

## Regular School Board Meeting - REVISED

Duluth Public Schools, ISD 709

### Agenda

Tuesday, September 24, 2013

District Services Center

709 Portia Johnson Dr.

Duluth, MN 55811

4:30 PM

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Approval of the Agenda**
5. **Reading and Approving Minutes**
  - A. Special School Board Meeting / Executive (Closed) Session - August 20, 2013 2
  - B. Regular School Board Meeting - August 20, 2013 (REVISED) 3
  - C. Special School Board Meeting - September 13, 2013 27
  - D. Special School Board Meeting - September 17, 2013 32
6. **School and Community Recognition**
7. **Audience**
8. **Reading Communications, Petitions, Etc.** 33
9. **Report of the Superintendent**
  - A. Schedule of Meetings and Events 34
10. **Report of Standing Committees**
  - A. Education Committee (*see separate report*)
  - B. Human Resources Committee (*see separate report*)
  - C. Business Committee (*see separate report*)
11. **Special Resolutions - No Special Resolutions**
12. **Questions / Other**
13. **Adjournment**

## Minutes of the Special School Board Meeting

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Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Tuesday, August 20, 2013

### Members Present:

Art Johnston  
Tom Kasper  
Mike Miernicki  
Judy Seliga Punyko  
Ann Wasson

### Others Present:

Bill Gronseth, Superintendent  
Bill Hanson, Deputy Clerk  
Melinda Thibault, Secretary

### Members Absent:

Mary Cameron  
Bill Westholm

- Chair Kasper called the special school board meeting of August 20, 2013 to order at 5:30 p.m.

Member Wasson presented the resolution:

### **RESOLUTION** **Executive (Closed) Session**

WHEREAS, Pursuant to Minnesota Statute 13D.05 Subd. 3(c) allowing a closed meeting for discussion related to the purchase or sale of real property.

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the School Board shall meet in Executive (Closed) Session on Tuesday, August 20, 2013, at approximately 5:30 p.m. in the Board Conference Room of the Historic Old Central High School for the purpose of discussion related to the status of property disposals as listed on attachment.

Resolution B-8-13-3129

August 20, 2013

**M-Wasson, S-Seliga Punyko, to approve Resolution B-8-13-3129 - Executive Closed Session. Upon a vote the same passed – 5-0.**

- Chair Kasper adjourned the Special School Board meeting of August 20, 2013 at 6:32 p.m.

**Minutes of the Regular School Board Meeting (REVISED)**

Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Tuesday, August 20, 2013

**Members Present:**

Art Johnston  
Tom Kasper  
Mike Miernicki  
Judy Seliga Punyko  
Ann Wasson  
Bill Westholm

**Others Present:**

Bill Gronseth, Superintendent  
Bill Hanson, Deputy Clerk  
Melinda Thibault, Secretary

**Student Representatives:**

Erik Thibault  
Katlyn Persch

**Members Absent:**

Mary Cameron

➤ Chair Kasper called the regular school board meeting of August 20, 2013 to order at 6:30 p.m., and the pledge of allegiance to the American flag was given.

**M-Wasson, S-Seliga Punyko, to approve the agenda as presented. Upon a vote on the agenda as presented, the same was approved – 6-0.**

Chair Kasper asked school board members if there were any corrections or changes to the minutes of the Regular School Board Meeting of July 16, 2013.

**M-Westholm, S-Wasson, to approve the minutes of the July 16, 2013 Regular School Board Meeting as presented. Upon a vote, the same was approved as presented – 6-0.**

Chair Kasper asked school board members if there were any corrections or changes to the minutes of the Special School Board Meeting of August 12, 2013.

**M-Westholm, S-Wasson, to approve the minutes of the August 12, 2013 Special School Board Meeting as presented. Upon a vote, the same was approved as presented – 6-0.**

**School and Community Recognition**

**August 2013**

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The school board acknowledged/congratulated:

Jamie Zak, Healthy School Food Coordinator for the Duluth Community Garden Program, for recognition. With funding from the Statewide Health Improvement Program, the Duluth Community Garden Program selected five of our schools to receive its Food Literacy Grant for School Gardens and Farm to School Programming. Those schools include Congdon Park and Myers Wilkins Elementary Schools, Ordean East and Lincoln Park Middle Schools and East High School. The grant includes a budget for installing a school garden at each site and facilitates Farm to School planning.

**Public Comments**

**August 2013**

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Joshua Bixby, 2809 East First Street, spoke to the board to encourage them to not move forward with the non-voter approved levies and move forward with the voter approved referendum. He also suggested that the board allow public comment at the standing committee meetings.

Loren Martell, 623 East 7<sup>th</sup> Street, spoke to the board to encourage them not to move ahead with the non-voter approved levies.

Harry Welty, 2121 East 4<sup>th</sup> Street, spoke to the board to encourage them to only move forward with the voter approved levies.

Marcia Stromgren, address not provided, spoke to the board regarding her concerns with the state of the District and the taxes she has to pay as a business owner.

Tom Albright, 510 North 42<sup>nd</sup> Avenue West, spoke to the board to express his excitement that the voters will have a chance to support the schools when voting on a referendum this fall.

**Communications, Petitions, Etc.**

**August 2013**

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Superintendent Gronseth stated that no communications had been received.

**Superintendent's Report**

**August 2013**

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Superintendent Gronseth stated that the start of the new school year is fast approaching and that staff are working hard to prepare for the start of school. He also thanked the legislators for the round table discussion on education funding.

**Education Committee Report**

**August 2013**

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Member Johnston presented the Education Committee report, a copy of same being in the hands of each school board member.

Member Johnston presented the resolution:

**RESOLUTION**

**Acceptance of Grant Awards to Duluth Public Schools**

WHEREAS, Minnesota Statute 465.03 requires a school district to accept grants by resolution expressed in the terms prescribed by the donor in full; and,

WHEREAS, acceptance of the grant in accordance with the donor's terms is in the best interest of the Duluth Public Schools:

NOW, THEREFORE, BE IT RESOLVED that the Duluth Public Schools does accept the below-described grants from said organizations in accordance with the terms set forth herein.

BE IT FURTHER RESOLVED that the Duluth Public Schools wishes to extend its grateful appreciation to these various organizations.

Organization	Author/Contact	Project Title	Award Amount	Terms
United States Department of Education	Edye Howes	Title VII Indian Education Formula Grant	\$136,974	Funds from this grant award will be used to fund Indian Education staff positions and provide educational opportunities to American Indian students, parents, and staff in Duluth Public Schools.

E-8-13-3121

August 20, 2013

**M-Johnston, S-Miernicki, to approve the Resolution E-8-13-3121 – Acceptance of Grant Awards to Duluth Public Schools. Upon a vote, the same was approved – 6-0.**

**M-Johnston, S-Miernicki, to approve the remainder of the Education Committee Report. Upon a vote on, the same was approved – 6-0.**

**Human Resources Committee Report**  
**August 2013**

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Member Westholm presented the Human Resources Committee report, a copy of same being in the hands of each school board member.

**M-Westholm, S-Seliga Punyko, to approve the Human Resource Committee report.**

Member Johnston asked about the .4 appointment for Mr. Wanner. Tim Sworsky explained that it is paid for by the DFT.

**Upon a vote, the same was approved – 6-0.**

**Business Committee Report**  
**August 2013**

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Member Seliga Punyko presented the Business Committee report, a copy of same being in the hands of each school board member.

**M-Seliga Punyko, S-Wasson, to approve the Business Committee Report withholding the resolutions:**

Member Johnston withheld Items 4.A.1) & 2) for discussion, and 3) for a separate vote, and 4.B. for discussion.

Member Johnston withheld Items 4.A.1) and 2) – K-12 Virtual Schools contracts, to ask if there was budget for the contracts or if they were additional budget items. Jody LeBlanc, Finance Supervisor, and Ed Crawford, Assistant Superintendent, explained the programs and budget for the contracts. Discussion continued regarding the program.

**Upon a separate vote on Item 4.A.1) and 4.A.2) – K-12 Virtual Schools, the same was approved – 6-0.**

**Upon a separate vote on Item 4.A.3) – Minnesota Alliance with Youth, the same was approved – 6-0.**

Member Johnston withheld Item 4.B. Change Orders to ask if the items listed had been started and/or completed at this time. Kerry Leider, Facilities Management Supervisor, stated that yes they had been by board authorization. Discussion continued on the change orders.

