



Board of Trustees Work Session

Tuesday, May 28, 2019

Smith Elementary School | 2320 5th Ave – Helena MT. 59601

Tour at 3:30 p.m. / Meeting at 4:00 p.m.

AGENDA

I. TOUR OF SCHOOL

II. CALL TO ORDER / PLEDGE OF ALLEGIANCE

III. REVIEW OF AGENDA

IV. PRESENTATION

A. Smith Elementary School Presentation (See Attached)

V. GENERAL PUBLIC COMMENT

This is the time for comment on public matters that are not on the agenda. Public matters do not include any pending legal matters, private personnel issues or private student issues. Please do not attempt to address such issues at this time or you will be ruled out of order. The Board cannot enter into a discussion during General Public Comment.

VI. NEW BUSINESS

A. Items for Action

1. 3-19-19 Board Work Session Minutes (see attached)
2. 4-02-19 Special Board Meeting Minutes (see attached)
3. 4-23-19 Board Work Session Minutes (see attached)
4. Approval of Resolution Requesting County to Conduct Elections (see attached)
5. Approval of Resolution Relating to \$8,000,000 General Obligation School Building Bonds, Series 2019 (see attached)
6. Approval of HPS –HEA Collective Bargaining Agreement (see attached)

VII. SUPERINTENDENT'S REPORT

VIII. BOARD COMMENTS

IX. ADJOURNMENT: Next Regular Board Meeting: Tuesday, June 11, 2019

Helena Public Schools Board of Trustees

Luke Muszkiewicz
Board Chair

Terry Beaver
Vice Chair

Libby Goldes
Trustee

Siobhan Hathhorn
Trustee

Jeff Hindoién
Trustee

John E McEwen
Trustee

Sarah Sullivan
Trustee

Jennifer Walsh
Trustee



Smith Elementary

Board of Trustees Work Session – May 28th, 2019

Mission Alignment



The Helena Public Schools educate, engage and empower each student to maximize his or her individual potential with the knowledge, skills and character essential to being a responsible citizen and life-long learner.

The mission of Smith is to promote academic excellence in a respectful, caring environment where students are prepared to be critical thinkers, life-long learners and responsible citizens.





Smith Elementary School

Welcome to smith elementary

Exciting to meet you

Laughing students

Caring teachers

Outstanding para pros

Magnificent and caring

Enormous hearts at smith



Smith Elementary School

Where we call home:

- Built in 1967
- 17 full-size classrooms, 2 smaller classrooms
- gym/cafeteria, library, workroom, staffroom, offices
- 24 external exits

Recent Improvements (within past four years):

- Playground equipment
- Basketball Court
- Green Space
- 12+1 trees
- Sun Shelter (w/plaque made by HHS)
- Re-vamp parking lot
- Ceiling fans
- Black-out shades
- Updated Flooring
- Safety and Security Upgrades
- Electronic Reader Board (2019-2020 school year)



Smith Elementary School



Safety and Security Upgrades:

- Controlled Access Vestibule
- Keyless Entry
- Controlled access at every exterior exit
- Shift in office space/staff room space
- Nurse office moved close to Secretary
- Reader Board/Clock/Intercom in every classroom
- New smoke alarm system





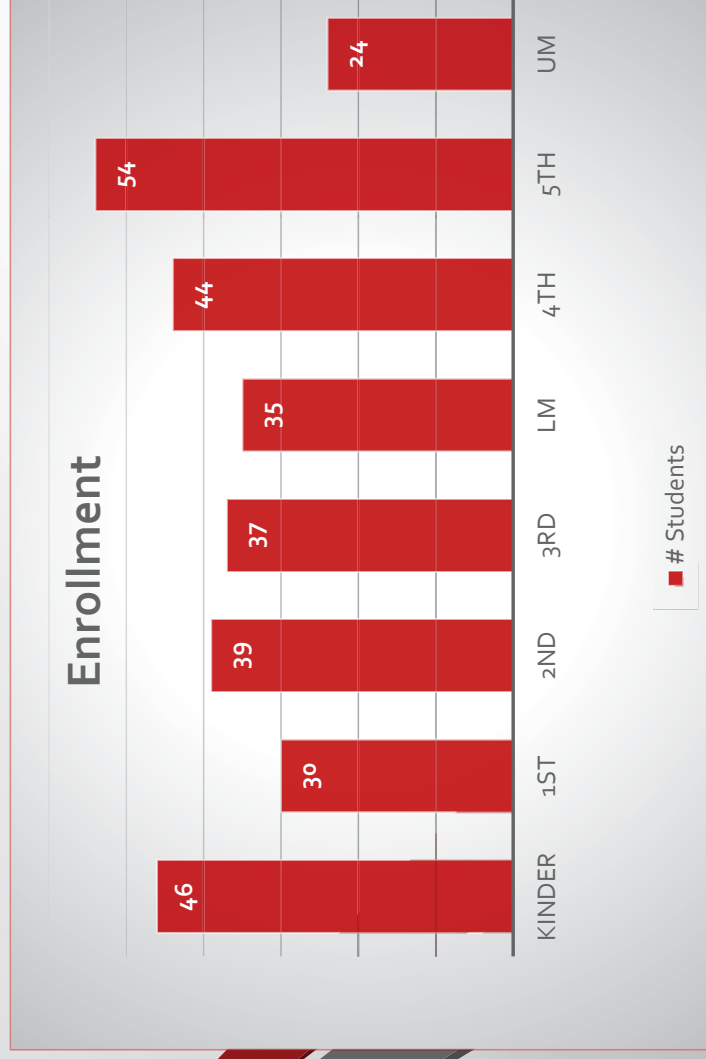
Smith Elementary School

- 16 Classroom Teachers
- 1 Title 1 Teacher
- 1 Special Education Teachers
- 1 SLP
- 1 Counselor
- 1 Librarian
- 2 PE Teachers (split Jefferson/Kessler/Access)
- 2 Music Teachers (split Jefferson/Kessler)
- 6 SPED Paras
- 3 General Education Paras
- 1.75 K-Overage Paras
- 1 Nurse (split w/Warren)
- 1 Administrative Assistant
- 2 CSCT staff
- 3 SACC Staff
- 0.5 School Psychologist
- 3 Custodians (1 day, 2 night)
- 1 Administrator

Smith Elementary School



Smith Enrollment 313



Attendance Rates:

- School-wide goal: 95.0%
- Year-to-date: 93.6%

Mobility: 32 in / 28 out

19/20 Kinder Enrollment: 59





Smith Elementary School

Helena Public Schools
...a great place to learn

Smith Enrollment 313

Demographics:

- 0 students are overflow
- 39 in-district boundary exception
- 34 students in Montessori + 15 siblings
- 10 out-of-district boundary exceptions
- 22 students identified as "in transition"

~117 students utilize HSD transportation

~70 students walk

~ ride w/adult

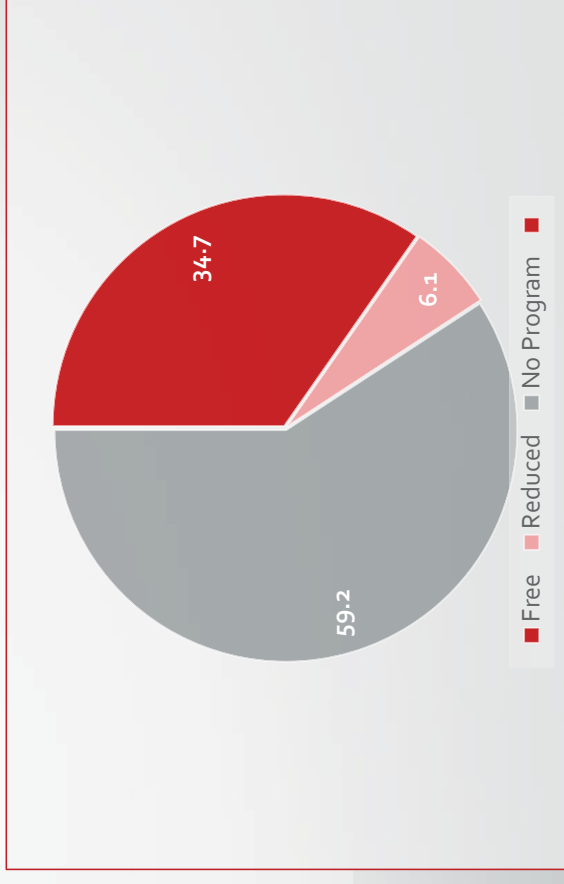


Smith Elementary School

Smith Enrollment 313

Demographics continued:

- 40.8% (127) students qualify for free/reduced lunch program
- School Breakfast Participation (~30%)
- School Lunch Participation (~50%)





Smith Elementary School



Smith Family Support

- **Stuff the Bus** : 40+ students benefitted from supplies
- **Angel Fund**: \$4,438.20 for 45 students-27 families
- **Food Packs**: 87-100 handed out per week
- **Holiday Giving**: 18 families Food Drive, 5 students Shop-with-a-Cop, 5 students Sunshine Giving
- **Winter coats/gear**: 30 + students



Smith Elementary School

Smith Enrollment 313

- 42 students (13%) with active IEPs
 - K/2: 4 kinder, 4 first, and 7 second graders
 - 3/5: 9 third, 8 fourth, and 10 fifth graders
- 60 students receive speech services
 - Related Service: 24 students
 - Case Manager: 25 students
 - Informal Services: 11 students
- 10 students with active 504 plans
- 4 students identified ELL
- 19 students identified for Indian Ed tutor support
- 18 students (16%) attend PEAK (grades 3-5)
- CSCT Participation: Currently serving 12 students/families



