The Bonds are issuable only as fully registered Bonds, without coupons, in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof (but no single Bond shall represent installments of principal maturing on more than one date). All Bonds issued under the Resolution shall be substantially in the form set forth in Exhibit A attached hereto, and by this reference incorporated herein as fully as though copied. Exhibit A, the form of the Bond shall be on file with the Business Manager and open to public inspection.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name and on behalf of the School District with the manual or facsimile signature of the President of the School Board, attested by the manual or facsimile signature of the Business Manager, and approved as to form and countersigned by a Resident Attorney by his manual or facsimile signature.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bonds may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bonds, were the proper officers of the School District to sign such Bonds, although on the date of the adoption by the School District of this Resolution, such individuals may not have been such officers.

#### Section 4.3. Maturities, Interest Rates, and Certain Other Provisions of Bonds.

(a) The Bonds shall become due and payable as set forth in the Bond Purchase Agreement. The Bonds may be sold with O.I.P. and/or O.I.D.

(b) The Bonds shall be designated "General Obligation Bonds, Series 2022" or such other designation as shall be determined by the School Board pursuant to Section 9.1 hereof. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on Interest Payment Dates. Interest on each Bond shall be paid by wire transfer, check or draft of the Paying Agent, payable in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the Record Date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office of the Paying Agent on the Bond Payment Date. Each Bond shall state that it is issued pursuant to SDCL 6-8B.

The Registrar and Paying Agent shall make all interest payments with respect to the Bonds on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registrar and Paying Agent as of the close of business on the Record Date by wire transfer, check or draft mailed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the School District in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registrar and Paying Agent as the same shall become due and payable.

#### Section 4.4. Negotiability of Bonds.

All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

#### Section 4.5. Registration, Transfer and Exchange of Bonds.

(a) The Bonds are transferable only by presentation to the Registrar and Paying Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registrar and Paying Agent shall issue a new Bond or Bonds to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registrar and Paying Agent shall not be required to transfer or exchange any Bond during the period commencing on a Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the School District to call such Bond for redemption; provided, the Registrar and Paying Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bonds, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the School District nor the Registrar and Paying Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. Bonds, upon surrender to the Registrar and Paying Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of Bonds of the same maturity in any authorized denomination or denominations.

(b) Except as otherwise provided in this subsection, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bond. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody. Unless otherwise provided herein, a Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership affected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are herein referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of

each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS THE REGISTRAR AND PAYING AGENT SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRAR AND PAYING AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registrar and Paying Agent directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. Neither the School District nor the Registrar and Paying Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the School District determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, the School District may discontinue the Book-Entry System with DTC. If the School District fails to identify another qualified securities depository to replace DTC, the School District shall cause the Registrar and Paying Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

NEITHER THE SCHOOL DISTRICT NOR THE REGISTRAR AND PAYING AGENT SHALL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

SO LONG AS A BOOK-ENTRY SYSTEM OF EVIDENCE OF TRANSFER OF OWNERSHIP OF ALL THE BONDS IS MAINTAINED IN ACCORDANCE HEREWITH, THE PROVISIONS OF THIS RESOLUTION RELATING TO THE DELIVERY OF PHYSICAL BOND CERTIFICATES SHALL BE DEEMED INAPPLICABLE OR BE OTHERWISE SO CONSTRUED AS TO GIVE FULL EFFECT TO SUCH BOOK-ENTRY SYSTEM. IF THE PROVISIONS OF THE LETTER OF REPRESENTATION SHALL BE IN CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION AS SAID PROVISIONS RELATE TO DTC, THE PROVISIONS OF THE LETTER OF REPRESENTATION SHALL CONTROL.

Section 4.6. Mutilated, Lost, Stolen, or Destroyed Bonds.