**Upon a vote on the Business Committee report withholding the resolutions, the same was approved – 5-1 as follows:**

**Yea: Kasper, Miernicki, Seliga Punyko, Wasson, Westholm**

**Nay: Johnston**

Member Seliga Punyko presented the resolution:

RESOLUTION AUTHORIZING A NEW BOARD APPROVED  
REFERENDUM AUTHORITY

BE IT RESOLVED by the School Board of Independent School District No. 709, State of Minnesota, as follows:

1. Current Authority. The District has no current voter approved referendum authority for fiscal year 2015.
2. Approval of New Authority. Pursuant to Minnesota Statutes, Section 126C.17, subdivision 9a, the Board hereby determines to authorize a new Board approved referendum authority in the amount of \$300 per adjusted pupil unit. This new Board approved referendum authority shall be further adjusted based on final pupil unit data. It is the intention of the Board to create the maximum authority for which it is eligible, not to exceed \$300 per adjusted pupil unit. This new Board approved referendum authority, as adjusted shall be applicable for five years, beginning with taxes payable in 2014. The Board may subsequently reauthorize the board approved referendum authority in increments of up to five years.
3. This resolution has been adopted after June 30, 2013 and before October 1, 2013. The clerk is authorized and directed to submit a copy of the adopted resolution to the Minnesota Department of Education as soon as reasonably practicable after its adoption, but in no event later than September 30, 2013.

**M-Seliga Punyko, S-Wasson, to approve Resolution B-8-13-3122 - Resolution Authorizing A New Board Approved Referendum Authority.**

Bill Hanson, CFO/Executive Director of Business Services, noted that administrations recommendation was to postpone indefinitely. Discussion took place regarding the resolution and administrations recommendation.

**M-Miernicki, S-Westholm, to amend the motion made by Member Seliga Punyko to postpone the resolution indefinitely**

Discussion took place regarding the motion to postpone indefinitely.

**Upon a vote, the same was approved – 5-1 as follows:**

**Yea: Johnston, Kasper, Miernicki, Wasson, Westholm**  
**Nay: Seliga Punyko**

Member Seliga Punyko presented the resolution:

RESOLUTION ELECTING NOT TO PARTICIPATE IN THE LOCATION EQUITY INDEX  
PROGRAM FOR FISCAL YEAR 2015

BE IT RESOLVED by the School Board of Independent School District No. 709, State of Minnesota, as follows:

1. Pursuant to Minnesota Statutes, Section 126C.10, subdivision 2d, the Board hereby determines that Independent School District No. 709 (Duluth Public Schools) shall not participate in the Location Equity Revenue Program in fiscal year 2015.
2. This Resolution has been adopted before September 1, 2013. The clerk is authorized and directed to submit a copy of the adopted resolution to the Commissioner of Education as soon as reasonably practicable after its adoption, but in no event later than September 30, 2013.

B-8-13-3123

August 20, 2013

**M-Westholm, S-Miernicki, to postpone indefinitely Resolution B-8-13-3123 – Electing Not to Participate in the Location Equity Index Program for Fiscal Year 2015.**

Discussion took place regarding the motion to postpone the resolution indefinitely.

Member Johnston made a point of order that Roberts Rules does not allow members of the board to impugn intent of another member and asked the chair to call order to Member Seliga Punyko. Chair Kasper asked Member Seliga Punyko to refrain from doing so in the future.

**Upon a vote, the same was approved – 5-1 as follows:**

**Yea: Kasper, Miernicki, Seliga Punyko, Wasson, Westholm**  
**Nay: Johnston**

Member Seliga Punyko presented the resolution:

RESOLUTION RELATING TO RENEWING AND INCREASING THE  
GENERAL EDUCATION REVENUE OF THE SCHOOL DISTRICT  
AND CALLING AN ELECTION THEREON

BE IT RESOLVED by the School Board of Independent School District No. 709, Duluth, State of Minnesota, as follows:

1. The School District's existing operating levy is expiring. The Board hereby determines and declares that it is necessary and expedient for the School District to renew that expiring referendum revenue authorization by seeking authority of \$595.78 per pupil. The revenue will be used to finance school operations. The proposed referendum revenue authorization, which would be effective for taxes payable in 2014, would be applicable for five years unless otherwise revoked or reduced as provided by law. The question on the approval of this referendum revenue authorization shall be School District Ballot Question No. 1 on the school district ballot at the special election held to approve said authorization.

The Board further determines that it is necessary and expedient for the School District to increase its general education revenue by an additional \$200.00 per pupil. The proposed referendum revenue authorization, which would also be effective for taxes payable in 2014, would also be applicable for five years unless otherwise revoked or reduced as provided by law. The question on the approval of this referendum revenue authorization shall be School District Ballot Question No. 2 on the school district ballot at the special election, and shall be additional to, and expressly contingent upon passage of, the first ballot question described above.

2. The questions of renewing and increasing the general education revenue of the district shall be submitted to the qualified electors of the district at a special election, which is hereby called and directed to be held on Tuesday, the 5th day of November, 2013 between the hours of 7:00 a.m. and 8:00 p.m.

3. Pursuant to Minnesota Statutes, Section 205A.11, the precincts and polling places for this special election are those precincts or parts of precincts located within the boundaries of the school district which have been established by the cities or towns located in whole or in part within the school district.

4. The clerk is hereby authorized and directed to cause written notice of said special election to be provided to the county auditor of each county in which the school district is located, in whole or in part, and to the Commissioner of Education at least 74 days before the date of said election. The notice shall specify the date of said special election and the title and language of each ballot question to be voted on at said special election.

The clerk is hereby authorized and directed to cause notice of said special election to be posted at the administrative offices of the school district at least ten (10) days before the date of said special election.

The clerk is hereby authorized and directed to cause a sample ballot be to posted at the administrative offices of the school district at least four (4) days before the date of said special election and to cause two (2) sample ballots be to posted in each polling place on election day. The sample ballot shall not be printed on the same color paper as the official ballot.

The clerk is hereby authorized and directed to cause notice of said special election to be published in the official newspaper of the district, for two (2) consecutive weeks with the last publication being at least one (1) week before the date of the election.

The notice of election so posted and published shall state the questions to be submitted to the voters as set forth in the form of ballot below, and shall include information concerning each established precinct and polling place.

The clerk is hereby authorized and directed to cause a notice of election to be mailed by first class mail to each taxpayer in the district at least fifteen (15) but no more than (30) days prior to the date of the special election. The notice shall contain the required projections and the required statement specified in Minnesota Statutes, section 126A.17, subdivision 9, paragraph (b). The clerk is also directed to cause a copy of this notice to be submitted to the Commissioner of Education and to the county auditor of each county in which the school district is located in whole or in part at least fifteen (15) days prior to the day of the election.

The clerk is authorized and directed to acquire and distribute such election materials and to take such other actions as may be necessary for the proper conduct of this special election and generally to cooperate with election authorities conducting other elections on that date. The clerk and members of the administration are authorized and directed to take such actions as may be necessary to coordinate this election with those other elections, including entering into agreements with appropriate cities, towns and counties regarding preparation and distribution of ballots, election administration and cost sharing.

5. The clerk is further authorized and directed to cooperate with the proper election officials to cause ballots to be prepared for use at said election in substantially the following form, with such changes in form and instructions as may be necessary to accommodate the use of an optical scan voting system:

**SCHOOL DISTRICT QUESTION BALLOT  
INDEPENDENT SCHOOL DISTRICT NO. 709  
DULUTH PUBLIC SCHOOLS  
SPECIAL ELECTION**

**NOVEMBER 5, 2013**

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**To vote, completely fill in the oval next to your choice, like this:**



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**To vote for a question, fill in the oval next to the word “YES” for that question.**

**To vote against a question, fill in the oval next to the word “NO” for that question.**

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**SCHOOL DISTRICT BALLOT QUESTION No. 1**

**RENEWAL OF SCHOOL DISTRICT  
REFERENDUM REVENUE AUTHORIZATION**

The Board of Independent School District No. 709, Duluth, has proposed to renew its expiring referendum revenue authorization by seeking authorization for \$595.78 per pupil. The proposed referendum revenue authorization would be applicable for five (5) years unless otherwise revoked or reduced as provided by law.