Smith Elementary School



Universals

Be **SAFE**

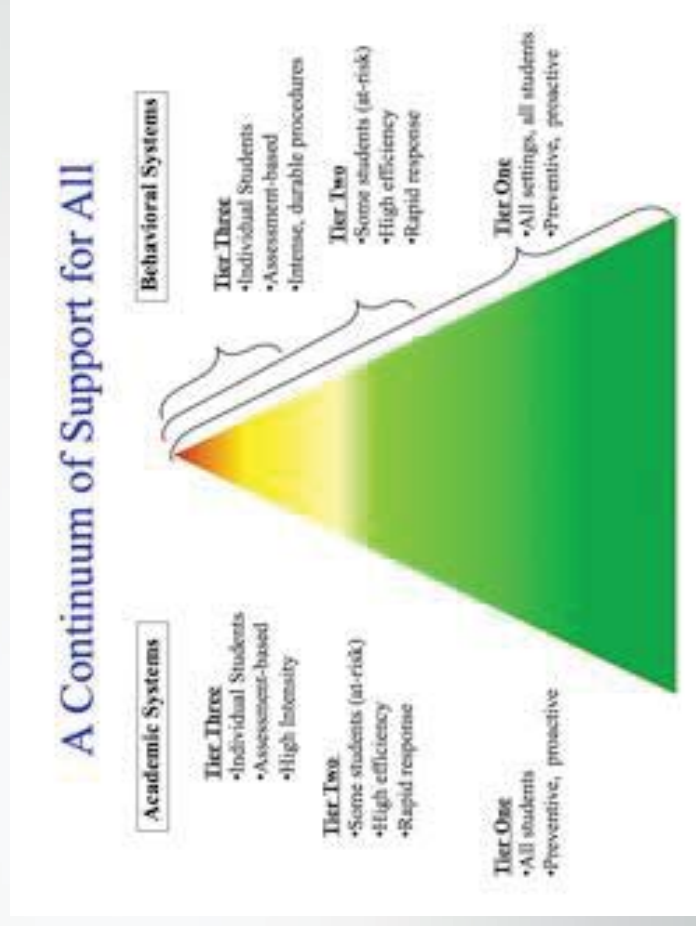
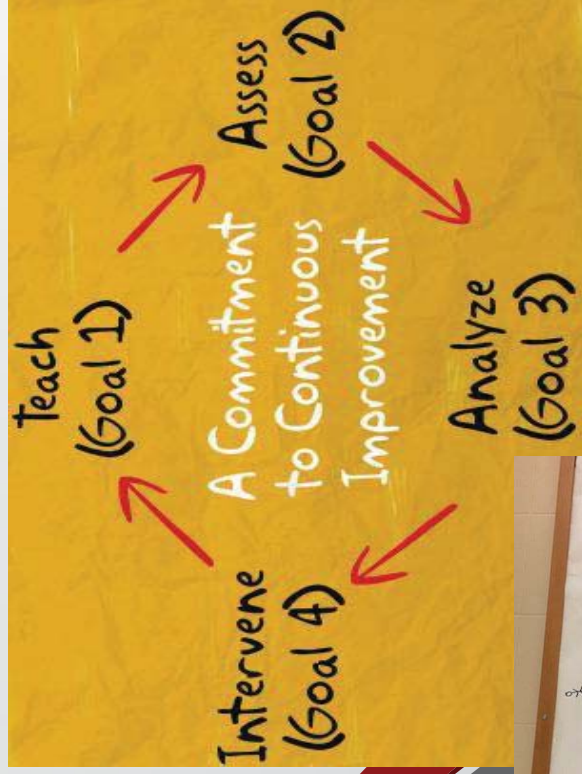
Be **RESPONSIBLE**

Be **RESPECTFUL**

Be **LEARNER**



Smith Elementary School

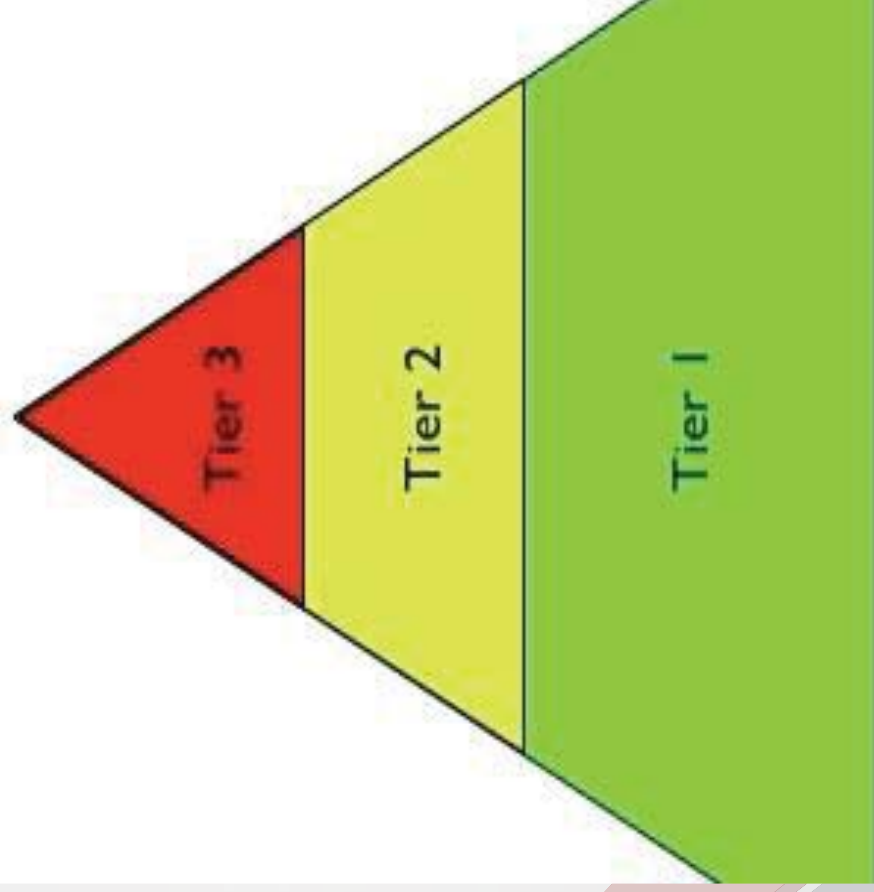


Smith Elementary School

Assistance team
Data Analysis/PLC
Special Education/504
Push-In Model Delivery
1-1 Academic Support
1-1 Volunteer Support

Assistance Team
Data Analysis/PLC
Progress Monitoring
Volunteers
Flexible Groups
Acceleration
Title Interventions
Tutoring

Successmaker
Prodigy
EdReady
iRead
Volunteers
Reading Incentives
Peer Mentoring
Core Instruction
Data Analysis/PLC



Assistance team
Data Analysis/PLC
CSCT
Individual Behavior Plans
Structured Recess
1-1 Supervision and Support
Social Skills Groups

Classroom Guidelines
Data Analysis/PLC
Think Tank
Check in Check Out
Social Groups
Peer Mentoring
Conflict Managers

Expectation Matrix
Good Behavior Game
Cross-grade Buddies
Family Engagement
Saber Jobs
Conflict Managers
Niceness is Priceless
Morning Clubs
Second Step
Kinder Home Visits
Data Analysis/PLC



Smith Elementary School

- **Common Expectations:** Following the PBIS model, common expectations have been identified and aligned with our Universals. The Smith team works to teach, support and acknowledge positive student behavior.
- **Tiered Interventions:** Through the collaborative expertise of our Assistance Team, grade level and support team, and Think Tank monthly meetings, tiered supports are utilized to meet individual needs and make positive connections for students.
- **Positive Connections:** Smith recognizes the direct correlation of positive relationships and student success. Every member of our staff from custodian to teacher to secretary to cafeteria support work relentlessly to make genuine connections so that every student has a feeling of belonging and knows that we truly care.



Smith Elementary School

Noteworthy: Conflict Managers



Smith Elementary School

Noteworthy: PAX Good Behavior Game



Smith Elementary School

Noteworthy: Super Saver Jobs



Smith Elementary School

Noteworthy: Think Tank

T = Think Tank (Dec. 14th)
 ★ = Individual Student concerns
 - JS in KR
 • Guss outside with upper pad
 • Wednesday/Friday 10:00-10:30
 - Structured recess in 2nd grade
 • 2F on Wednesday
 • 2T on Friday
 - BR in MB
 • Read with Shannon on Wednesday
 • Lunch with Alisa on Thursday
 • Lunch with Christy on Tuesday
 • Connect with Carrie on Friday
 ★ = Presentation
 - Story "Care of Dogs" (International Test)