(a) In the event any Bond is mutilated, lost, stolen, or destroyed, the School District may execute, and upon the request of an Authorized Officer of the School District the Registrar and Paying Agent shall authenticate and deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the School District and the Registrar and Paying Agent: (1) such security or indemnity as may be required by them to save each of them harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, the School District and the Registrar and Paying Agent may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the School District and the Registrar and Paying Agent. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, the School District may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorney's fees, incurred by the School District and the Registrar and Paying Agent in connection herewith, as well as a sum sufficient to defray any tax or other governmental charge that may be

imposed in relation thereto and shall furnish to the School District and the Registrar and Paying Agent such security or indemnity as they may require to save them harmless and evidence to the satisfaction of the School District and the Registrar and Paying Agent the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this section shall constitute an additional contractual obligation of the School District (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Resolution equally and proportionately with any and all other Bonds duly issued under this Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

#### Section 4.7. Authentication.

The Registrar and Paying Agent is hereby authorized to authenticate and deliver the Bonds to the Underwriter or as it may designate upon receipt by the School District of the proceeds of the sale thereof, to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registrar and Paying Agent by the manual signature of an officer thereof on the Bond set forth herein on the Bond form.

#### Section 4.8. Qualification for DTC.

The Registrar and Paying Agent is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by the DTC (or any of its designees identified to the Registrar and Paying Agent) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the Owners of the Bonds, provided, however, that the Registrar and Paying Agent shall not be liable with respect to any such arrangements it may make pursuant to this section.

#### Section 4.9. Designation of Rating Agency.

The School District may authorize the retention of the Rating Agency to rate the Bonds.

#### Section 4.10. Underwriter.

The School District has retained D.A. Davidson & Co., Omaha, Nebraska, as Underwriter for the Bonds.

#### Section 4.11. Bond Counsel.

The President and Business Manager are authorized to retain Meierhenry Sargent LLP as Bond Counsel upon such terms as they approve.

#### Section 4.12. Rating Agency.

The President and Business Manager are authorized to retain the Rating Agency upon such terms as they approve.

#### Section 4.13. Dissemination Agent.

The School District authorizes the Authorized Officer of the School District to retain a dissemination agent with regard to the written undertaking authorized in Section 10.8 hereof.

#### Section 4.14. The State Aid Pledge Agreement.

The School District does hereby authorize the participation in the Program and to authorize the Authorized Officer of the School District to execute the State Aid Pledge Agreement in substantially the form attached to this Resolution. The terms and conditions of the State Aid Pledge Agreement are incorporated herein as if stated in full.

### ARTICLE V

#### *REDEMPTION OF BONDS PRIOR TO MATURITY*

##### Section 5.1. Redemption.

The Bonds shall be subject to redemption as set forth in the Bond Purchase Agreement.

##### Section 5.2. Notice of Redemption.

Notice of call for redemption, whether optional or mandatory, shall be given by the Registrar and Paying Agent on behalf of the School District not less than thirty (30) nor more than sixty (60) days prior to the date fixed for

redemption by sending an appropriate notice to the registered owners of the Certificates to be redeemed by first-class mail, postage prepaid, at the addresses shown on the bond registration records of the Registrar and Paying Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Certificates for which proper notice was given. As long as DTC, or a successor depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registrar and Paying Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the School District nor the Registrar and Paying Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registrar and Paying Agent shall mail said notices, in the case of mandatory redemption of term Certificates, as and when provided herein and in the Certificates, and, in the case of optional redemption, as and when directed by the School District pursuant to written instructions from an Authorized Representative of the School District given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registrar and Paying Agent).

#### Section 5.3. Payment of Redeemed Certificates.

(a) If notice of redemption shall have been given in the manner and under the conditions provided in Section 5.2 hereof and if on the date so designated for redemption the Registrar and Paying Agent shall hold sufficient monies to pay the redemption price of, and interest to the redemption date on, the Certificates to be redeemed as provided in this Resolution, then: (1) the Certificates so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Certificates on such date; (2) interest on the Certificates so called for redemption shall cease to accrue; and, (3) such Certificates shall no longer be Outstanding or secured by, or be entitled to, the benefits of this Resolution, except to receive payment of the redemption price thereof and interest thereon from monies then held by the Registrar and Paying Agent.