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**YES**

Shall the renewal in the revenue proposed by the Board of Independent School District No. 709 be approved?

**NO**

**BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING TO EXTEND AN EXISTING PROPERTY TAX REFERENDUM THAT IS SCHEDULED TO EXPIRE.**

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**SCHOOL DISTRICT BALLOT QUESTION No. 2**

**APPROVAL OF ADDITIONAL SCHOOL DISTRICT REFERENDUM REVENUE AUTHORIZATION**

Provided that Ballot Question No. 1 is approved, the Board of Independent School District No. 709, Duluth, has proposed to increase its general education revenue by an additional \$200.00 per pupil. The proposed referendum revenue authorization would be applicable for five (5) years unless otherwise revoked or reduced as provided by law.

**YES**

Shall the increase in revenue proposed by the Board of Independent School District No. 709 be approved?

**NO**

**BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE.**

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6. Optical scan ballots must be printed in black ink on white material, except that marks to be read by the automatic tabulating equipment may be printed on another color ink. The name of the precinct and machine-readable identification must be printed on each ballot card. Voting instructions must be printed at the top of the ballot card on each side that includes ballot information. The instructions must include an illustration of the proper mark to be used to indicate a vote. Lines for initials of at least two election judges must be printed on one side of the ballot card so that the judges' initials are visible when the ballots are enclosed in a secrecy sleeve.

7. If the school district will be contracting to print the ballots for this special election, the clerk is hereby authorized and directed to prepare instructions to the printer for layout of the ballot. Before a contract exceeding \$1,000 is awarded for printing ballots, the printer shall, if requested by the election official, furnish, in accordance with Minnesota Statutes, Section 204D.04, sufficient bond, letter of credit, or certified check acceptable to the clerk in an

amount not less than \$1,000 conditioned on printing the ballots in conformity with the Minnesota election law and the instructions delivered. The clerk shall set the amount of the bond, letter of credit, or certified check in an amount equal to the value of the purchase.

8. The individuals designated as election judges for this special election shall conduct said election in the manner described by law. The election judges shall act as clerks of election, count the ballots cast and submit the results to the school board for canvass in the manner provided for other school district elections.

B-8-13-3124

August 20, 2013

**M-Seliga Punyko, S-Wasson, to approve Resolution B-8-13-3124 – Renewing and Increasing the General Education Revenue of the School District and Calling an Election Thereon.**

Discussion took place regarding the resolution.

**M-Johnston, S-Kasper, to remove the second question from the resolution.**

Discussion took place regarding the motion to remove the second question from the resolution.

**Upon a vote, the same failed – 1-5 as follows:**

**Yea: Johnston**

**Nay: Kasper, Miernicki, Seliga Punyko, Wasson, Westholm**

Discussion continued regarding the original resolution.

**Upon a vote, the same was approved – 5-1 as follows:**

**Yea: Kasper, Miernicki, Seliga Punyko, Wasson, Westholm**

**Abstain: Johnston**

Member Seliga Punyko presented the resolution:

Resolution Relating To General Obligation Aid Anticipation Certificates Of Indebtedness, Series 2013A, In An Amount Not To Exceed \$23,000,000; Authorizing The Issuance And Establishing The Terms Thereof; And Authorizing Certain Officers Of The District To Award The Sale Thereof And To Take Such Action And Execute All Documents Necessary To Accomplish The Award And Sale

BE IT RESOLVED by the School Board (the “School Board”) of Independent School District No. 709, St. Louis County, Minnesota (the “District”), as follows:

Section 1. **Certificates Purpose and Authorization.**

1.01 Under and pursuant to the authority contained in Minnesota Statutes, Sections 126C.50 through 126C.56, as amended (the “Act”), and Minnesota Statutes, Chapter 475, the board of any school district may borrow money upon aid anticipation certificates in anticipation of receipt of state aid for schools as defined by Minnesota State and federal school aids to be

distributed by or through the Minnesota Department of Education (the “Department”).

1.02 The School Board hereby determines that it is necessary to borrow, pursuant to the Act, upon aid anticipation certificates of indebtedness in an amount not to exceed \$23,000,000 in anticipation of receipt of state aids for schools and of federal school aids to be distributed by or through the Department during the July 1, 2013 to June 30, 2014 fiscal year (the “School Aids”), which are necessary for timely payments of anticipated expenditures from the District’s operating funds (the “Funds”). Such amount does not exceed 75% of the School Aids which are receivable by the District in such fiscal year as estimated by the Commissioner of the Department.

1.03 The School Board hereby determines that it is necessary and expedient that the District issue general obligation aid anticipation certificates of indebtedness as described in Section 1.02 above in a single issuance of General Obligation Aid Anticipation Certificates of Indebtedness, Series 2013A, in an amount not to exceed \$23,000,000 (the “Certificates”).

Section 2. Award of Sale. Pursuant to Minnesota Statutes, Section 126C.56, the requirements of public sale do not apply to the issuance under certain circumstances of aid anticipation certificates of indebtedness. The District has retained PMA Securities, Inc., in Albertville, Minnesota, as independent financial advisor in connection with the sale of the Certificates. The School Board desires to proceed with the sale of the Certificates by direct negotiation to Northland Securities, Inc., in Minneapolis, Minnesota (the “Purchaser”), and any officer of the School Board and either the Superintendent or the Chief Financial Officer/Executive Director of Business Services are authorized to award the sale of the Certificates and execute a contract on the part of the District for the sale of the Certificates upon the terms set forth herein. The officers of the School Board and the Superintendent or the Chief Financial Officer/Executive Director of Business Services are also authorized to take all other action, consistent with the resolution, that is necessary to complete the award and sale of the Certificates provided that the principal amount of the Certificates shall not in any event exceed \$23,000,000, nor shall the interest rate thereon exceed 1.5% per annum in any event. The authorization contained herein shall expire on September 20, 2013.

Section 3. Full Faith and Credit Pledge. The School Board hereby declares that the full faith and credit and taxing power of the District and the receipts of the School Aids, to the extent necessary to repay the Certificates, shall be and are hereby at all times irrevocably pledged for the payment of principal and interest on the Certificates when due.

Section 4. Certificates; Terms. The Certificates to be issued hereunder shall be dated the date of delivery to the Purchaser, but no later than September 20, 2013, shall be issued in the denomination of \$5,000 each, or any integral multiple thereof, in fully registered form, lettered and numbered R-1 and upward. The Certificates shall mature on September 16, 2014 (the “Maturity Date”).

The Certificates shall not be subject to redemption prior to the Maturity Date. The interest on the Certificates shall be payable on the Maturity Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The Bond Registrar designated below shall make the interest payments with respect to the Certificates by check or draft mailed to the registered owners of the Certificates shown on the bond registration records maintained by the Bond Registrar at the close of business on the 15th day prior to the Maturity Date, whether or not a business day, at such owners’ addresses shown on such bond registration records. Principal of each Certificate shall be payable in accordance with and on presentation and surrender of the Certificate to the Bond Registrar.

Section 5. Bond Registrar; Registration of Certificates.

5.01 A. Appointment of Bond Registrar. The School Board hereby appoints U.S. Bank National Association of St. Paul, Minnesota, as registrar, authenticating agent, paying agent and transfer agent for the Certificates (such bank or its successor thereof is herein referred to as the “Bond Registrar”). No Certificate shall be valid or obligatory for any purpose unless or until the Bond Registrar’s authentication certificate on such Certificate, substantially as set forth in Section 6 hereof, shall have been duly executed by an authorized representative of the Bond Registrar. Authentication certificates on different Certificates need not be signed by the same representative. The executed authentication certificate on each Certificate shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

B. The District shall cause to be kept at the principal corporate office of the Bond Registrar a bond register in which, subject to such reasonable regulations as the Bond Registrar may prescribe, the District shall provide for the registration of the Certificates and the registration of transfers of the Certificates entitled to be registered or transferred as herein provided. In the event of the resignation or removal of the Bond Registrar or its incapability of acting as such, the bond registration records shall be maintained at the office of the successor Bond Registrar as may be appointed by the School Board.