Holiday Cards



★ = Writing samples
 - Tree Chart - 3-4
 - Breaking Down Definitions - 5th



- Circle Chart - K



★ = BME - Beginning, Middle, End
 5th

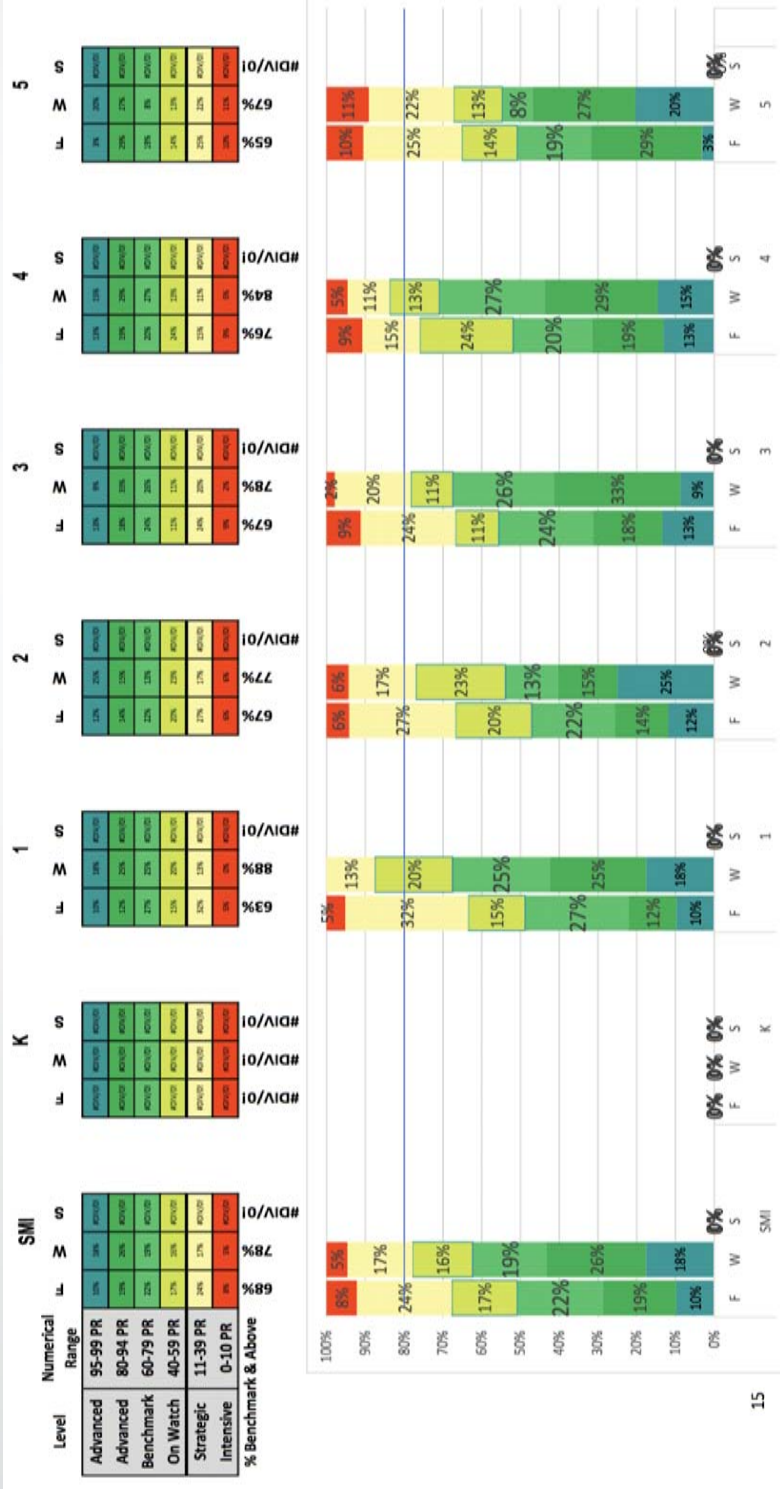


Smith Elementary School



1819 STAR Benchmark: Math

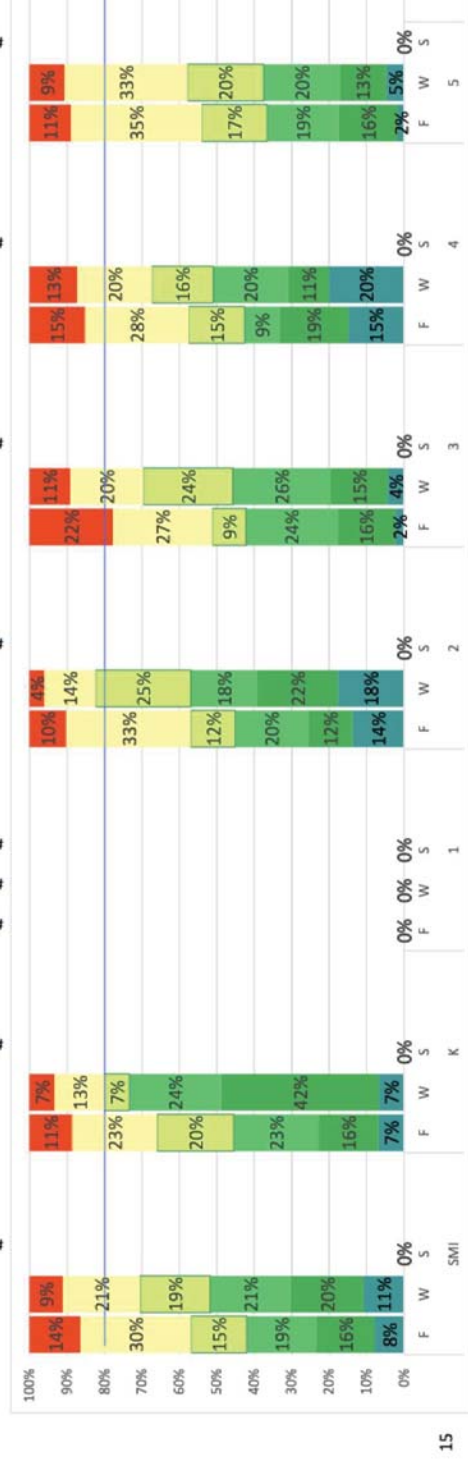
of students by performance band



Smith Elementary School

1819 STAR Benchmark: Reading
of students by performance band

Level	Numerical Range	SMI	1	2	3	4	5
Advanced	95-99 PR	8%	11%	11%	18%	15%	2%
Advanced	80-94 PR	10%	10%	12%	15%	20%	1%
Benchmark	60-79 PR	21%	21%	22%	18%	15%	13%
On Watch	40-59 PR	12%	12%	22%	24%	20%	12%
Strategic	11-39 PR	36%	31%	14%	20%	28%	31%
Intensive	0-10 PR	14%	12%	4%	22%	15%	12%
% Benchmark & Above		57%	80%	57%	70%	67%	54%
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		T	T	T	T	T	T
		W	W	W	W	W	W
		S	S	S	S	S	S





Smith Elementary School



Academic Support

Title I : Title I supports are utilized through academic intervention grades K-3 (fte Title teacher), academic tutoring before school (5 teachers participated) and family engagement activities.

Para Educators: small groups, individual support, structured and non-structured settings

Volunteers- 20+ high school, parent, seniors working with individuals and small groups

Tutoring- 7 teachers involved, 33 students participated K-5, 13 sessions per week





Smith Elementary School



ESSA/SBAC Report Card:



<https://helenaschools.org/departments/assessment-school-improvement/>





Smith Elementary School



Family Engagement:

Parents for Smith School (PSS)

Welcome Back Night, HHS Tailgate Party, Walk to School Day, Box Tops for Education, Fall and Spring Book Fairs, Dinners for Staff during Fall and Winter Parent/Teacher Conferences, Holiday Staff Appreciation, Missoula Children's Theater, Staff Appreciation Week, Running Club, Community Restaurant Night, Classroom Funding, Cupcakes for Monthly Birthday Celebrations, Field Trip Assistance, Snacks for State Testing, Playground Equipment, and SO MUCH MORE!

Family Engagement (Title Funds)

Smith Tailgate @ HHS
One School One Book
Bowling at Sleeping Giant
Family Library Night



Smith Elementary School

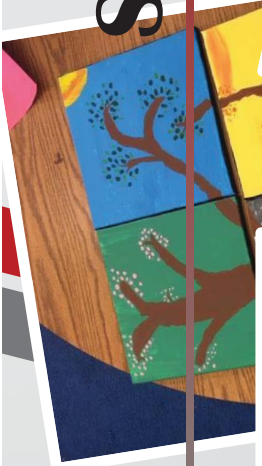
Continued Areas of Focus:

- **Student Engagement and Connections-** peer mentoring, interest clubs, structured recess, family engagement opportunities
- **Think Tank-** ongoing staff collaboration and professional development bringing together the great minds of Smith staff in a relentless effort to support the academic and social-emotional-behavioral needs of our students.
- **Continuous Cycle of Improvement** to create a welcoming community campus environment
- **Ongoing professional development** in the areas of trauma, behavior management, mindfulness, academics, play, poverty, core academic areas
- **Continue to support academic achievement** to align/exceed district and state benchmarks in both MATH and READING
- **Build a community of lifelong learners** – staff, students, families



Service Week in May

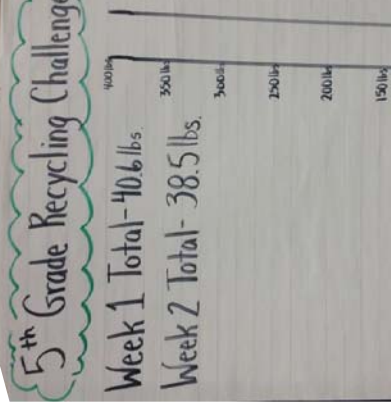
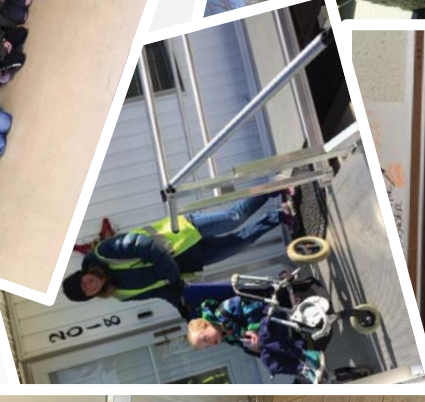




Smith Elementary School



Smith Service Week 2019





Smith Elementary School



Super friendly teachers/principals
 Magnificent building
 Incredible students
 Thoughtful children
 Helpful paras

THANK YOU FOR YOUR CONTINUED SUPPORT OF SMITH SCHOOL!

Feedback, Questions & Comments



Email: jnyman@helenaschools.org

Phone: 324-1522

Facebook: <https://www.facebook.com/SmithSchoolHelena/>

PSS Facebook: <https://www.facebook.com/Parents-4-Smith-School-201685933966818/>



Superintendent
Tyler Ream, Ed. D
(406) 324-2001

Business Manager
Janelle Mickelson
(406) 324-2040

Board Work Session

Hawthorne Elementary School | 430 Madison Ave Helena, MT 59601

Tuesday March 19, 2019

3:30 pm Tour | 4:00 pm Meeting

MINUTES

Attendance – Present unless otherwise noted.

Sarah Sullivan, Board Chair
Terry Beaver, Board Vice Chair
Tyler Emmert, Trustee – Arrived at 4:15 p.m.
Sanjay Talwani, Trustee – Excused
Luke Muszkiewicz, Trustee – Excused
Jeff Hindoien, Trustee
Elizabeth “Libby” Goldes, Trustee
Jennifer Walsh, Trustee - Excused

Dr. Tyler Ream, Superintendent
Josh McKay, Assistant Superintendent
Janelle Mickelson, Business Manager
Barb Ridgway, Chief of Staff
Stacy Collette, Human Resources Administrator
Jilyn Chandler, Data & Assessment Administrator
Sean Maharg, Special Education Administrator
Sean Morrison, Special Education Administrator
Pat Boles, Technology Administrator
Brian Cummings, Jim Darcy Elementary School Principal

Guests:

Shannon McNamee, Hawthorne Elementary
Jeff Beaver, Hawthorne Elementary
Kim Carson, Hawthorne Elementary
Anne Bartsch, Hawthorne Elementary

Jenny Moore, Hawthorne Elementary
Kendra Ness, Hawthorne Elementary
Erika McMillin, Hawthorne Elementary
Kate McGree, Hawthorne Elementary
Andree Anderberg, Hawthorne Elementary
Willie Schauman, Hawthorne Elementary
Joanne Novak, Hawthorne Elementary
Jeanette Higgins, Hawthorne Elementary
Linde Hennessy, Hawthorne Elementary
Leann Berry, Hawthorne Elementary
Eric Lehman, Hawthorne Elementary
Heidi Tussing, Hawthorne Elementary
Lindsay Hicks, Hawthorne Elementary
Tamara Ashley, Hawthorne Elementary
Rachel Ueland, Hawthorne Elementary

PRESENTOR at Hawthorne Elementary: Dr. Deb Jacobsen, accompanied by her staff and students.

I. TOUR OF SCHOOL/PLEDGE OF ALLEGIANCE/CALL TO ORDER

Sarah Sullivan called the session to order at 4:01 p.m. The Pledge of Allegiance and Hawthorne School Pledge were led by Mrs. Anne Bartsch and students.