(b) If on the redemption date, monies for the redemption of all Certificates or portions thereof to be redeemed, together with interest thereon to the redemption date, shall not be held by the Registrar and Paying Agent so as to be available therefor on such date, the Certificates or portions thereof so called for redemption shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption and shall continue to be secured by and be entitled to the benefits of this Resolution

### ARTICLE VI

#### REGISTRAR AND PAYING AGENT

##### Section 6.1. Appointment and Acceptance of Duties.

The School District hereby authorizes the Business Manager to appoint the Registrar and Paying Agent with respect to the Bonds and authorizes and directs the Registrar and Paying Agent to maintain bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance, upon transfer, or as otherwise directed by the School District, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer and to furnish the School District at least annually an audit confirmation of Bonds paid, Bonds Outstanding and payments made with respect to interest on the Bonds. The President and the Business Manager, or either of them is hereby authorized to execute and the Business Manager is hereby authorized to attest such written agreement between the School District and the Registrar and Paying Agent, as they shall deem necessary or proper with respect to the obligations, duties and rights of the Registrar and Paying Agent. The payment of all reasonable fees and expenses of the Registrar and Paying Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

##### Section 6.2. Permitted Acts and Functions.

The Registrar and Paying Agent may become the Owner of any Bonds, with the same rights as it would have if it were not a Registrar and Paying Agent. The Registrar and Paying Agent may act as an underwriter or fiscal agent in connection with the sale of the Bonds or of any other securities offered or issued by the School District.

##### Section 6.3. Resignation or Removal of the Registrar and Paying Agent and Appointment of Successors.

(a) The Registrar and Paying Agent may at any time resign and be discharged of the duties and obligations created by the Resolution by giving at least sixty (60) calendar days' written notice to the Business Manager. The Registrar and Paying Agent may be removed at any time by the Business Manager, provided that such removal does not constitute a breach of any contractual agreement with any such Registrar and Paying Agent, by filing written notice

of such removal with such Registrar and Paying Agent. Any successor Registrar and Paying Agent shall be appointed by the Business Manager and shall be a trust company or a bank having the powers of a trust company, having a combined capital, surplus, and undivided profits aggregating at least Seventy-Five Million Dollars (\$75,000,000), willing to accept the office of Registrar and Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

In the event of the resignation or removal of the Registrar and Paying Agent, such Registrar and Paying Agent shall pay over, assign and deliver any monies and securities held by it as Registrar and Paying Agent, and all books and records and other properties held by it as Registrar and Paying Agent, to its successor, or if there be no successor then appointed, to the Business Manager until such successor be appointed.

Section 6.4. Merger or Consolidation of Registrar and Paying Agent.

Any corporation or association into which the Registrar and Paying Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Registrar and Paying Agent hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding. Upon any such conversion, merger, consolidation, sale or transfer, the Business Manager shall have the right and option, upon notice to such converted, merged, consolidated or acquiring entity, to remove such entity and appoint a successor thereto pursuant to the procedures and requirements set forth in Section 6.3 hereof.

#### ARTICLE VII

##### *ADDITIONAL BONDS*

The School District may issue Parity Obligations on a parity herewith. The School District may also issue additional bonds which are payable from general taxes.

#### ARTICLE VIII

##### *DEFEASANCE OF BONDS*

Section 8.1. Defeasance of Bonds.

If the School District shall pay and discharge the indebtedness evidenced by any of the Bonds in any one or more of the following ways, to wit:

- (a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registrar and Paying Agent, the principal of and interest on such Bonds as and when the same become due and payable;
- (b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registrar and Paying Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay premium, if any, and interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);
- (c) By delivering such Bonds to the Registrar and Paying Agent, for cancellation by it; and if the School District shall also pay or cause to be paid all other sums payable hereunder by the School District with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registrar and Paying Agent for the payment of principal of and interest and redemption premiums, if any, on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the School District to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the School District shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Federal Obligations nor moneys deposited with the Registrar and Paying Agent pursuant to this Section nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and

premium, if any, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registrar and Paying Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the School District as received by the Registrar and Paying Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal and premium, if any, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the School District, as received by the Registrar and Paying Agent. For the purposes of this Section, Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under South Dakota Law for the purposes described in this Section, which Bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