C. At the option of the registered owners, the Certificates may be exchanged for other Certificates of any authorized denomination, of a like aggregate principal amount, maturing upon the same date, upon surrender of the Certificates to be exchanged at the principal corporate office of the Bond Registrar. Whenever any Certificates are so surrendered for exchange, the District shall execute and the Bond Registrar shall authenticate, if required by law or this Resolution, and deliver the Certificates which the registered owner making the exchange is entitled to receive. Upon surrender for transfer of any Certificate at the principal corporate office of the Bond Registrar, the District shall execute and the Bond Registrar shall authenticate, if required by law or this Resolution, and deliver, in the names(s) of the designated transferee(s), one or more new certificates of a like aggregate principal amount, as requested by the transferor. All Certificates surrendered upon the exchange provided for in this Resolution shall be promptly cancelled by the Bond Registrar and thereafter disposed of as directed by the School Board. All Certificates issued in exchange for or upon transfer of the Certificates shall be valid obligations of the District evidencing the same debt and entitled to the same benefits under this Resolution as the Certificates surrendered for such exchange or transfer. Every Certificate presented for a transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, in form satisfactory to the District and the Bond Registrar, duly executed by the registered owner thereof or the owner’s attorney duly authorized in writing. The District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of the Certificates, other than exchange expressly provided in this Resolution to be made, without expense or without charge to the registered owner.

D. Each Certificate delivered upon transfer of or in exchange for or in lieu of any other Certificate shall carry all of the rights to interest, accrued and unpaid and to accrue, which are carried by such other Certificate. Each Certificate shall be dated by the Bond Registrar as of the date of its authentication or manual execution, as the case may be. The District and the Bond Registrar shall not be required to make any transfer or exchange during the 15 days next preceding the Maturity Date.

5.02 Book-Entry System.

A. In order to make the Certificates eligible for the services provided by DTC, the District has previously agreed to the applicable provisions set forth in the Blanket Issuer Letter of Representations which has been executed by the District and DTC (the “Representation

Letter”).

B. Notwithstanding any provision herein to the contrary, so long as the Certificates shall be in Book-Entry Form, the provisions of this Section 5.02 shall govern.

C. All of the Certificates shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest on and principal of any Certificate registered in the name of Cede & Co. shall be made by wire transfer or New York Clearing House or equivalent same day funds by 10:00 a.m. CT or as soon as possible thereafter following the Bond Registrar’s receipt of funds from the District on the Maturity Date to the account of Cede & Co. at the address indicated in or pursuant to the Representation Letter.

D. DTC (or its nominees) shall be and remain recorded on the Bond Register as the holder of all Certificates which are in Book-Entry Form. No transfer of any Certificate in Book-Entry Form shall be made, except from DTC to another depository (or its nominee) or except to terminate the Book-Entry Form. All Certificates of such stated maturity of any Certificates in Book-Entry Form shall be issued and remain in a single Certificate registered in the name of DTC (or its nominee); provided, however, that upon termination of the Book-Entry Form pursuant to the Representation Letter, the District shall, upon delivery of all Certificates of such series from DTC, promptly execute, and the Bond Registrar shall thereupon authenticate and deliver, Certificates of such series to all persons who were beneficial owners thereof immediately prior to such termination; and the Bond Registrar shall register such beneficial owners as holders of the applicable Certificates.

The Bond Registrar shall maintain accurate books and records of the principal balance, if any, of each such outstanding Certificate in Book-Entry Form, which shall be conclusive for all purposes whatsoever. Upon the authentication of any new Certificate in Book-Entry Form in exchange for a previous Certificate, the Bond Registrar shall designate thereon the principal balance remaining on such Certificate according to the Bond Registrar’s books and records.

No beneficial owner (other than DTC) shall be registered as the holder on the Bond Register for any Certificate in Book-Entry Form or entitled to receive any bond certificate. The beneficial ownership interest in any Certificate in Book-Entry Form shall be recorded, evidenced and transferred solely in accordance with the Book-Entry System.

Except as expressly provided to the contrary herein, the District and the Bond Registrar may treat and deem DTC to be the absolute owner of all Certificates of each series which are in Book-Entry Form (i) for the purpose of payment of the principal of and interest on such Certificate, (ii) for the purpose of giving notices hereunder, and (iii) for all other purposes whatsoever.

E. The District and the Bond Registrar shall each give notices to DTC of such matters and at such times as are required by the Representation Letter, including with respect to any notice required or permitted under this Bond Resolution to be given to any holder of a Certificate.

All notices of any nature required or permitted hereunder to be delivered to a holder of a Certificate in Book-Entry Form shall be transmitted to beneficial owners of such Certificates at such times and in such manners as shall be determined by DTC, the participants and indirect participants in accordance with the Book-Entry System and the Representation Letter.

F. All payments of principal, redemption price of and interest on any Certificates in Book-Entry Form shall be paid to DTC (or Cede & Co.) in accordance with the Book-Entry System and the Representation Letter in same day funds by wire transfer.

5.03 Lost or Damaged Certificates. If a Certificate becomes mutilated or is destroyed, stolen or lost, the Bond Registrar will deliver a new Certificate of like amount, number, maturity

date and tenor in exchange and substitution for and upon cancellation of the mutilated Certificate or in lieu of and in substitution for any Certificate destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bond Registrar and the District in connection therewith, including the cost of printing new Certificates; and, in the case of a Certificate destroyed, stolen or lost, upon filing with the Bond Registrar and the District of evidence satisfactory to them that the Certificate was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bond Registrar and the District of an appropriate bond or indemnity in form, substance and amount satisfactory to them and as provided by law, in which both the District and the Bond Registrar must be named as obligees. Certificates so surrendered to the Bond Registrar will be canceled by the Bond Registrar and evidence of such cancellation must be given to the District. If the mutilated, destroyed, stolen or lost Certificate has already matured or been called for redemption in accordance with its terms, it is not necessary to issue a new Certificate prior to payment.

5.04 Payment of Certificates.

A. The District and the Bond Registrar may treat the person in whose name any Certificate is registered as the owner of such Certificate for the purpose of receiving payment of principal of and interest on such Certificate and for all other purposes whatsoever, whether or not such Certificate be overdue, and neither the District nor the Bond Registrar shall be affected by notice to the contrary.

B. The principal of and interest on the Certificates shall be payable by the Bond Registrar in such funds as are legal tender for the payment of debts due the United States of America. The District shall pay the reasonable and customary charges of the Bond Registrar for the disbursement of principal and interest.

5.05 Delivery. Delivery of the Certificates and payment of the purchase price shall be made at a place mutually satisfactory to the District and the Purchaser. Printed or typewritten and executed Certificates shall be furnished by the District without cost to the Purchaser. The Certificates, when prepared in accordance with this Resolution and executed, shall be delivered by or under the direction of the Clerk to the Purchaser upon receipt of the purchase price plus accrued interest.

Section 6. Form of Certificate. The Certificates to be issued hereunder shall be printed or typewritten in substantially the following form:

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF ST. LOUIS

INDEPENDENT SCHOOL DISTRICT NO. 709  
(DULUTH)

GENERAL OBLIGATION AID ANTICIPATION CERTIFICATE  
OF INDEBTEDNESS, SERIES 2013A

R-1

\$23,000,000

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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____%	September 16, 2014	September __, 2013	_____
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWENTY-THREE MILLION DOLLARS

Independent School District No. 709, St. Louis County, State of Minnesota (the “District”), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above, together with interest thereon from the date of original issue specified above until paid at the annual interest rate specified above. The interest shall be payable on the Maturity Date specified above, at the rate per annum specified above, calculated on the basis of a 360-day year of twelve 30-day months, until the principal amount is paid or has been provided for. This Certificate is not subject to redemption prior to maturity. Both principal and interest are payable at U.S. Bank National Association, in St. Paul, Minnesota, as registrar, paying agent, authenticating agent and transfer agent (the “Bond Registrar”), or at the office of such successor Bond Registrar as may be designated by the School Board, in coin or currency of the United States of America, which on the date of payment is legal tender for payment of public and private debts. The Bond Registrar shall make the interest payment with respect to this Certificate directly to the registered owner hereof shown on the bond registration records maintained on behalf of the District by the Bond Registrar at the close of business on the 15<sup>th</sup> day of the month next preceding the Maturity Date (whether or not a business day) at such owner’s address shown on said bond registration records, without, except for the payment of principal of the Certificate, the presentation and surrender of this Certificate, and all such payments shall discharge the obligation of the District to the extent of the payments so made. Payment of principal of the Certificates shall be made to the registered owner upon presentation and surrender of this Certificate to the Bond Registrar when due.