II. REVIEW OF AGENDA

No Changes

III. PRESENTATION

1. Hawthorne Elementary School

Dr. Deb Jacobsen, Principal of Hawthorne Elementary School showed the attached PowerPoint presentation. The students of Hawthorne Elementary School start every day by saying the Pledge of Allegiance followed by the Hawthorne School Pledge. Teacher Jeff Beaver spoke about the Hawthorne School Mission and Vision Statements. Every teacher was involved in helping create the mission statement. Banners hang in every classroom and common area that read “Strong Minds-Gentle Hearts”. Teacher Kim Carson spoke about the Soar Assemblies that are held monthly. Each teacher selects a student from their classroom that is demonstrating the expected behaviors of Hawthorne students: “I am Safe”, “I am Respectful”, and “I am a Learner”. Students have also had the opportunity to skype with a children’s book author and a scientist during these assemblies.

Accompanied by teacher Anne Bartsch, the Student Council leaders explained the great things that they have accomplished. The students of Hawthorne School collected 1,025 pounds of food during their food drive, toiletries and warm clothes were donated to God’s Love, they have stocked a Little Library on the playground for all students to utilize and sell popcorn for \$0.50 a bag. Some students even sell homemade slime on Wednesdays and donate a portion of their

earnings to the Student Council! The Niceness is Priceless Club meets every Monday and teachers wear shirts on Mondays to help remind students to be kind. Students in green vests can be found on the playground as helpers. The Parent Council also plays an integral part of Hawthorne School in assisting with providing resources for the teachers.

Jenny Moore, 2nd and 3rd grade teacher, spoke about the enrollment count for the last 5 years. There was a steady decline of students due to overflow students returning to their home schools from 2013 to 2016. In 2017 the Montessori Preschool was added at Hawthorne increasing enrollment. Kendra Ness, 2nd and 3rd grade teacher then spoke about the socio-economic status of Hawthorne students. 23.7% of the students are enrolled in the Free & Reduced Meals Program. There are currently 16 students in the preschool program, 8 overflow students coming from west side schools, 57 students living out of the boundary for Hawthorne, but attending by parent request, 4 McKinney Vento students and 140 students that reside within the Hawthorne boundary. Special Education teacher Kate McGree and School Psychologist Erika McMillan spoke about the Special Education Department at Hawthorne. There are several categories for special education. There are 17 students receiving Speech Language only services, 5 students with other health impairments, 1 cognitively delayed student, 6 learning disabled, 4 emotionally disturbed, 3 with autism, and 34 identified as gifted. Some students may fall into one or more of the other categories but are only counted in these numbers in their primary category. Andree Anderberg, Librarian, spoke about the academic and behavioral interventions offered at Hawthorne. This is a tiered system with universal interventions, targeted group interventions and intensive individual interventions. Teachers Willie Schauman, Joanne Novak and Jeanette Higgins discussed the Star Reading scores for Hawthorne. The students are currently receiving an 85% benchmark school wide for STAR Reading and Early Literacy and a 90% for STAR Math.

Hawthorne utilizes Comprehensive School and Community Treatment (CSCT) counselors for students requiring such services. These services are specifically for students that are struggling with behavioral, social or emotional challenges. School Nurse, Shannon McNamee, spoke about the health services offered at Hawthorne, such as vision, hearing, scoliosis, and dental screenings. Eric Lehman spoke about the fish at Hawthorne. Each year the Montana Fish, Wildlife and Parks provides 150-200 rainbow trout eggs to the students. They are then able to watch the progress as the eggs hatch. The fish are then released at Spring Meadow Lake in May each year. The students enjoy watching the entire process from start to finish and it provides them a unique opportunity to learn how fish adapt.

Montessori teacher Heidi Tussing spoke about the Stars Preschool, which is a 2-year grant program established with funding during the 2017 Legislature. It is 1 of 18 in the state that is gathering data for the possibility of having funded preschools across the state. Stars Preschools has been a beneficial program.

There are 16 students selected by a lottery system each year. Students must be 4 years old by September. In the first year, there were 115 applications and the second year had 97 applications. The future of the program will be determined by the 2019 Legislative Session. First grade teacher Lindsay Hicks spoke about her deskless classroom. Mrs. Hicks has provided yoga mats, couches, bean bag chairs, etc. for flexible seating. It is much easier to manage student behavior this way.

Dr. Deb Jacobsen spoke about the facility challenges with Hawthorne. Hawthorne was built in 1921 and has a small playground and small classroom spaces. There is very limited parking and a congested drop off zone. Improvements will be made with the Safety and Security Bond updating, such as improved technology access, updated phone and intercom systems.

Hawthorne staff and students strive to ensure the safety, security and inclusion for all students and families. Teachers work hard to educate all students based on student interests and needs with the continued use of PLC time to refine teaching strategies and better serve students.

Hawthorne School, home of Strong Minds and Gentle Hearts!

IV. GENERAL PUBLIC COMMENT

None

V. NEW BUSINESS

1. Items for Action

a. 2-26-19 Board Work Session Minutes

Motion: Terry Beaver moved to approve the 2-26-19 Board Minutes. Jeff Hindoien seconded the motion.

Public Comment: None

Vote: 5-0 The Motion carried.

b. 3-6-19 Special Board Meeting Minutes

Motion: Terry Beaver moved to approve the 3-6-19 Special Board Meeting Minutes. Jeff Hindoien seconded the motion.

Public Comment: None

Vote: 5-0 The Motion carried.

VI. SUPERINTENDENT REPORT

No report at this time.

VII. BOARD COMMENTS

None

VIII. ADJOURNMENT

There being no other topics for future meetings and no public comment on issues not on the agenda, the meeting adjourned at 5:12 p.m. There will be a Special Board Meeting Session on April 2, 2019 at 4:00 p.m. at the Ray Bjork Learning Center. The next regular Board Meeting will be held on April 9, 2019 at the Ray Bjork Learning Center 1600 8th Avenue Helena, MT 59601. The next Board Work Session will be held on April 23, 2019 at Capital High School.

Respectfully Submitted,

Sarah Sullivan, Chair

Angie Ford, Recording Secretary

Date



Superintendent
Tyler Ream
(406) 324-2001

Business Manager
Janelle Mickelson
(406) 324-2040

Board Special Session

Capital High School | 100 Valley Drive Helena, MT 59601

Tuesday April 2, 2019

4:00 pm Meeting

MINUTES

Attendance – Present unless otherwise noted.

Sarah Sullivan, Board Chair
Terry Beaver, Board Vice Chair
Tyler Emmert, Trustee
Sanjay Talwani, Trustee – Arrived at 4:07 p.m.
Luke Muszkiewicz, Trustee
Jeff Hindoien, Trustee
Elizabeth “Libby” Goldes, Trustee
Jennifer Walsh, Trustee - Unexcused

Dr. Tyler Ream, Superintendent
Josh McKay, Assistant Superintendent
Janelle Mickelson, Business Manager
Barb Ridgway, Chief of Staff
Stacy Collette, Human Resources Administrator
Jilyn Chandler, Data & Assessment Administrator
Kalli Kind, Facilities Administrator
Pat Boles, Technology Administrator
Tim McMahon, Activities Administrator
Sue Sweeney, Broadwater Elementary School Principal
Dave Thennis, CR Anderson Middle School Principal
Trish Klock, Bryant Elementary School Principal
John Stilson, Central Elementary School Principal
Wynn Randall, Project for Alternative Learning Principal
Lisa Cordingley, HEF President

Guests:

Approximately 150 Staff Members of the Helena School District

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Sarah Sullivan called the session to order at 4:02 p.m. and led the Pledge of Allegiance.

II. REVIEW OF AGENDA

Trustee Luke Muszkiewicz suggested that page 6 should be in front of page 5. Item for Action #4 will be removed from the Agenda.

III. GENERAL PUBLIC COMMENT

None

IV. NEW BUSINESS

1. Items for Information

Board Chair Sarah Sullivan opened the meeting by speaking about the Board's responsibility to manage the budget. She stated she is grateful that we are audited by an outside firm every year and that we have a "truly gifted financial manager in Janelle Mickelson." When Superintendent interviews were conducted last year, one of the most common comments from candidates was that our current budget as it exists will be unsustainable over time. Board Chair Sullivan stated that this was not a surprise to Board Members as many staples of the current operational budget created years ago and it has become increasingly clear through the years that our district is headed for a financial crisis if we do not make some changes to our operational expenses. For the last two years, the Board has been looking closely at the budget to see where changes could be made. Superintendent Tyler Ream presented the attached PowerPoint Presentation showing the multi-year budget information that was constructed with the help of consultant Todd Watkins. The objective of the presentation was to present information related to a five-year budget model based on reoccurring costs projected out for five years. It does not include potential strategies or solutions. Board Vice Chair Terry Beaver asked if the retirees and term pay was included in the projection, to which Dr. Ream stated that yes, those figures were included as well as understanding that there will be new hires, retirements, terminations, etc. in the future. There is a decrease in the ANB revenue due to a projected loss of approximately 400 students to East Helena High School. This model does not include the inevitable loss of staff members due to the decrease in students. Currently, the district can not sustain as is for the High School District. Janelle Mickelson stated that we have already used all of our options for increasing revenue, including re-allocating salaries already, tapping into the technology fund and tuition fund. There are no further funds that can be shifted to help supplement the general fund shortage. She stated that the district could run a voted levy for facilities depending on a new law that could be passed during Legislature, however that would not help with salaries. Dr. Ream stated that he would be visiting each school individually over the next several weeks to have discussions and explore possible solutions. He is hoping to make sure staff members have a general

understanding of the multi-year projection. Dr. Ream also believes that these meetings will help identify important trends in the form of ideas from the district's staff. Trustee Libby Goldes asked for Janelle to clarify the general operating reserve. Janelle stated that the operating reserves to sell bonds are rated A not AA. Tax monies are not received until November from the current voted levy if it passes. Catastrophic issues are also covered through the reserves. Dr. Ream stated that the general operating reserve is basically a savings account and is not equipped to cover a significant infrastructure failure. Trustee Luke Muszkiewicz asked Dr. Ream what efforts will be taken to meet with staff members. Dr. Ream stated that it would be very important to meet with staff and hear their comments and suggestions first hand. Trustee Luke Muszkiewicz thanked Dr. Ream and staff for their work on the projected budget. He also stated he was proud of the Board of Trustees for looking 5 years ahead and appreciates the leadership committee. Board Chair Sarah Sullivan thanked Dr. Ream and Janelle for their work.