#### ARTICLE IX

#### *SALE OF BONDS AND DEPOSIT OF PROCEEDS*

##### Section 9.1. Sale of Bonds.

The Bonds shall be sold to the Underwriter at a price set forth in the Bond Purchase Agreement. The President and the Business Manager, or either of them, in consultation with the Underwriter, is authorized to make such changes in the structuring of the terms and sale of the Bonds as they shall deem necessary. In this regard, they, or either of them, in consultation with the Underwriter, are authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein, to sell in one or more series at the same or different dates, to sell any or all of the Bonds as term Bonds with annual mandatory redemption requirements which will produce substantially the same annual principal reductions as authorized herein, to change the dated date of the Bonds, and to adjust principal and interest payment dates and redemption dates of the Bonds. The form of the Bond set forth in Exhibit A attached hereto shall be conformed to reflect any changes, if any, as hereinbefore mentioned. The President and the Business Manager, or either of them, are hereby authorized to execute and the Business Manager is authorized to attest the Bond Purchase Agreement with the Underwriter providing for the purchase and sale of the Bonds. The Bond Purchase Agreement shall be in form and content acceptable to the President and Business Manager, the execution thereof by either of them to constitute conclusive evidence thereof, and approved as to form and legality by Bond Counsel; provided the Bond Purchase Agreement effects the sale of the Bonds in accordance with the provisions of this Resolution, and is not inconsistent with the terms hereof. The President and the Business Manager are authorized to cause the Bonds to be authenticated and delivered by the Registrar and Paying Agent to the Underwriter and to execute, publish, and deliver all certificates and documents, including the Official Statement, and closing certificates and documents, as they shall deem necessary in connection with the sale and delivery of the Bonds. Bond Counsel is authorized to release the Bonds in any closing.

##### Section 9.2. Official Statement.

The President, Business Manager, and the Underwriter are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds (the "Preliminary Official Statement"). After the Bonds have been sold, the President and Business Manager shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission.

To comply with paragraph (b) (3) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule") and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board, the School District agrees to deliver to the Underwriter, the Official Statement (which shall be a final official statement, as such term is defined in the Rule, as of its date) in an electronic format as prescribed by the MSRB.

##### Section 9.3. Disposition of Bond Proceeds.

The proceeds of the sale of the Bonds, combined with interest earnings, shall be deposited and accredited in the fund and accounts as prescribed by the South Dakota Department of Legislative Audit and will be used by the School District to financing school facilities including(1) construction of a new elementary school, (2) improvements

to the existing middle school facilities, (3) sitework, (4) infrastructure costs of utilities servicing the new buildings, (5) to furnish and equip the same, and, (6) to pay the costs of issuance including, but not limited to, Underwriter's discount, credit enhancement and rating agency fees.

#### Section 9.4. Tax Matters.

The School District covenants and agrees with the registered owners from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the basic interest on the Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

The President and the Business Manager, being the officers of the School District charged with the responsibility for issuing the Bonds pursuant to this Resolution are hereby authorized and directed to execute and deliver to the Underwriter thereof a Bond in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will be used in a manner that would not cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

The School District shall file with the Secretary of the Treasury a statement concerning the Bonds containing the information required by Section 149(e) of the Code.

The School District does hereby designate the Bonds as "qualified tax-exempt obligations" under 26 USCA 256(b) (3).

### ARTICLE X

#### MISCELLANEOUS

##### Section 10.1. Failure to Present Bonds.

(a) Subject to the provisions of Section 4.7 hereof, in the event any Bond shall not be presented for payment when the principal or redemption price hereof becomes due, either at maturity or at the date fixed for prior redemption thereof or otherwise, and in the event monies sufficient to pay such Bond shall be held by the Registrar and Paying Agent for the benefit of the Owner thereof, all liability of the School District to such Owner for the payment of such Bond shall forthwith cease and be completely discharged. Whereupon, the Registrar and Paying Agent shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bonds.

(b) If any Bond shall not be presented for payment within a period of five years following the date when such Bond becomes due, whether by maturity or otherwise, the Registrar and Paying Agent shall, subject to the provisions of any applicable escheat or other similar law, pay to the School District any monies then held by the Registrar and Paying Agent for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the School District.