This Certificate is one of a series issued by the District in the aggregate amount of \$23,000,000, pursuant to the authority contained in Minnesota Statutes, Sections 126C.50 through 126C.56, as amended, and Chapter 475, and all other laws and pursuant to an authorizing resolution adopted by the School Board of the District on August 20, 2013 (the “Resolution”) authorizing the Chair or the Vice Chair and the Clerk to award the sale of the Certificates on terms contained in the Resolution, for the purpose of authorizing receipt of unpaid state aids for school receivables by the District as hereinafter set forth.

It is hereby certified and recited that the amount of School Aids as defined in the Resolution yet to be received by the District in the July 1, 2013 to June 30, 2014 fiscal year, for deposit in the District’s operating funds (the “Funds”) is in the amount of \$68,342,773 as estimated by the State of Minnesota Commissioner of Education; that heretofore no aid anticipation certificates have been issued

against said School Aids; and that the Certificates are issued in anticipation of collection of said School Aids.

This Certificate constitutes a general obligation of the District, and the full faith and credit and taxing powers of the District have been and are hereby irrevocably pledged to provide monies for the prompt and full payment of principal and interest when due. This Certificate is payable from a special debt service fund of the District established for payment of the Certificates by the Resolution.

The District has qualified the Certificates for participation in the State of Minnesota program to preclude default of school district debt, pursuant to Minnesota Statutes, Section 126C.55, as amended. If the District is unable to make any portion of the principal or interest payments on the Certificates on or before the date due, the State of Minnesota has agreed to make such payment in the District's place.

The Certificates of this series are issued as fully registered certificates without coupons, in the denomination of \$5,000 each, or any integral multiple thereof. Subject to limitations set forth in the Resolution, the District will, at the request of the registered owner, issue one or more new fully registered certificates in the name of the registered owner in the aggregate principal amount equal to the unpaid principal balance of this Certificate, and of like tenor except as to number and principal amount. Subject to the limitations set forth in the Resolution, this Certificate is transferable by the registered owner hereof upon surrender of this Certificate for transfer at the principal corporate office of the Bond Registrar, duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Bond Registrar and executed by the registered owner hereof or the owner's attorney duly authorized in writing. Thereupon the District shall execute and the Bond Registrar shall authenticate and deliver, in exchange for this Certificate, one or more new fully registered certificates in the name of the transferee, of an authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of this Certificate. No service charge shall be made for any transfer or exchange hereinbefore referred to but the District may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

IT IS FURTHER CERTIFIED AND RECITED that all acts and conditions required by the Constitution and laws of the State of Minnesota to be done, and to exist precedent to and in the issuance of this Certificate in order to make it a valid and binding general obligation of the District in accordance with its terms, have been done and do exist in form, time, and manner as so required; and this Certificate, together with all other debts of the District outstanding on the date hereof and the date of its actual issuance and delivery, does not exceed any constitutional or statutory limitation of indebtedness; that all taxable property within the boundaries of the District is subject to the levy of ad valorem taxes to the extent needed to pay the principal hereof and the interest hereon when due, without limitation as to rate or amount.

This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Bond

Registrar’s Authentication Certificate hereon shall have been executed by the Bond Registrar by one of its authorized representatives.

IN WITNESS WHEREOF, Independent School District No. 709, by its School Board, has caused this Certificate to be executed in its name by the signatures of the Chair and the Clerk of the School Board; and the District has caused this Certificate to be dated the date of original issue set forth above.

Attest:

(form – no signature required)  
Clerk

(form – no signature required)  
Chair

Date of Authentication: \_\_\_\_\_

BOND REGISTRAR’S AUTHENTICATION CERTIFICATE

The Bond Registrar confirms that the books reflect the ownership of a Certificate registered in the name of the owner named above in the principal amount stated above and this Certificate is one of the Certificates of the series issued pursuant to the Resolution hereinabove described.

U.S. BANK NATIONAL ASSOCIATION  
St. Paul, Minnesota

By \_\_\_\_\_  
Authorized Representative

REGISTRATION CERTIFICATE

This Certificate must be registered as to both principal and interest in the name of the owner on the books to be kept by U.S. Bank National Association of St. Paul, Minnesota, as Bond Registrar. No transfer of this Certificate shall be valid unless made on said books by the registered owner or the owner’s attorney thereunto duly authorized and similarly noted on the registration books. The ownership of the unpaid principal balance of this Certificate and the interest accruing thereon is registered on the books of U.S. Bank National Association in the name of the registered owner last noted below.

<u>Date</u>	<u>Registered Owner</u>	<u>Signature of Bond Registrar</u>
9/__/13	Cede & Co. c/o The Depository Trust Company 55 Water Street New York, NY 10041 Federal Taxpayer I.D. No.: 13-2555119	_____

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers  
unto \_\_\_\_\_

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
Social Security or other

\_\_\_\_\_  
Identifying Number of Assignee

the within Certificate and all rights thereunder and does hereby irrevocably  
constitute and appoint \_\_\_\_\_ attorney to  
transfer the said Certificate on the books kept for registration thereof with full  
power of substitution in the premises.

Dated: \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_

NOTICE: The signature of this  
assignment must correspond with the  
name of the registered owner as it  
appears upon the face of the within  
Certificate in every particular,  
without alteration or enlargement or  
any change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank, Trust Company, member of  
National Securities Exchange)

*Unless this Certificate is presented by an authorized representative of The  
Depository Trust Company, a New York corporation ("DTC"), to the District or  
its agent for registration of transfer, exchange, or payment, and any certificate  
issued is registered in the name of Cede & Co. or in such other name as is  
requested by an authorized representative of DTC (and any payment is made to  
Cede & Co. or to such other entity as is requested by an authorized  
representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF  
FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL,  
inasmuch as the registered owner hereof, Cede & Co., has an interest herein.*

Section 7. Funds; Deposits.

A. The Treasurer shall credit the proceeds of the sale of the Certificates to the Funds, except for the deposit to the Debt Service Fund, and shall be used solely to pay claims duly approved and allowed with respect to current operating expenses of the kinds and within the amounts provided in the official budget of the District. Such proceeds shall be recorded as liabilities of the Funds, pursuant to Minnesota Statutes, Section 123B.78 and the proceeds shall be used for the purposes for which the School Aids may be utilized and to pay the costs of issuance of the Certificates.

B. A separate debt service fund for the Certificates is hereby created, to be designated as the “Series 2013A General Obligation Aid Anticipation Certificates of Indebtedness Fund” (the “Debt Service Fund”), to be used solely for the payment of interest on and the principal of the Certificates when due. The Treasurer shall credit to the Debt Service Fund all proceeds of the Certificates in excess of \$23,000,000. At such time as State Aids distributable to the District for the current school year, receipts of which are to be recorded as assets of the Funds pursuant to the Uniform Financial Accounting and Reporting System for Minnesota school districts, and which remain to be received, are in the amount of 105% of the principal and interest due on the Certificates issued to fund the deposit to the Funds, on the Maturity Date, there shall be deposited in the Debt Service Fund all subsequent receipts of State Aids or other monies of the District legally available therefor, until the balance in the Debt Service Fund is sufficient to pay all principal and interest due on the Certificates at maturity.

C. The School Board hereby certifies that the School Aids for the July 1, 2013 to June 30, 2014 fiscal year yet to be received are in the amount of \$68,342,773.

D. The full faith and credit of the District are pledged to pay the Certificates. If the School Aids are insufficient to pay all principal and interest on the Certificates when due, the Treasurer shall, nevertheless, provide sufficient monies from other funds of the District which are available for that purpose, and such other funds shall be reimbursed from the Funds when the balance therein is sufficient. It is recognized that the District’s liability on the Certificates is not limited to the collection of the School Aids, and the School Board covenants and agrees that it will levy upon all taxable property within the boundaries of the District and cause to be extended, assessed, and collected any additional taxes found necessary for full payment of the principal of and interest on the Certificates, without limitation as to rate or amount. The School Board hereby covenants and obligates itself to be bound by the provisions of Minnesota Statutes, Section 126C.55, as amended.