A break in the meeting was called at 5:00 p.m. and the meeting was called back to order at 5:06 p.m.

2. Items for Action

a. Authorize the Superintendent to meet district needs without complying with building requirements pursuant to 20-9-204(3)

Kalli Kind presented information regarding the failed retaining wall at Hawthorne Elementary and the necessary repairs. The cost of the repairs currently exceed the \$80,000 that would require a public bid and there is not time to wait the minimum of one month time frame to be able to put the project to bid. This authorization would allow the project to move forward and repairs to begin immediately.

Motion: Trustee Sanjay Talwani moved to authorize the Superintendent to meet district needs without complying with building requirements. Trustee Jeff Hindoen seconded the motion.

Board Comment: None

Public Comment: None

Vote: 6-1 The motion carried. Trustee Tyler Emmert voted no.

b. Recommendation to Cancel High School District Levy Election

Janelle Mickelson spoke regarding the High School District Levy. The cost to run the election exceeds the amount of money the levy would ask for, thus not making it fiscally responsible to hold this election.

Motion: Trustee Jeff Hindoen moved to approve the recommendation to cancel the High School District Levy. Trustee Libby Goldes seconded the motion.

Board Comment: None

Public Comment: None

Vote: 7-0 The motion carried.

c. Resolution to Certify Elementary School District Ballots

Janelle Mickelson spoke regarding the elementary school district ballots. There are two official candidates for the School Board open seats, Libby Goldes and John McEwen. She anticipates there will be write-in candidates as well.

Motion: Trustee Libby Goldes moved approve the Resolution to Certify Elementary School District Ballots. Trustee Tyler Emmert seconded the motion.

Board Comment: Trustee Luke Muszkiewicz stated that our educators are worth every penny and we owe it to the students, staff and community to provide resources. Trustee Jeff Hindoien agreed with Trustee Muszkiewicz's statements and added that we are losing the capacity to ask the Helena School District voters to help us get there. Trustee Libby Goldes stated we have a very generous and supportive community and we have an obligation to meet the needs of educating students.

Public Comment: None

Vote: 7-0 The motion carried.

V. SUPERINTENDENT REPORT

No report at this time.

VI. BOARD COMMENTS

Trustee Luke Muszkiewicz asked when the March 6th special meeting minutes would be approved. Board Chair Sarah Sullivan stated they would address them at the next meeting.

VII. ADJOURNMENT

There being no other topics for future meetings and no public comment on issues not on the agenda, the meeting adjourned at 5:37 p.m. The next regular Board Meeting will be held on April 9, 2019 at the Ray Bjork Learning Center 1600 8th Avenue Helena, MT 59601. The next Board Work Session will be held on April 23, 2019 at Capital High School.

Respectfully Submitted,

Sarah Sullivan, Chair

Angie Ford, Recording Secretary

Date



Superintendent
Tyler Ream, Ed. D
(406) 324-2001

Business Manager
Janelle Mickelson
(406) 324-2040

Board Work Session

Capital High School | 100 Valley Drive Helena, MT 59601

Tuesday April 23, 2019

3:30 pm Tour | 4:00 pm Meeting

MINUTES

Attendance – Present unless otherwise noted.

Sarah Sullivan, Board Chair - Excused
Terry Beaver, Board Vice Chair
Tyler Emmert, Trustee – Excused
Sanjay Talwani, Trustee – Left @ 4:45 p.m.
Luke Muszkiewicz, Trustee
Jeff Hindoien, Trustee - Excused
Elizabeth “Libby” Goldes, Trustee
Jennifer Walsh, Trustee - Unexcused

Dr. Tyler Ream, Superintendent
Josh McKay, Assistant Superintendent
Janelle Mickelson, Business Manager
Barb Ridgway, Chief of Staff
Stacy Collette, Human Resources Administrator
Jilyn Chandler, Data & Assessment Administrator
Sean Morrison, Special Education Administrator
Pat Boles, Technology Administrator
Brian Cummings, Jim Darcy Elementary School Principal
Brett Zanto, Capital High School Principal

Guests:

Walt Chancy, Capital High School Assistant Principal
Kathy Kidder, Capital High School Assistant Principal

PRESENTOR at Capital High School: Principal Brett Zanto

I. TOUR OF SCHOOL/PLEDGE OF ALLEGIANCE/CALL TO ORDER

Terry Beaver called the session to order at 4:09 p.m. and led the Pledge of Allegiance.

II. REVIEW OF AGENDA

None

III. PRESENTATION

1. Capital High School

Brett Zanto, Principal of Capital High School, showed the attached PowerPoint Presentation. There are at least 40 clubs available to students that range from meeting at lunch time to meeting after school. Students are encouraged to get involved. Lisa Waterman presented information regarding the Youth Activation Committee (YAC) and led a group exercise. The YAC Group helps to recruit the current 8th grade students for clubs within the high school.

Current AP Data shows that the number of students taking AP courses at Capital High School has increased from 126 in 2013 to 197 in 2018. The percentage of students taking AP Exams and achieving a 3 or higher on those tests, has increased from 69% in 2013 to 71.6% in 2018. Principal Zanto stated that the exams have become increasingly more difficult over the past 5 years. There are more and more AP classes being offered at Capital High, including 4 new Science options this school year. In the upcoming school year, Capital High will be adding 3 sections to AP Math as well as AP Computer Science and AP Statistics. AP Paleontology is being added to the 2019-2020 catalog. There are currently 18 courses being offered as Dual Credit, with an additional Math course being added in the 2019-2020 school year. The “1-2 Free Initiative” has allowed students to be able to take 2 dual enrollment courses either at their school or at the Helena College Campus for free. Additionally, there is a waiver that allows students that are on the Free & Reduced Meals program the opportunity to take all Dual Enrollment classes for free. In the fall of 2018, there were 137 students taking a total of 328 dual credit courses. Some students may take just one, while others are taking 4-5 courses.

The ACT Aspire tests are administered to students in 8-10 grades and include testing in English/Reading, Math and Science. Students will begin taking these tests in May. The ACT Aspire tests align with the ACT College Readiness Benchmarks, provide detailed results and inform the district about instructional strategies. The benchmark for 11th grade in the 2017-2018 school year was 49% in English, 38% in Reading, 32% in Math, and 30% in Science. Capital High School 11th grade students scored 56%, 44%, 40% and 40% respectively. Data for the 2018-2019 cohort has not yet been completed.

Capital High School also has a mentoring program that is organized by Ms. Placko. This program helps to identify at risk freshman students (which is

determined by failing at least one class the 2nd semester of their 8th grade year) and also added sophomores needing assistance in the 2015-2016 year. Mentoring during the first semester of 2018-2019 included 23 mentees (15 freshman and 8 sophomores) with 14 of those students not failing a single class. 7 students failed one class, 4 students failed 2 classes, 1 student failed 4 classes and 1 student failed 6 classes. A total of 25 students failed out of 140 classes being taken or 18% of the determined at risk students. The 2017-2018 graduation rate for Capital High was 89%.

Assistant Principal Walt Chancy presented information regarding MBI at Capital High School. Capital High has been awarded with Platinum Level Recognition for the third year in a row for sustaining school-wide foundation of MBI and effective classroom practices and successfully implementing Tier II interventions with integrity. There are 5 core team leaders and they attend all required trainings as a team. Approximately 5-7% of students fluctuate between Tier II and Tier III interventions. The “Capital Code” is to Be Responsible, Be Respectful and Be a Graduate.

Trustee Libby Goldes asked Principal Zanto if he has noticed any struggles since the Board added a 3rd math course requirement. Principal Zanto stated that they have added several math offerings as well as stretching some courses from being a semester, to lasting the entire school year. Assistant Superintendent Josh McKay added that there are more accessible pathways for students and it is exciting to see teachers stepping up to help with teaching other classes as well.

Trustee Luke Muszkiewicz asked if there are discounted fees for AP testing. Principal Zanto stated that exams are around \$90 each and that the school covers the fee for any students on Free & Reduced meals as well as helping pay for testing dependent on a student’s circumstances. There is no cost difference for the district for staffing AP courses.

Board Vice Chair Terry Beaver stated that it is admirable to see the growth of AP Courses as well as Dual Credit offerings. He also asked if students need to be taking chemistry and physics courses prior to their junior year in order to test better on the ACT exam in those subjects. Principal Zanto explained that the AP Physics curriculum has adapted to change the availability to students.

Trustee Luke Muszkiewicz asked Principal Zanto what his thoughts would be regarding a High School bond. Principal Zanto stated his first priority would be safety upgrades, followed by more on campus lunch options to help keep students safe and keep them on campus. Principal Zanto also stated he would like to have more common space, music room upgrades, CTE building upgrades and make the computer labs more accessible.

Board Vice Chair Terry Beaver thanked Principal Zanto and his staff for their presentation.

IV. GENERAL PUBLIC COMMENT

None

V. NEW BUSINESS

1. Items for Action

a. 3-12-19 Board Work Session Minutes

There was not a quorum present at the meeting for any action to be taken at this time.

VI. SUPERINTENDENT REPORT

No report at this time.

VII. BOARD COMMENTS

Trustee Libby Goldes stated that she received her school district ballot in the mail and encouraged everyone to vote.

VIII. ADJOURNMENT

There being no other topics for future meetings and no public comment on issues not on the agenda, the meeting adjourned at 5:42 p.m. The next regular Board Meeting will be held on May 14, 2019 at the Ray Bjork Learning Center 1600 8th Avenue Helena, MT 59601. The next Board Work Session will be held on May 28, 2019 at Smith Elementary School.

Respectfully Submitted,

Sarah Sullivan, Chair

Angie Ford, Recording Secretary

Date

Board of Trustees Work Session

Approval of Resolution Requesting County to Conduct Elections



I. NEW BUSINESS

A. Items for Action

4. Approval of resolution requesting county to conduct elections.
-

Background:

Trustees of a school district may request the county election administrator to conduct certain school elections during the ensuing school fiscal year. The request must be made by a resolution of the Board of Trustees by June 1 of each year.

Considerations:

- Lewis and Clark County has a highly qualified election administrator trained in election laws and procedures along with qualified staff who are also trained. This reduces the risk of challenges to elections.
- Having the county conduct the election provides for an unbiased and transparent appearance for the school district.
- If the school district were to conduct their own elections, a full-time temporary employee would need to be hired to monitor the ballot box. In addition, it would add additional responsibilities to the already strained business office staff. Other costs associated with conducting the election include election judges, the printing of ballots, specialized envelopes, mailing labels and postage.
- Depending on the number of ballots issued and submitted, the county charges approximately \$50,000-\$60,000 to conduct the election, which represents the actual costs of running the election (no additional administrative fees).