##### Section 10.2. Payments Due on Saturdays, Sundays, and Holidays.

In any case where the date of maturity or interest on or principal of any Bonds, or the date fixed for redemption of any Bonds, shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Registrar and Paying Agent are authorized by law to close, then the payment of the interest on, or the principal, or the redemption price of, such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Registrar and Paying Agent are authorized by law to close, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

##### Section 10.3. Miscellaneous Acts.

The appropriate officers of the School District are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, deliver, and, if applicable file or record, or cause to be filed or recorded, in any appropriate public offices, all such documents, instruments, and certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may, in their discretion, be necessary or desirable to implement or comply with the intent of the Bond Resolution, or any of the

documents herein authorized and approved, or for the authorization, issuance, and delivery by the School District of the Bonds.

Section 10.4. Amendment.

The School Board is hereby authorized to make such amendments to the Bond Resolution as will not impair the rights of the Bondholders.

Section 10.5. No Recourse Under Bond Resolution or on Bonds.

All stipulations, promises, agreements, and obligations of the School District contained in the Resolution shall be deemed to be the stipulations, promises, agreements, and obligations of the School District and not of any officer, director, or employee of the School District in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or the Resolution against any officer, director, or employee of the School District or against any official or individual executing the Bonds.

Section 10.6. Partial Invalidity.

If any one or more of the provisions of the Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but the Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 10.7. Continuing Disclosure.

The School District hereby covenants and agrees that it will annually provide certain financial and operating information which is customarily prepared and publicly available and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission (SEC) for the Bonds. The President is authorized to execute at the Closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the School District to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the School District to comply with its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance. The President is authorized to execute any amendments as he or she deems necessary to comply with any rules of regulations adopted by the SEC.

Section 10.8. Post Issuance Compliance.

The School District does hereby adopt Meierhenry Sargent Post-Issuance Compliance Policy and Tax-Advantaged Obligations and Continuing Disclosure with regard to the Bonds attached hereto. The School District appoints the Business Manager as its chief post issuance compliance officer.

Section 10.9. Conflicting Resolutions Repealed.

All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 10.10. Effective Date.

This Resolution shall take effect from and after its adoption, the welfare of the School District requiring it.

Said motion was seconded by Member Barb Asleson and upon vote being taken the following voted AYE: Pres. Shane Roth, Vice-Pres. Barb Asleson, Evan Buckmiller, Jared Tolzin and Donita Garry; the following voted NAY:

None

ATTEST:

Susan L Purintun  
Business Manager

Shane Roth  
President

GENERAL FUND: Revenue – Ad Valorem Tax 55,298.79, Utility Taxes 42,520.22; Pen&Int.99.98, Interest 306.62, Admissions 130; Services provide with other LEA's 18,710.99 (LPHS shared Instructor; Other Local 1800.00; County Apportionment 620.57, State Aid 82,461.00: Title I 25,995.00; Title II Part A 11,783.00; ESSER III 62,999.05; Fed Reimb FVR 2154.48 Other financing sources (Capital Outlay) 522,658.00  
Disbursements – 107,829.69; June Payroll 187,796.88; Trans to Food Service 5000.00  
TOTAL GENERAL FUND CASH BALANCE – 1,630,593.28

CAPITAL OUTLAY FUND: Revenue – Ad Valorem Tax 25,774.98, Pen& Int.90.40: Contributions/Donations 6876.30; Perkins 2403.74; ESSER III 167,825.00

Disbursements – 78,017.50 Transfer to General Fund 522,658.00,

TOTAL CAPITAL OUTLAY FUND CASH BALANCE – 1,369,133.29

SPECIAL EDUCATION FUND: Revenue – Ad Valorem Tax 51,200.73, Pen&Int.45.19

Disbursements – 9068.44, June Payroll 16,654.52

SPECIAL EDUCATION FUND CASH BALANCE – 409,740.92

FOOD SERVICE FUND: Revenue – Reimb adult meals 1785.00; State Cash Reimb 499.35, Federal Reimbursement 11,449.40; FY22 Donated Commodities 16,650.05; Transfer in from General Fd 5000

Disbursements – 9070.41

TOTAL FOOD SERVICE FUND CASH BALANCE – 8028.73

ENTERPRISE FUND: Revenue – 0

Disbursements – 52.42

TOTAL ENTERPRISE FUND CASH BALANCE - \$3952.80

SCHOLARSHIP FUND: Revenue – Contrib and Donations 12,030.00

Disbursements – none

SCHOLARSHIP FUND CASH BALANCE: 47,148.14

TRUST AND CUSTODIAL FUND: Revenues – 43,141.26

Disbursements – 78,208.01

TOTAL TRUST AND CUSTODIAL FUND CASH BALANCE – 113,430.40

All voting “aye”. Motion carried.