E. The School Board authorizes and directs the Board Chair, the Superintendent or the Chief Financial Officer/Executive Director of Business Services to submit a Minnesota School District Credit Enhancement Program Application for Default Preclusion to the Minnesota Department of Education, as provided by Minnesota Statutes, Section 126C.55. All actions by such officers taken with regard to such application prior to the date of this resolution are ratified and approved. The School Board hereby covenants and obligates itself to notify the Commissioner of Education of a potential default in the payment of principal and interest on the Certificates and to use the provisions of Minnesota Statutes, Section 126C.55 to guarantee, to the extent provided therein, payment of the principal and interest on the Certificates when due. The School Board further covenants to deposit with the Bond Registrar or any successor paying agent three (3) days prior to the date on which a payment is due an amount sufficient to make that payment or to notify the Commissioner of Education that it will be unable to make all or a portion of that payment. The Bond Registrar 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 Certificates, or if, on the day two (2) business days prior to the date a payment is due on the Certificates, there are insufficient funds to make that payment on deposit with the Bond Registrar. The District understands that as a result of its covenant to be bound by the provisions of Minnesota Statutes, Section 126C.55, the provisions of that section shall be binding as long as any Certificates of this issue remain outstanding.

F. The District further covenants to comply with all procedures now or hereafter established by the Department of Management and Budget and the Department of 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 Chief Financial Officer/Executive Director of Business Services are authorized to execute any applicable Minnesota Department of Education forms regarding such program.

G. The School Board acknowledges, represents and covenants that it must include a provision in its agreement with the Bond Registrar, as paying agent for the Certificates, that requires the Bond Registrar to inform the Commissioner of Education if it becomes aware of a potential default in the payment of principal or interest on the Certificates or if, on the day two business days prior to the date a payment is due on the Certificates, there are insufficient funds to make the payment on deposit with the Bond Registrar.

Section 8. Tax Covenants and Arbitrage Matters.

8.01 Restrictive Action. The District covenants and agrees with the owners from time of the Certificates 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 Certificates to become includable in gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”), and applicable Treasury Regulations (the “Regulations”), and covenants to take any and all actions within its powers to ensure that the interest on the Certificates will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

8.02 Statement of Working Capital Expenditures and Arbitrage Certificate. The School Board estimates that the principal amount of the Certificates does not exceed (i) the largest amount by which working capital expenditures in the Funds of the District exceed available amounts for payment thereof during the period for which the State Aids are anticipated and during which the Certificates will be outstanding, and (ii) the amount of a working capital reserve equal to five percent of the District’s working capital expenditures in the Funds for the prior fiscal year, all as contemplated by the Regulations. The District Treasurer is directed to prepare a statement of estimated expenditures during the period for which the State Aids and other funds are anticipated and during which the Certificates will be outstanding for the purpose of verifying the correctness of this estimate. In the event that such statement does not verify such estimate, the principal amount of the Certificates shall be reduced to such amount as will not exceed the amount permitted by the Regulations. Prior to the issuance of the Certificates, the Chair and the Clerk, being the officers of the District charged with the responsibility for issuing the Certificates pursuant to this resolution, shall execute and deliver to the Purchaser a certificate as contemplated by the Regulations stating the facts, estimates and circumstances in existence on the date of issuance and delivery of the Certificates which indicate that the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be “arbitrage bonds” within the meaning of the Code and the Regulations.

8.03 Arbitrage Rebate. The District acknowledges that the Certificates are subject to the rebate requirements of Section 148(f) of the Code. The District covenants and agrees to

retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Certificates from gross income for federal income tax purposes, unless the Certificates qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Certificates (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

Section 9. Filing with County Auditor. The Clerk of the District is directed to file with the County Auditor a certified copy of this Resolution, and such other information as the County Auditor may require, and to obtain from the County Auditor a certificate stating that the Certificates herein authorized have been duly entered on his register.

Section 10. Certified Proceedings. The officers of the District and the County Auditor are authorized and directed to prepare and furnish to the Purchaser of the Certificates and to bond counsel certified copies of all proceedings and records of the District pertaining to the authorization, issuance, and sale of the Certificates and such other affidavits and certificates as may reasonably be required to show the facts relating to the legality and marketability of the Certificates as such facts appear from the official books and records of the officers’ custody or are otherwise known. All such certified copies, certificates, and affidavits, including any heretofore furnished, constitute representations of the District as to the correctness of facts recited therein and the actions stated therein to have been taken.

Section 11. Absent or Disabled Officers. In the event of the absence or disability of the Chair, the Clerk or the Treasurer, such officers or members of the School Board as in the opinion of the District’s attorney may act in their behalf shall, without further act or authorization, execute and deliver the Certificates, and do all things and execute all instruments and documents required to be done or executed by such absent or disabled officers.

Section 12. Continuing Disclosure. The School Board of the District acknowledges that the Certificates are subject to the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the “Rule”). The Rule governs the obligations of certain underwriters to require that issuers of municipal bonds enter into agreements for the benefit of the bondholders to provide continuing disclosure with respect to the obligations. To provide for the public availability of certain information relating to the Certificates and the security therefor and to permit underwriters of the Certificates to comply with the Rule, which will enhance the marketability of the Certificates, the Chair and the Clerk are hereby authorized and directed to execute a Continuing Disclosure Certificate substantially in the form of the Certificate currently on file in the office of the District.

Section 13. Official Statement. The Chair and the Clerk are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Certificates and that to the best of their knowledge and belief the Official Statement is a complete and accurate representation of the facts and representations made therein as of the date thereof.

B-8-13-3125

August 20, 2013

**M-Seliga Punyko, S-Wasson, to approve Resolution B-8-13-3125 – Resolution Relating To General Obligation Aid Anticipation Certificates Of Indebtedness, Series 2013A, In An Amount Not To Exceed \$23,000,000; Authorizing The Issuance And Establishing The**

**Terms Thereof; And Authorizing Certain Officers Of The District To Award The Sale Thereof And To Take Such Action And Execute All Documents Necessary To Accomplish The Award And Sale.**

Discussion took place regarding the resolution.

**Upon a vote, the same was approved – 6-0.**

Member Seliga Punyko presented the resolution:

**RESOLUTION**  
**Authorized Student Activity Bank Account Signer**

RESOLVED, by the School Board of Independent School District No. 709, St. Louis County, Minnesota, that it hereby authorizes the following:

<u>District Building</u>	<u>Banking Institution</u>	<u>Account Number</u>	<u>Addition of Authorized Signer</u>	<u>Removal of Authorized Signer</u>
Piedmont	DTCU	XXXXXX4	Becky Jo Gerdes	
B-8-13-3126				August 20, 2013

**M-Seliga Punyko, S-Miernicki, to approve Resolution B-8-13-3126 – Authorized Student Activity Bank Account Signer. Upon a vote, the same was approved – 6-0.**

Member Seliga Punyko presented the resolution:

**RESOLUTION**  
**Approval of Election Judges and Polling Sites**

BE IT RESOLVED, by the School Board of Independent School District No. 709, Duluth, Minnesota, County of St. Louis, that the following persons are hereby appointed as election judges for the primary election to be held September 10, 2013 and the general election of the School District to be held November 5, 2013 to act as such at the respective polling places listed and designated by the School Board in this Resolution, and if any person who is named on the list as a judge is unable to serve, the Clerk is empowered to substitute the name of a qualified legal voter for the one who is unable to serve.