Superintendent recommendation:

Approve resolution requesting County to conduct elections.

TRUSTEE RESOLUTION REQUESTING COUNTY CONDUCT ELECTION(S)

BE IT RESOLVED, the Board of Trustees for School District No. 1, Lewis and Clark County, State of Montana, requests that Lewis and Clark County, State of Montana, conduct the following school elections for School District No. 1, Lewis and Clark County for fiscal year 2020:

☒ All Elections

In accordance with 20-20-417, MCA, the county will perform the duties imposed on the trustees and the clerk of the district for school elections in 20-20-203, 20-20-313, and 20-20-401, and deliver to the trustees, for the purpose of canvassing the vote, the certified tally sheets and other items as provided in 13-15-301.

Other election duties not specified will be conducted by mutual agreement between the district clerk and the county election administrator.

Luke Muszkiewicz
Print Name of Board Chair

Signature of Board Chair

T. Janelle Mickelson
Print Name of Clerk

Signature of Clerk

DATED this _____ day of _____, 20____.

Board of Trustees Work Session

Approval of Resolution Relating to \$8,000,000 General Obligation
School Building Bonds, Series 2019



I. NEW BUSINESS

A. Items for Action

5. Approval of resolution relating to \$8,000,000 general obligation school building bonds, series 2019.
-

Background:

- On May 2, 2017, district voters approved a \$63 million elementary bond to build three new elementary schools and to address safety, security and technology upgrades in all K-8 school buildings.
- The District issued \$55 million of the authorized \$63 million on September 21, 2017 at true interest cost of approximately 2.928%.
- At the regular board meeting on April 9, 2018, the board of trustees voted to issue the remaining \$8 million in bonds.

Considerations:

- On May 6, 2018, the District received an A1 rating on the bonds from Moody's Investor Service and a public sale was conducted on May 16, 2018. The District issued the remaining \$8 million at a true interest cost (TIC) of approximately 2.736%.
- In May of 2017, the interest cost was estimated to be 4.5%. So, although the State discontinued guaranteed tax base aid for debt service, because of the low TIC, taxpayers will pay less than expected in interest.
- The attached resolution finalizes the sale of the \$8 million bonds by fixing the form of the bond certificate, authorizing the tax levy, and making covenants with respect to execution and delivery, payments, and redemption of the bonds. Covenants agreeing to the security provisions (the accounting of the bonds), arbitrage regulations and reporting requirements are also included in the resolution.

Superintendent recommendation:

Approve resolution relating to \$8,000,000 general obligation school building bonds, series 2019.

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of School District No. 1 (Helena), Lewis and Clark County, Montana (the "District"), hereby certify that attached hereto is a true copy of a Resolution entitled: "RESOLUTION RELATING TO \$8,000,000 GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2019; FIXING THE FORM AND DETAILS, MAKING COVENANTS WITH RESPECT THERETO, AUTHORIZING THE EXECUTION AND DELIVERY AND LEVYING TAXES FOR THE PAYMENT THEREOF" (the "Resolution"), on file in the original records of the District in my legal custody; that the Resolution was duly adopted by the Board of Trustees of the District at a meeting on May 28, 2019, which meeting was duly held and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Trustees voted in favor thereof: _____
_____; voted against the same: _____
_____; abstained from voting thereon: _____
_____; or were absent: _____.

WITNESS my hand officially this _____ day of May, 2019.

District Clerk

RESOLUTION RELATING TO \$8,000,000 GENERAL
OBLIGATION SCHOOL BUILDING BONDS, SERIES 2019;
FIXING THE FORM AND DETAILS, MAKING COVENANTS
WITH RESPECT THERETO, AUTHORIZING THE
EXECUTION AND DELIVERY AND LEVYING TAXES FOR
THE PAYMENT THEREOF

BE IT RESOLVED by the Board of Trustees (the “Board”) of School District No. 1 (Helena), Lewis and Clark County, Montana (the “District”), as follows:

Section 1. Recitals, Authorization and Sale.

1.1 Authorization. At an election duly called, noticed and held on May 2, 2017, this Board was authorized to sell and issue general obligation school building bonds of the District in in one or more series in the aggregate principal amount of up to \$63,000,000 for the purpose of providing funds to pay the costs of addressing deficient school facilities and infrastructure, to include acquiring land, if available, next to or in the vicinity of the Jim Darcy School campus and constructing on the Jim Darcy School campus a new elementary school building in replacement of the existing Jim Darcy School and making associated improvements; constructing a new Bryant School either on the existing Bryant School campus as enlarged by the acquisition of residential property, if available, located next to or in the vicinity of the Bryant School campus or on another site to be selected by the Board in accordance with Montana law, and making associated improvements in connection with the new Bryant School; constructing on the Central School campus a new Central School and making associated improvements that may include the removal of existing structures; installing at or making available to all schools in the Elementary District safety upgrades or new safety amenities, such as one or more of keyless entry, communication, and video surveillance systems, emergency response materials, more appropriate placement of office space, and/or improvements that limit entry to a school to a single point of entry; installing at all schools in the Elementary District technology upgrades, to include enhanced capacity and audio visual interactive learning capabilities; related improvements and costs, including, but not limited to, costs of design, engineering, equipment, furnishings, transition, demolition, removal, and disposal; and paying costs associated with the sale and issuance of the bonds (the “Project”). The District has determined that it is in its best interests to proceed at this time with the issuance of a series of bonds in the principal amount of \$8,000,000 (the “Bonds”) to finance a portion of the costs of the Project and pay costs of issuing the Bonds. The District previously issued a series of bonds in 2017 in the principal amount of \$55,000,000 to pay a portion of the costs of the Project.

The indebtedness to be evidenced by the Bonds and all other indebtedness of the District does not exceed the limitation as set forth in Section 20-9-406, M.C.A. The District has full power and authority to issue the Bonds.

1.2 Sale. Pursuant to Montana Code Annotated, Section 20-9-430 and a resolution adopted April 9, 2019, this Board determined that it would be in the best interests of the District to sell the Bonds through a negotiated sale (i.e., private sale) to D.A. Davidson & Co., of Great Falls, Montana (the “Purchaser”). The District and the Purchaser have entered into a Bond Purchase Agreement, dated May 16, 2019, relating to the sale of the Bonds, the Bonds to bear

interest, mature and contain the further terms and conditions set forth in Section 2.1 of this resolution. To the extent any terms of the Bonds as prescribed herein and in the Bond Purchase Agreement conflict, the provisions of this resolution shall govern.

1.3 Recitals. All acts, conditions and things required by the Constitution and laws of the State of Montana, including Montana Code Annotated, Title 20, Chapter 9, Part 4, as amended, in order to make the Bonds valid and binding general obligations of the District in accordance with their terms and in accordance with the terms of this Resolution have been done, do exist, have happened and have been performed in regular and due form, time and manner as so required.

Section 2. The Bonds.

2.1 Principal Amount, Maturities, Denominations, Date, Interest Rates. For the purpose of paying a portion of the costs and expenses incurred in construction of the Project and costs of issuing the Bonds and in anticipation of the collection of ad valorem taxes to be levied therefor, the District shall forthwith issue and deliver the Bonds. The Bonds shall be denominated “General Obligation School Building Bonds, Series 2019,” and shall be dated, as originally issued, and be registered as of, June 5, 2019, each in the denomination of \$5,000 or any integral multiple thereof of single maturities. The Bonds shall mature on July 1 in the years and principal amounts set forth below, and Bonds maturing in such years and principal amounts shall bear interest from the date of original issue until paid or duly called for redemption (including mandatory sinking fund redemption as to the term bond maturing in 2035) at the rates per annum set forth opposite such years and amounts, respectively:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2020	\$270,000	3.000%	2030	\$395,000	4.000%
2021	300,000	3.000	2031	410,000	4.000
2022	310,000	3.000	2032	425,000	4.000
2023	315,000	3.000	2033	440,000	3.000
2024 ¹	175,000	2.500	2035*	930,000	4.000
2024 ¹	150,000	3.000	2036	490,000	4.000
2025	335,000	3.000	2037	510,000	4.000
2026	345,000	4.000	2038	535,000	4.000
2027	360,000	3.000	2039 ¹	200,000	3.000
2028	370,000	3.000	2039 ¹	355,000	4.000
2029	380,000	3.000			

¹Bifurcated maturities.

*Term bonds subject to mandatory sinking fund redemption as set forth in Section 2.7 below.

Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

2.2 Interest Payment Dates. Interest on the Bonds shall be payable on each January 1 and July 1, commencing January 1, 2020 (each such date, an “Interest Payment Date”), to the owners of record thereof as such appear on the Bond Register, as hereinafter defined, at the close of business on the fifteenth day, whether or not such day is a Business Day, of the month

immediately preceding the Interest Payment Date. “Business Day” means any day other than a Saturday, Sunday or legal holiday of the State of Montana. Upon the original delivery of the Bonds to the Purchaser and upon each subsequent transfer or exchange of a Bond pursuant to Section 2.4, the Registrar shall date each Bond as of the date of its authentication.

2.3 Method of Payment. The Bonds shall be issued only in fully registered form. The interest on and, upon surrender thereof at the principal office of the Registrar, as hereinafter defined, the principal of each Bond, shall be payable by check or draft drawn on the Registrar.

2.4 System of Registration. The District shall appoint, and shall maintain, a bond registrar, transfer agent and paying agent (the “Registrar”). This Section 2.4 shall establish a system of registration for the Bonds as defined in the Model Public Obligations Registration Act of Montana, Montana Code Annotated, Title 17, Chapter 5, Part 11, as amended.

The effect of registration and the rights and duties of the District and the Registrar with respect thereto shall be as follows:

(a) Bond Register. The Registrar shall keep a register (the “Bond Register”) in which the Registrar shall provide for the registration of ownership of the Bonds and the registration of transfers and exchanges of the Bonds entitled to be registered, transferred or exchanged. The term “Holder” or “Bondholder” as used herein means the person (whether a natural person, corporation, association, partnership, trust, governmental unit, or other legal entity) in whose name, as of the date of reference, a Bond is registered in the Bond Register.

(b) Transfer. Upon surrender to the Registrar for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, decline to register the transfer of any Bond which has theretofore been selected or called for redemption, in whole or in part.

(c) Exchange. At the option of the Holder of any Bond in a denomination greater than \$5,000, such Bond may be exchanged for other Bonds of authorized denominations, of the same maturity and a like aggregate principal amount, upon surrender of the Bond to be exchanged at the office of the Registrar. Whenever any Bonds are so surrendered for exchange the District shall execute and the Registrar shall authenticate and deliver the Bonds which the Bondholder making the exchange is entitled to receive.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter delivered to the Lewis and Clark County Treasurer (the “Treasurer”).