**GENERAL FUND:** American Trust Insurance, Prop.Insur 650; ASBSD, Work Comp Insurance \$9293.00; ASBSD, Dues 1029.87; H. Becker, Paymaster Insur 689.50; D.Bettin, Reloc Fees \$2500; Century Bus Prod, Copier Maint 95.24; Chromebookparts.Com, Tech supp 279.98; City of De Smet, Bus Gar Utilities 52.91, Bldg Utilities 241.29, Waste Disposal 5.00 Total 299.20; Cook’s Wastepaper/Recycling Utilities 1572.25; Culligan, Utilities 26.00; De Smet Food Serv, FVRS/Snack reimb 2310.69; Deuebrook Area School. Reg Fee \$300, Dustex Serv, Cleaning Serv 145.47; EBOARDsolutions, Subscrip renewal 600; Hillyard, Cust Supp 19.38, Repairs 221 Total 240.38; Innovative Solutions Elem Supp 2<sup>nd</sup> Gr 94.76, Princ Off 885.83, HS Math Supp 33.21 Total 1013.80; Kingsbury Electric Trans Comm 59.67; Midwest Glass, door repairs 407.35; NASSP, Nat. Honor Soc Fees 385.00; NW Pub Serv, Bus Gar Utilities 30.44, Bldgs Utilities 249.99 Total 280.43; O’Keefe Implement Repairs/Maint Vehicle 663.08; Office Peeps, Bus Off Supp 25.13; Otter Tail Power, Bus Garage Utilities 34.35, Ath Fd. Utilities 155.68, Bldg Utilities 3558.67 Total 3748.70; Pitney Bowes Global Financial, Postage Serv 146.10; Pro Instit Home Depot Pro Cust Supp/Versamatic Vac 750.18; Ramkota Inn, State Track 2219.88; Rich’s Gas ‘n Service, Trans Fuel 915.40; Riddell/All Amer Sports Ftball Reconditioning 1659.11; Runnings, Cust Supp 216.40; SASD, Dues 1717.00; School Datebooks, Planbooks K-12 473.67; School Specialty Acad Supp HS 369.71, Elem KG Supp 310.10, Title I Supplies 98.02, Elem Supp 1<sup>st</sup> Gr 92.11, Elem Supp 4<sup>th</sup> Gr 159.96 Total 1029.90; Schoolmate, Office Supp 386.00; SD Teacher Placement, Website Membership 435.00; Software Unlimited, Annual Maint 5550.00; TIE, Membership dues 1250.00; Teacher Innovations, Planbook Subscrip 378.00; Trustworthy Hardware, Cust Supp 4.05; Ultra Inc Prof Service 800; Valleyfiber, Ath Field 66.98; **TOTAL GENERAL FUND EXPENDITURES: \$44,612.41;**

**CAPITAL OUTLAY FUND EXPENDITURES:** City of De Smet, Event Center Rent (6 MONTHS) 6375.00; Hauff Sports, Womens Track/CC Uniforms 862.65, Mens Track/CC Uniforms 1054.95 Total 1917.60; International E-Z Up Inc. Track/CC Tent Shelter 2805.78. Kaiser Well Drilling, Well Drilling 11,075.02 (Donation of \$5500 toward well installation) Kingsbury Electric Coop, Well Install 735.26; Northwest Pipe Fittings Inc., Irrigation Supp 316.90; Renaissance Learning Inc. Software K-12 4550.75; Riverside Technology Inc, Tech Equip 295, Princ Off Tech 1201, Bus Office Tech 1210, Elem Chromebooks 12,400, HS Chromebooks 23,200 Total 38,306; Software House Int, Licensing Fees 3019.80, State of SD, Energy Loan Principal 25,820; Connecting Point, Digital Signage 2779.15, Tech Switch/Install 5216.10, Activ Panels MS/HS 10,951.48, Tech Software 600, Digital Sign software 600, Activ Panel Stand 653.52 Total 20,800.25; **TOTAL CAPITAL OUTLAY FUND EXPENDITURES \$115,722.36**