<u>Township Precincts</u>	<u>Election Judges</u>
Town of Gnesen (including Township 54, Range 13 West Gnesen Town Hall and Township 54, Range 14 West- (Unorg. #2 and #23)) 4011 West Pioneer Rd.	*Lottie Haller Janis Carlson Kathy Johnson Rita Sherepa
Town of Lakewood Lakewood Town Hall 3110 Strand Road (4 of these certified election judges will be chosen)	Gene Bromenshenkel Ellen Hanson Shirley Peak Kimberly Aili Tom Bacig Mary Shaw Jan Simpson Kim Luoto John Hull Diane Narum John Susnik Patricia Yax

	Amy Bishop Andy Wiemann Sally Rogers	Rodney Nelson Blanche Wilcox JoAnn Oja-Fleming
Town of Normanna Normanna Town Hall 6472 French River Road	Ellen Hanson Mary Klints Lone Cooke Leslie Peterson Chris Brown	Vivian Hanson Paul Hanson Eileen Asperheim Susan Baker Clark Peterson
Town of North Star North Star Town Hall 7700 Pequaywan Lake Road	Ray Barnes Susan Forbragd Claudia Sullivan	Linda Britton Barb DeSanto
Town of Rice Lake Rice Lake Town Hall 4107 West Beyer Road	Kathy Meyer Timothy Sittarich Margaret Kolo Patricia Isaacson Patricia Altonen	Kathleen Thompson Beatrice Simonson Eileen Hagen Margaret Alandar

BE IT FURTHER RESOLVED, that the polling places and judges designated by the City Council of the City of Duluth, copies of which are attached hereto, are hereby adopted and appointed as polling places and judges for the School District election precincts within the City of Duluth with the exception of Precinct 31 which lies within the Proctor School District.

Resolution B-8-13-3127

August 20, 2013

POLLING PLACE LIST

POLLING PLACE	ADDRESS
1. St. Michael's Catholic Church (lower level)	4901 East Superior Street
2. Lakeside Presbyterian Church (lower level)	4430 McCulloch Street
3. Lutheran Church of the Good Shepherd (lower level)	1325 North 45th Avenue East
4. Faith Lutheran Church (lower level)	1814 North 51st Avenue East
5. Lakeview Covenant Church (lower level)	1001 Jean Duluth Road
6. Woodland Community Club	3211 Allendale Avenue
7. Glen Avon Presbyterian Church (lower level)	2105 Woodland Avenue
8. Duluth Congregational Church (lower level)	3833 East Superior Street
9. Pilgrim Congregational Church (lower level)	2310 East Fourth Street
10. U.M.D. Kirby Student Center	1120 Kirby Drive
*11. Vineyard Christian Fellowship (auditorium)	1533 West Arrowhead Road
12. Temple Israel	1602 East Second Street
13. Mt. Olive Lutheran Church (lower level)	2010 East Superior Street
*14. First Lutheran Church (lower level)	1100 East Superior Street
15. Peace Church (Tenth Avenue entrance)	1015 East 11th Street
16. First United Methodist Church (Lakeview social hall)	230 East Skyline Parkway 211 North Third Avenue East
17. Rainbow Senior Center (auditorium)	3026 Minnesota Avenue
18. Lafayette Square (upper level)	520 West Superior Street
19. Duluth Public Library (Green Room)	1515 West Superior Street
20. Duluth Gospel Tabernacle Church (lower level west)	2014 West Third Street
21. Lincoln Park Senior Center (lower level)	802 Maple Grove Road
*22. Shepherd of the Hills Lutheran Church (fellowship hall)	33 West Mulberry Street
23. Duluth Heights Community Club	2415 Ensign Street
24. Christ Lutheran Church (rear lower level entrance)	2410 Morris Thomas Road
25. St. Lawrence Church	2430 West Third Street

26. Holy Family Catholic Church	3002 West Third Street
27. Harrison Community Club	5830 Grand Avenue
28. City Center West	4901 Grand Avenue
29. Faith Haven (recreation room)	6101 Cody Street
30. Elim Lutheran Church (social hall)	<del>8702 Vinland Street</del>
<del>31. Bayview Heights School (gym)-Proctor District</del>	6822 Grand Avenue
32. Asbury United Methodist Church (lower level)	1242-88th Avenue West
33. Goodfellowship Community Center (warming area)	715-101st Avenue West
34 . Stowe School (Room 27)	*New location

The following polling places have been designated as that part of Independent School District #709 lying outside the corporate limits of the City of Duluth for School Board elections only:

<u>POLLING PLACE</u>	<u>ADDRESS</u>
Town of Gnesen (including Township 54, Range 13 West and Township 54, Range 14 West Unorg. 2 & 23))	Gnesen Town Hall 4011 West Pioneer Road
Town of Lakewood	Lakewood Town Hall 3110 Strand Road
Town of Normanna	Normanna Town Hall 6472 French River Road
Town of North Sta	North Star Town Hall 7700 Pequaywan Lake Road
Town of Rice Lake	Rice Lake Town Hall 4107 W. Beyer Road

B-8-13-3127

August 20, 2013

**M-Seliga Punyko, S-Miernicki, to approve Resolution B-8-13-3127 – Approval of Election Judges and Polling Sites Upon a vote, the same was approved – 6-0.**

Member Seliga Punyko presented the resolution:

**RESOLUTION**

Relating to the Election of School Board Members and Calling a Primary Election Thereon

BE IT RESOLVED by the School Board of Independent School District No. 709, State of Minnesota, as follows:

1. It is necessary to elect four (4) school board members at the 2013 general election as follows:

At-Large – two (2) seats  
District #1 – one (1) seat  
District #4 – one (1) seat

If more than two candidates for a specified school board position or more than twice as many candidates as there are at-large school board positions available file affidavits of candidacy, Minnesota Statutes, Section 205A.03 requires that nominees must be chosen at a primary election. If a primary election is so required, the clerk shall include the names of the individuals who file affidavits of candidacy during the filing period on the primary election ballot as though they had been included by name in this resolution.

2. The primary election is hereby called and directed to be held on Tuesday, the 10th day of September, 2013, between the hours of 7:00 o'clock a.m. and 8:00 o'clock p.m.

3. The clerk is hereby authorized and directed to cause written notice of said primary election to be provided to the county auditor of each county in which the school district is located, in whole or in part, at least fifty-three (53) days before the date of said elections. The notice shall specify the date of said primary election and the question or questions to be voted on at said primary election.

The clerk is hereby authorized and directed to cause notice of said primary election to be posted at the administrative offices of the school district at least ten (10) days before the date of said primary election.

The clerk is hereby authorized and directed to cause a sample ballot to be posted at the administrative offices of the school district at least four (4) days before the date of said primary election and to cause a sample ballot to be posted in each polling place or combined polling place on election day. The sample ballot shall not be printed on the same color paper as the official ballot. The sample ballot for a polling place must reflect the offices, candidates, and rotation sequence on the ballots used in that polling place.

The clerk is hereby authorized and directed to cause notice of said primary election to be published in the official newspaper of the district, for two (2) consecutive weeks with the last publication being at least one (1) week before the date of the election.

The notice of election so posted and published shall state the offices to be filled set forth in the form of ballot, and shall include information concerning each established precinct and polling place.

The clerk is authorized and directed to acquire and distribute such election materials and to take such other actions as may be necessary for the proper conduct of this general election and generally to cooperate with election authorities conducting other elections on that date.

The clerk is further authorized and directed to cooperate with the proper city officials to cause ballots to be prepared for use at said election.

B-8-13-3128

August 20, 2013

**M-Seliga Punyko, S-Miernicki, to approve Resolution B-8-13-3128 – Relating to the Election of School Board Members and Calling a Primary Election Thereon. Upon a vote, the same was approved – 6-0.**

**Other**  
**August 2013**  
\*\*\*\*\*

➤ Chair Kasper adjourned the Regular School Board Meeting of August 20, 2013 at 8:29 p.m.

**Minutes of the Special School Board Meeting**

Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Friday, September 13, 2013

Members Present:

Tom Kasper  
Judy Seliga Punyko  
Mike Miernicki  
Bill Westholm

Others Present:

Bill Gronseth, Superintendent  
Bill Hanson, Deputy Clerk  
Melinda Thibault, Secretary

Members Absent:

Mary Cameron  
Art Johnston  
Ann Wasson

- Chair Kasper called the special school board meeting of September 13, 2013 to order at 12:25 p.m.

Member Seliga Punyko presented the resolution:

**RESOLUTION**

Canvassing Returns of Votes of School District Primary Election of September 10, 2013

BE IT RESOLVED, by the School Board of Independent School District 709, as follows:

1. It is hereby found, determined and declared that the primary election of the voters of this district, held on September 10, 2013, was in all respects duly and legally called and held.
2. At Large:  
As specified in the attached Abstract and Return of Votes Cast, a total of 6,662 voters of the district voted at said election on the election of nominees for election as school board member for two four year term vacancies on the school board caused by expiration of terms on January 6, 2014 next following the general election as follows:

Henry Banks	<u>1,926</u>
Joshua Bixby	<u>1,190</u>
Annie Harala	<u>3,028</u>
Loren Martell	<u>1,283</u>
Nancy Nilsen	<u>2,073</u>
Harry Welty	<u>2,246</u>

3. Candidates Banks, Harala, Nilsen, and Welty having received the highest number of votes, are nominees for the At-Large school board seats and their names shall be placed on the school district general election ballot.