(e) Improper or Unauthorized Transfer. The Registrar may refuse to transfer any Bond presented to the Registrar for transfer until the Registrar is satisfied that the

endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The District and the Registrar may treat the person in whose name any Bond is at any time registered in the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and (subject to Section 2.2) interest on such Bond and for all other purposes, and all such payments so made to any such Holder shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer of Bonds or exchange of Bonds (except an exchange upon a partial redemption of a Bond), the Registrar may impose upon the owner thereof a charge sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the District and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the District. If the mutilated, destroyed, stolen or lost Bond has already matured or such Bond has been called for redemption in accordance with its terms, it shall not be necessary to issue a new Bond prior to payment.

(i) Notice of Redemption. Upon request by the District, the Registrar shall give notice of redemption of any Bond as provided in Section 2.6 of this Resolution; provided that the District has provided the Registrar with the request at least 45 days prior to the redemption date.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the District evidencing the same debt, and entitled to the same benefits under this Resolution as the Bonds surrendered upon such transfer or exchange.

2.5 Appointment of Registrar. The District hereby appoints U.S. Bank National Association, of Salt Lake City, Utah, as the initial Registrar. The Chair or in the absence of the Chair, the Vice Chair, and District Clerk are authorized, upon request of the Registrar, to execute

and deliver, on behalf of the District, a contract with U.S. Bank National Association, of Salt Lake City, Utah, as Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company organized under the laws of the United States or one of the states of the United States and authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The District agrees to pay the reasonable and customary charges of the Registrar for the services performed. The District reserves the right to remove the Registrar, effective upon not less than thirty days' written notice and upon the appointment and acceptance of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the Bond Register to the successor Registrar. On or before each date that interest or principal is payable on the Bonds, without further order of this Board, the Treasurer shall transmit to the Registrar, from available funds of the District, money sufficient for the payment of all principal and interest then due.

2.6 Optional Redemption. Bonds with stated maturities commencing July 1, 2020 through and including July 1, 2029 shall not be subject to optional redemption, but Bonds with stated maturities on July 1, 2030 and later years shall be subject to redemption at the option of the District in whole or part, and if in part from such stated maturities and in such principal amounts as the District may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner it deems fair), on July 1, 2029 and any date thereafter, at a price equal to the principal amount thereof to be redeemed and interest accrued to the date of redemption and without premium. The Treasurer shall provide or cause to be provided to the Registrar at least 45 days prior to the redemption date a request that the Registrar deliver a notice of redemption to the registered owners of each Bond by first class mail or, if the registered owner of the Bonds is DTC, the notice of redemption may be sent by electronic means, and the Registrar shall mail or cause to be mailed such notice of redemption or, if the registered owner of the Bonds is DTC, send or cause to be sent such notice of redemption by electronic means, at least thirty days prior to the designated redemption date. No defect in or failure to give such notice shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers, interest rates and CUSIP numbers of the Bonds to be redeemed and the place at which the Bonds are to be surrendered for payment. Official notice of redemption having been given as aforesaid, the Bonds or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest.

In addition to the notice prescribed by the preceding paragraph, the Treasurer shall also request that the Registrar give, and upon such request the Registrar shall give, at least thirty days prior to the designated redemption date, notice of the redemption of any Bond or Bonds or portions thereof in form and substance and in the manner provided in the preceding paragraph to the Purchaser, all registered securities depositories then in the business of holding substantial amounts of obligations of the character of the Bonds (such depository now being The Depository Trust Company, of New York, New York), and one or more national information services that disseminate information regarding municipal bond redemptions; provided that any defect in or

any failure to give any notice of redemption prescribed by this paragraph shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof.

Bonds in a denomination larger than \$5,000 may be redeemed in part in any integral multiple of \$5,000. The owner of any Bond redeemed in part shall receive, upon surrender of such Bond to the Registrar, one or more new Bonds in authorized denominations equal in principal amount to the unredeemed portion of the Bond so surrendered.

2.7 Mandatory Sinking Fund Redemption. The Bonds having a stated maturity in 2035 are subject to mandatory sinking fund redemption on July 1 in the principal amount set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date:

<u>Stated Maturity of Term Bonds (July 1)</u>	<u>Sinking Fund Payment Date (July 1)</u>	<u>Principal Amount on Sinking Fund Payment Date</u>
2035	2034	\$455,000

If the term bond with a stated maturity in 2035 is not previously purchased by the District in the open market or prepaid, \$475,000 in principal amount would remain to mature in 2035. The principal amount of the term bond required to be redeemed on the above Sinking Fund Payment Date shall be reduced by the principal amount of such term bond theretofore redeemed at the option of the Board and as to which the District has not previously applied amounts to reduce the principal amount of such bond on a Sinking Fund Payment Date.

2.8 Form. The Bonds shall be prepared in substantially the form set forth in Exhibit A hereto, and by this reference made a part hereof.

2.9 Execution and Delivery. The Bonds shall be forthwith prepared for execution under the direction of the District Clerk, and shall be executed on behalf of the District by the signature of the Chair of the Board of Trustees and attested by the signature of the District Clerk; provided that either or both of such signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the Bonds have been so executed by the District, they shall be registered by the Treasurer in accordance with Montana Code Annotated, Section 20-9-434. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless a certificate of authentication on such Bond has been executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been fully executed and authenticated, they shall be delivered by the Registrar to the Purchaser upon payment of the purchase price in accordance with the contract of sale

heretofore made and executed. The Purchaser shall not be obligated to see to the application of the purchase price.

2.10 Securities Depository for the Bonds.

(a) For purposes of this Section 2.10, the following terms shall have the following meanings:

“Beneficial Owner” means, whenever used with respect to a Bond of which DTC, as hereinafter defined, or its nominee is the Holder, the person (or subrogee of the person) recorded as the beneficial owner of such Bond on the records of the Participant, as hereinafter defined, in whose name DTC holds such Bond.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” means The Depository Trust Company of New York, New York.

“Participant” means any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” means the Blanket Issuer Letter of Representations from the District to DTC.

(b) The Bonds shall be initially issued as separately authenticated fully registered Bonds, one Bond in the full principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of all Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC. The Registrar and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the District shall be affected by any notice to the contrary. Neither the Registrar nor the District shall have any responsibility or obligation to any Participant, any Person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other Person which is not shown on the Bond Register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with the Representation Letter, and all such payments shall be valid and effective to fully satisfy and discharge the District’s

obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. Unless the services of DTC as securities depository with respect to the Bonds are terminated as provided in subsection (c), no Person other than DTC shall receive any authenticated Bond. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the District determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of Bond certificates, the District may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The Chair of the Board is hereby authorized and directed to execute and deliver to DTC the Representation Letter with such changes, omissions, insertions and revisions as the Chair of the Board of Trustees shall deem advisable, and execution of the Representation Letter by the Chair of the Board shall be conclusive evidence of such approval. The Representation Letter shall set forth certain matters with respect to, among other things, notices, consents and approvals by registered owners of the Bonds and Beneficial Owners and payments on the Bonds. The Registrar shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this resolution.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of Bond certificates and the method of payment of principal of and interest on such Bonds in the form of Bond certificates.

Section 3. Security Provisions.

3.1 Construction Account; Use of Proceeds. There is hereby created in the building fund of the District a special account designated the “2019 Construction Account” (the “Construction Account”), to be held and administered by the Treasurer separate and apart from all other funds of the District. The District appropriates to the Construction Account (a) proceeds of the sale of the Bonds in the principal amount of \$8,000,000 plus original issue premium remaining after payment of underwriter’s compensation, and (b) all income derived

from the investment of amounts on hand in the Construction Account. The Construction Account shall be used solely to defray expenses of the Project, including but not limited to paying costs of issuance of the Bonds, and for the transfer to the Debt Service Account, as hereinafter defined, of amounts sufficient for the payment of interest upon the Bonds prior to the completion and payment of all costs of the Project. Upon completion and payment of all costs of the Project, any remaining proceeds of Bonds in the Construction Account shall be transferred to the Debt Service Account, and the Construction Account may thereupon be discontinued.

3.2 Debt Service Account. There is hereby created in the debt service fund of the District a special account designated the “2019 Debt Service Account” (the “Debt Service Account”), to be held and administered by the Treasurer separate and apart from all other funds of the District so long as any of the Bonds are outstanding and any principal thereof or interest thereon is unpaid. The Debt Service Account shall be used solely to pay the principal of and interest on the Bonds, including payment of the redemption price of any Bonds duly called for redemption. The District irrevocably appropriates to the Debt Service Account: (a) all funds to be credited and paid thereto in accordance with Section 3.1, (b) the collection of taxes levied in accordance with this Resolution, (c) all income derived from the investment of amounts on hand in the Debt Service Account, (d) any and all money received by the District with respect to the Bonds as “state debt service assistance,” as provided in Montana Code Annotated Sections 20-9-370 and 20-9-371, as amended (the “Debt Service Assistance Act”), and (e) such other money as shall be received and appropriated to the Debt Service Account from time to time.

Section 4. Covenant to Levy Taxes. The full faith and credit and taxing powers of the District shall be and are hereby irrevocably pledged to the payment of the Bonds and interest due thereon. The District agrees that it will cause to be levied annually on all taxable property in the District taxes sufficient to pay the principal of and interest on the Bonds when due. To the extent permitted by the Debt Service Assistance Act, the taxes to be levied in any year for payment of the principal of and interest on the Bonds may be reduced by the amount on hand in the Debt Service Account representing debt service assistance to pay debt service. Notwithstanding any such reduction of any tax levy, the District covenants and agrees that if the amount received in any year for payment of the principal of and interest on the Bonds when due is not sufficient for such purpose the District will make up such deficiency from other funds of the District available for such purpose or levy on all taxable property in the District an additional tax sufficient to make up such deficiency.

Section 5. Tax Matters.

5.1 Use of Project. The Project will be operated by the District and used by the District to provide public education to members of the general public and services ancillary thereto. The District shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the Project or security for the payment of the Bonds which might cause the Bonds to be considered “private activity bonds” or “private loan bonds” within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”).

5.2 General Covenant. The District covenants and agrees with the holders 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 interest on the Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

5.3 Arbitrage Certification. The Chair or in the absence of the Chair, the Vice Chair, and the District Clerk, being the officers of the District charged with the responsibility for issuing the Bonds pursuant to this Resolution, are authorized and directed to execute and deliver to the Purchaser a certificate 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.