**SPECIAL EDUCATION FUND EXPENDITURES:** ASBSD Work Comp, Fees 2529; CPI, Training renewal 1399; Innovative Office Solutions, SPED supplies 358.88; Mitchell School Dist, Out of Dist tuition 990; **TOTAL SPECIAL EDUCATION FUND EXPENDITURES \$5276.88**

**CAPITAL PROJECTS EXPENDITURES:** CO-OP Architectects, Prof Fees 71,925, Wilkinson and Wilkinson, Property Acquisition 125,678.11 **TOTAL CAPITAL PROJECTS EXPENDITURES \$197,603.11**

**DRIVERS EDUCATION EXPENDITURES:** O'Keefe Implement, Dr. Ed Car Rental 1326.40; Rich's Gas 'n Service Dr. Ed Fuel 615.75 **TOTAL DRIVER'S EDUCATION EXPENDITURES \$1942.15**

**Delegations:** None

**Reports**

**NESC:** The NESC business was reviewed by NESC Representative Barb Asleson. The June meeting was routine business and budgeting discussion.

**Education Enhancement Foundation:** No reports.

**Legislative Report:** No reports.

**Facilities/Buildings Report:** Supt. Abi told the board that Co-op Architects have a time line for sending out building specifications and advertising for bids to be opened on August 16<sup>th</sup>. There was a mishap with the soil boring test last week even with all the precautions taken to avoid the geo-thermal lines, The company doing the boring had measured out 15 feet from what the map of the geothermal read, yet hit one in the first drill. The system was shut down immediately by Mr. Terry Holland to prevent further damage. He is working on the repair of the lines and getting all back up and running in the near future.

The work on the well has been completed and is functioning above expectations with the water pressure being able to reach all areas of the field with no lapse of coverage. Supt. Abi expressed her gratitude with John Kaiser of Kaiser Well Drilling, for his generous donation of \$5500 toward the installation of the new well. The Board also were very thankful. There will be an acknowledgement placed at the field.

**Principal's Reports:** The board heard that summer school has been wrapped up and went very well. There are still special education services continuing for a few more weeks in the MS/HS building. Supt. Abi has been contacted by Big Sioux Media, a broadcasting company out of Dell Rapids, SD. They would like to offer their services to broadcast the football events and away ball games. Jim Millman would be hired by the company to be the broadcaster for the events and is supportive of the company. Pres. Roth noted that he has followed other ballgames that they have covered and said they do an excellent job.

Supt. Abi has applied for an electric bus grant. The grant, if we were to be approved would provide \$375,000 for an electric bus along with \$20,000 for infrastructure to support the bus. Foreman's of Miller service electric busses and are within the chargeable mileage the bus' hold. It takes 4 hours to fully charge a bus.

**Assistant Football Coach Position:** On motion by D. Garry, seconded by E. Buckmiller to approve an additional asst football coaching position. Supt. Abi, Princ Bettin and AD Geyer feel this is a positive move for our football program and that other schools in our conference currently have a head coach and 2 asst positions for their HS program. The salary, per the negotiated agreement would be \$2927. All voting "aye", motion carried.

**Adjournment of FY2022 Business:** There being no further business at this time for FY22, on motion by D. Garry, seconded by E. Buckmiller to adjourn. All voting "aye", motion carried

At this time, board members and administrators presented a plaque to outgoing board member Donita Garry for her 16 years of service to the De Smet School District. Mrs. Garry has served on many committees and given hours of her own personal time to listen to her constituents on behalf of the wellbeing of the School District. The board thanked her on behalf of all the students, and our community and noted that it was an honor to serve with her.

**FY2023 Meeting called to Order to order by Bus. Mgr. Susan Purintun**

**Swearing In of Board Member:** Barb Asleson was sworn in for a three year term and recited the Oath of Office after being seated with no opposition for her position. At this time, the position of Donita Garry is open and the Board will consider individuals to replace her for a one year term.