4. District One:

As specified in the attached Abstract and Return of Votes Cast, a total of 2,098 voters of the district voted at said election on the election of nominees for election as school board member for one four year term vacancy on the school board caused by expiration of term on January 6, 2014 next following the general election as follows:

Rosie Loeffler-Kemp	<u>1,086</u>
Joseph Matthes	<u>526</u>
Marcia Stromgren	<u>410</u>

5. Candidates Loeffler-Kemp and Matthes having received the highest number of votes, are nominees for the District One school board seat and their names shall be placed on the school district general election ballot.

6. District Four:

As specified in the attached Abstract and Return of Votes Cast, a total of 1,276 voters of the district voted at said election on the election of nominees for election as school board member for one four year term vacancy on the school board caused by expiration of term on January 6, 2014 next following the general election as follows:

David Bolgrien	<u>463</u>
Art Johnston	<u>411</u>
Justin Perpich	<u>356</u>

7. Candidates Bolgrien and Johnston having received the highest number of votes, are nominees for the District Four school board seat and their names shall be placed on the school district general election ballot.

8. The School District Clerk is hereby authorized to certify the results of the election to the County Auditor of each County in which the School District is located in whole or in part.

Resolution B-9-13-3132

September 13, 2013

**M-Seliga Punyko, S-Miernicki, to approve Resolution B-9-13-3132 – Canvassing Returns of Votes of School District Primary Election of September 10, 2013. Upon a vote, the same was approved 4-0.**

- Chair Kasper adjourned the Special School Board meeting of September 13, 2013 at 12:29 p.m.





**ABSTRACT AND RETURN OF VOTES CAST  
FOR PRIMARY ELECTION  
INDEPENDENT SCHOOL DISTRICT NO. 709 (DULUTH)  
STATE OF MINNESOTA  
ABSTRACT AND RETURN OF VOTES CAST  
PRIMARY ELECTION, DISTRICT NO. FOUR  
September 10, 2013**

*****	
A. TOTAL NUMBER OF PERSONS REGISTERED: AT 7:00 O'CLOCK A. M.	<u>12,061</u>
B. TOTAL NUMBER OF NEW REGISTRATIONS ON ELECTION DAY:	<u>33</u>
*****	
C. TOTAL NUMBER OF SIGNATURES ON THE POLLING PLACE ROSTER	<u>1,240</u>
D. TOTAL NUMBER OF ACCEPTED REGULAR, MILITARY AND OVERSEAS ABSENTEE BALLOTS	<u>36</u>
E. TOTAL NUMBER OF PERSONS VOTING IN THE PRIMARY ELECTION (add C plus D equals E):	<u>1,276</u>
*****	
F. TOTAL NUMBER OF COMPLETELY BLANK BALLOTS IN THE BALLOT BOX	<u>*</u>
G. TOTAL NUMBER OF COMPLETELY DEFECTIVE BALLOTS IN THE BALLOT BOX:	<u>*</u>
*****	
H. TOTAL NUMBER OF SPOILED BALLOTS IN THE SPOILED BALLOT ENVELOPE	<u>*</u>
I. TOTAL NUMBER OF UNUSED BALLOTS RETURNED TO THE CLERK	<u>*</u>
*****	

**SCHOOL BOARD MEMBER  
DISTRICT NO. FOUR**

<b>CANDIDATE David Bolgrien</b>	<u>463</u>
<b>CANDIDATE Art Johnston</b>	<u>411</u>
<b>CANDIDATE Joseph Perpich</b>	<u>356</u>

Total number of Write In votes for this office:	<u>*</u>
Total number of ballots defective for this office: (Overvotes)	<u>*</u>
Total number of ballots blank for this office: (Overvotes)	<u>*</u>
TOTAL BALLOTS COUNTED FOR THIS OFFICE:	<u>1,230</u>
*****	

\*City Clerk's System does not generate blank or defective ballot information, which could be used for this abstract.

**Minutes of the Special School Board Meeting**

Of the School Board of Independent School District No. 709 held at the Historic Old Central High School, 215 North First Avenue East, Duluth, Minnesota 55802, on

Tuesday, September 17, 2013

Members Present:

Mary Cameron  
Art Johnston  
Mike Miernicki  
Ann Wasson  
Bill Westholm

Others Present:

Ed Crawford, Assistant Superintendent  
Bill Hanson, Deputy Clerk  
Sue Talerico, Substitute Secretary

Members Absent:

Tom Kasper  
Judy Seliga Punyko

- Vice Chair Westholm called the special school board meeting of September 17, 2013 to order at 5:36 p.m.

Member Cameron presented the resolution:

**R E S O L U T I O N**

**DECLARING INTENT TO OFFER THE SUPERINTENDENT  
A SUBSEQUENT EMPLOYMENT CONTRACT**

**WHEREAS**, the employment contract between the School District and Superintendent William Gronseth expires on June 30, 2014; and

**WHEREAS**, that contract states, if the School Board is contemplating not offering a subsequent contract to the Superintendent, it must give preliminary written notice of such intent not to offer a subsequent contract no later than November 1, 2013.

**NOW, THEREFORE, BE IT RESOLVED** by the School Board of Independent School District No. 709, St. Louis County, State of Minnesota, that the School Board hereby declares its intention to offer Superintendent William Gronseth an employment contract that would be subsequent to the contract expiring on June 30, 2014.

HR-9-13-3135

September 17, 2013

**M-Cameron, S-Wasson, to approve Resolution B-9-13-3135 – Declaring Intent to Offer the Superintendent a Subsequent Employment Contract. Upon a vote the same passed – 5-0.**

- Vice Chair Westholm adjourned the Special School Board meeting of September 17, 2013 at 5:38 p.m.

8. Communications, Petitions, etc.

*No communications received.*

DULUTH PUBLIC SCHOOLS, ISD 709  
SCHEDULE OF MEETINGS AND EVENTS

*All meetings are scheduled at Historic Old Central High School, 215 N 1<sup>st</sup> Avenue East, unless otherwise noted.*

**September 23 – September 27, 2013**

Tuesday	September 24	<b>4:30 p.m.</b> <i>(Note earlier time)</i>	Regular School Board Meeting (Agenda Attached) Board Room
Wednesday	September 25	4:15 p.m.	Parent Advisory Council on Special Education (PACSE) Room 203C
Thursday	September 26	5:30 p.m.	Education Equity Advisory Committee Board Room

**September 30 – October 4, 2013**  
*No meetings scheduled at this time.*

**October 7 – October 11, 2013**

Monday	October 7	4:15 p.m.	Human Resources Committee Board Room
Monday	October 7	4:30 p.m. <i>(or to follow the Human Resources Comm. Mtg)</i>	Business Committee Board Room
Tuesday	October 8	4:15 p.m.	Education Committee Board Room
Thursday	October 10	5:00 p.m.	Education Equity Budget Subcommittee Room 302

**October 14 – October 18, 2013**

Tuesday	October 15	5:00 p.m.	Indian Education Parent Committee Tentative: Lincoln Park Middle School (Room TBA)
Tuesday	October 15	6:30 p.m.	Regular School Board Meeting Board Room

**October 21 – October 25, 2013**

Thursday	October 24	5:30 p.m.	Education Equity Advisory Committee Board Room
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**October 28 – November 1, 2013***No meetings scheduled at this time.***November 4 – November 8, 2013**

Thursday	November 7	5:30 p.m.	Education Equity Monitoring Subcommittee Room 302
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**November 11 – November 15, 2013**

Tuesday	November 12	4:15 p.m.	Education Committee Board Room
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Wednesday	November 13	4:15 p.m.	Human Resources Committee Board Room
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*(note date/day of week)*

Wednesday	November 13	4:30 p.m.	Business Committee Board Room
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*(note date/day of week)*  
*(or to follow the Human Resources Comm. Mtg)*

*Office of the Superintendent  
September 19, 2013*