**Board Officers:** Bus. Mgr. Susan Purintun called for nominations of the seat of presidency of the Board of Education. Jared Tolzin nominated Shane Roth for President, seconded by Barb Asleson. Jared Tolzin moved that all nominations cease, seconded by Evan Buckmiller. Bus. Mgr. Purintun called for a vote, all voting "Aye", motion carried. Shane Roth was declared President of the De Smet Board of Education for the 2022-2023 fiscal year.

Pres. Roth called for nominations for the office of vice-president. Evan Buckmiller nominated Barb Asleson for Vice-President, seconded by Jared Tolzin. Evan moved that all nomination cease, seconded by Jared Tolzin. Pres. Roth called for a vote. All voting "aye", motion carried. Barb Asleson will serve as Vice-President of the De Smet Board of Education for the 2022-2023 fiscal year.

**Consent Agenda:** On motion by J. Tolzin, seconded by B. Asleson and unanimously carried to approve the consent agenda: designation of American Bank and Trust as the official depository for the FY2023; designation of Kingsbury Journal as the official newspaper; authorization of the continuation of the school food service agreement with the State of South Dakota; Bus.Mgr. Susan Purintun as administrator of Trust and Custodial Funds; designation of Attorney Todd Wilkinson for the FY23 with the option to use other legal counsel for case specific instance and to prevent a conflict of interest.; Designation of Daniel Bettin as Title IX Coordinator; Designation of regular meeting dates as the second Monday of each ;month at 5:30 PM in the High School Library; Set school board salary at \$50 per meeting for local meetings and \$60 per Northeast Education Cooperative meetings with travel at state rate; approval of Special Education IDEA Comprehensive Plan; authorization of Supt. Abi Van Regenmorter or her designee to have the authority to close the school due to inclement weather or other emergencies; adopt the following activity admission prices/season tickets – Adults \$5.00, Students \$3.00; Adult Season Pass \$40; SR. Citizen (65 years and older) \$20; Student Pass \$20; Lunch prices K-5 \$3.00; 6-12 \$2.5; Adults \$4.00; Reduced .40; Breakfast prices K-5 \$1.35; 6-12 \$1.50 Federal regulations require meal prices to be established for free and reduced applications.

**Board/Committee Appointments:**

On motion by E. Buckmiller, seconded by B. Asleson to appoint Shane Roth as the Free and Reduced Meals hearing officer. All voting "aye". Motion carried.

On motion by J. Tolzin, seconded by E. Buckmiller to appoint Barb Asleson as school board member to serve on the NESC Board of Directors with Jared Tolzin and Evan Buckmiller as alternates. All voting "aye". Motion carried.

On motion by E. Buckmiller, seconded by B. Asleson to appoint Jared Tolzin as Education Enhancement Foundation Representative. All voting "Aye", motion carried.

On motion by B. Asleson, seconded by S. Roth to appoint Evan Buckmiller and Jared Tolzin to the District's Building Committee. All voting "aye", motion carried.

On motion by E. Buckmiller, seconded by B. Asleson to appoint Shane Roth and Jared Tolzin to serve on the Facility Use Committee with the City Council members. All voting "aye", motion carried.

**Wrestling Cooperative Agreement:** The board reviewed the Wrestling Cooperative agreement between Arlington, De Smet, Lake Preston and Iroquois. On motion by B. Asleson, seconded by E. Buckmiller to approve the agreement. This year's agreement adds the school district of Iroquois as they and Lake Preston are in a sports cooperative agreement for the next two years. Supt Abi noted that the wrestling coaches wanted the Board to be cautious of moving forward so that the Knights are not elevated to the next higher class. All voting "aye", motion carried.

**Executive Session:** On motion by B. Asleson, seconded by J. Tolzin to go into executive session on personnel matters pursuant to SDCL 1-25-2(1) at 5:46 PM All voting "aye", motion carried.

Regular session resumed at 6:19

Board members were reminded of the Budget Hearing that is set for July 25<sup>th</sup>, 2022 at 5:30 PM.

**Adjournment:** There being no further business at this time on motion by B. Asleson, seconded by E. Buckmiller to adjourn. All voting "aye". Motion carried. 6:19 PM

ATTEST: Shane Roth, President  
Susan L. Purintun, Business Manager

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