5.4 Arbitrage Rebate Exemption.

(a) The District hereby represents that the Bonds qualify for the exception for small governmental units to the arbitrage rebate provisions contained in Section 148(f)(4)(D) of the Code. Specifically, the District represents:

(1) Not less than 95% of the proceeds of the Bonds will be used for local governmental activities of the District.

(2) The aggregate face amount of all “tax-exempt bonds” (including warrants, contracts, leases and other indebtedness, but excluding private activity bonds and current refunding bonds issued in an amount not greater than the outstanding bonds to be refunded) issued by or on behalf of the District and all subordinate entities thereof during 2019 is not reasonably expected to exceed the limit contained in Section 148(f)(4)(D)(vii) of the Code. The limit is equal to \$5,000,000 plus the lesser of (i) \$10,000,000 or (ii) so much of the aggregate face amount of such tax-exempt bonds as are attributable to financing the construction (as defined in Section 148(f)(4)(C)(iv) of the Code and Section 1.148-7(g) of the Regulations) of public school facilities. There are no subordinate entities of the District and no issuer has or is expected to issue bonds on behalf of the District.

As of the date of issuance of the Bonds, the District reasonably expects to issue in 2019 no tax-exempt bonds other than the Bonds. In 2014 through 2018, the District issued no tax-exempt bonds, except its General Obligation School Building Bonds, Series 2017.

(b) If notwithstanding the provisions of paragraph (a) of this Section 5.4, the arbitrage rebate provisions of Section 148(f) of the Code apply to the Bonds, the District hereby covenants and agrees to make the determinations, retain records and rebate to the United States the amounts at the times and in the manner required by said Section 148(f).

5.5 Information Reporting. The District shall file with the Secretary of the Treasury, not later than August 15, 2019, a statement concerning the Bonds containing the information required by Section 149(e) of the Code.

5.6 “Qualified Tax-Exempt Obligations.” Pursuant to Section 265(b)(3) of the Code, the District hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code. The District has not designated any obligations in 2019 other than the Bonds under Section 265(b)(3). The District hereby represents that it does not anticipate that obligations bearing interest not includable in gross income for purposes of federal income taxation under Section 103 of the Code (including refunding obligations as provided in Section 265(b)(3) of the Code and including “qualified 501(c)(3) bonds” but excluding other “private activity bonds,” as defined in Sections 141(a) and 145(a) of the Code) will be issued by or on behalf of the District and all “subordinate entities” of the District in 2018 in an amount greater than \$10,000,000.

Section 6. Authentication of Transcript. The officers of the District are hereby authorized and directed to furnish to the Purchaser and to bond counsel certified copies of all proceedings relating to the issuance of the Bonds and such other certificates and affidavits as may be required to show the right, power and authority of the District to issue the Bonds, and all statements contained in and shown by such instruments, including any heretofore furnished, shall constitute representations of the District as to the truth of the statements purported to be shown thereby.

Section 7. Defeasance. When all of the Bonds have been discharged as provided in this Section 7, all pledges, covenants and other rights granted by this resolution to the owners of the Bonds shall cease. The District may discharge its obligations with respect to any Bonds which are due on any date by irrevocably depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, the District may nevertheless discharge its liability with respect thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit. The District may also discharge its obligations with respect to any Bonds called for redemption on any date when they are subject to redemption according to their terms, by depositing with the Registrar on or before such redemption date a sum sufficient for the payment thereof in full with interest accrued to such redemption date; provided that notice of the redemption thereof has been duly given or provided for as provided in Section 2.6. The District may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are general obligations of the United States or securities of United States agencies which are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to pay all principal and interest to become due on such Bond to their stated maturities or, if notice of redemption as herein required has been irrevocably provided for, to such earlier redemption date; provided, however, that if such deposit is made more than 90 days before the stated maturities or redemption date of the Bonds to be discharged, the District shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bond from federal income taxation and a written report of an accountant or

investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity date.

Section 8. Continuing Disclosure. The Board hereby approves the Continuing Disclosure Undertaking of the District substantially in the form of the attached Exhibit B and authorizes the Chair of the Board and the District Clerk, or in the absence of either of them or in the event of their inability to sign, the Superintendent and any other member or members of the Board, to execute and deliver on behalf of the District contemporaneously with the date of issuance and delivery of the Bonds the Continuing Disclosure Undertaking, with such changes as may be necessary or appropriate. The signatures of any two authorized officials of the District are adequate to cause the Continuing Disclosure Undertaking to be binding and enforceable on the District.

Section 9. Effective Date. All resolutions and parts of resolutions heretofore adopted by this Board which are in conflict herewith are hereby amended so as to conform with the provisions of this Resolution, and, as so amended, are hereby ratified and confirmed. This Resolution shall be effective upon passage.

Passed and approved May 28, 2019.

Chair

Attest:

District Clerk

EXHIBIT A

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF MONTANA

**SCHOOL DISTRICT NO. 1 (HELENA),
LEWIS AND CLARK COUNTY, MONTANA**

GENERAL OBLIGATION SCHOOL BUILDING BOND, SERIES 2019

No. R-_____ \$_____ .00

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	July 1, 20__	June 5, 2019	527639

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: AND NO/100 DOLLARS

FOR VALUE RECEIVED, SCHOOL DISTRICT NO. 1 (HELENA), LEWIS AND CLARK COUNTY, STATE OF MONTANA (the "District"), acknowledges itself to be indebted and hereby promises to pay to the registered owner named above, or registered assigns, the principal amount specified above on the maturity date specified above or, if this Bond is subject to redemption as stated below, on any date prior thereto on which this Bond shall have been duly called for redemption, and to pay interest on said principal amount from June 5, 2019, or from the most recent date to which interest hereon has been paid or duly provided for, until this Bond is paid or until this Bond, if redeemable, has been duly called for redemption, at the annual interest rate specified above. Principal of this Bond is payable upon presentation and surrender hereof to U.S. Bank National Association, located in Salt Lake City, Utah, as Bond Registrar, Transfer Agent and Paying Agent, or its successor designated under the Resolution described herein (the "Registrar") at its operations center in St. Paul, Minnesota. Interest on this Bond is payable semiannually on each January 1 and July 1, commencing January 1, 2020, by check or draft mailed by the Registrar to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a Business Day) of the month immediately preceding the interest payment date, at such person's address as it appears on the bond register maintained by the Registrar. "Business Day" means any day other than a Saturday, Sunday or legal holiday of the State of Montana. Interest is calculated on the basis of a 360-day year composed of twelve 30-day months.

The principal of and interest on this Bond are payable in lawful money of the United States of America. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the District have been and are hereby irrevocably pledged.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the District.

This Bond is one of an issue in the aggregate principal amount of \$8,000,000 (the “Bonds”), all of like date of original issue and tenor except as to serial number, denomination, maturity date, interest rate and redemption privilege, authorized by the favorable vote of more than the requisite majority of the qualified electors of the District voting on the questions of the issuance thereof at an election duly held, for school building purposes, all pursuant to resolutions duly adopted by the Board of Trustees, including a resolution adopted on May 28, 2019 (the “Resolution”), and in full conformity with the Constitution and laws of the State of Montana thereunto enabling. The Bonds are issuable only as fully registered bonds of single maturities, in the denomination of \$5,000 or any integral multiple thereof.

Bonds with stated maturities commencing July 1, 2020 through and including July 1, 2029 are not subject to optional redemption, but Bonds with stated maturity dates on July 1, 2030 and later years are each subject to redemption, at the option of the District, in whole or in part, and if in part from such stated maturities and in such principal amounts as the District may designate in writing to the Registrar (or, if no designation is made, in inverse order of maturities and within a maturity in \$5,000 principal amounts selected by the Registrar by lot or other manner it deems fair), on July 1, 2029, and any date thereafter, at a price equal to the principal amount thereof to be redeemed plus interest accrued to the date of redemption and without premium. At least forty-five days prior to the redemption date, the District will provide or cause to be provided to the Registrar a request that the Registrar deliver a notice of redemption to the registered owners of each Bond by first class mail or, if the registered owner of the Bonds is DTC, the notice of redemption may be sent by electronic means, and the Registrar shall mail or cause to be mailed such notice of redemption or, if the registered owner of the Bonds is DTC, send or cause to be sent such notice of redemption by electronic means at least thirty days prior to the designated redemption date, a notice of redemption to the registered owners of each Bond to be redeemed. No defect in or failure to give such notice shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender to the Registrar of any Bond in a denomination greater than \$5,000 which has been redeemed in part, a new Bond or Bonds of the same tenor will be delivered to the owner without charge, representing the unredeemed principal amount of such Bond.

The Bonds having a stated maturity in 2035 are subject to mandatory sinking fund redemption on July 1 in the principal amount set forth below in \$5,000 principal amounts selected by the Registrar, by lot or other manner it deems fair, at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the redemption date:

<u>Stated Maturity of Term Bonds (July 1)</u>	<u>Sinking Fund Payment Date (July 1)</u>	<u>Principal Amount on Sinking Fund Payment Date</u>
2035	2034	\$455,000

If the term bond with a stated maturity in 2035 is not previously purchased by the District in the open market or prepaid, \$475,000 in principal amount would remain to mature in 2035. The principal amount of the term bond required to be redeemed on the above Sinking Fund Payment Date shall be reduced by the principal amount of such term bond theretofore redeemed at the option of the Board and as to which the District has not previously applied amounts to reduce the principal amount of such bond on a Sinking Fund Payment Date.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the Bond Register, upon surrender of this Bond for transfer at the principal office of the Registrar, duly endorsed by the registered owner hereof or by the registered owner's attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or registered owner's attorney. Bonds in a denomination greater than \$5,000 may also be surrendered in exchange for Bonds of other authorized denominations. Upon any such transfer or exchange, the District will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Bonds have been designated by the District as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

The District and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment as herein provided and for all other purposes, and neither the District nor the Registrar shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Montana to be done, to exist, to happen and to be performed precedent to and in the issuance of this Bond, in order to make it a valid and binding general obligation of the District according to its terms, have been done, do exist, have happened and have been performed in regular and due time, form and manner as so required; that an annual ad valorem tax will be duly levied on all of the taxable property in the District sufficient to pay the interest hereon when it falls due and also to pay and discharge the principal of this Bond at maturity; and that the issuance of the Bonds does not cause the indebtedness of the District to exceed any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by the manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, School District No. 1 (Helena), Lewis and Clark County, State of Montana, by its Board of Trustees, has caused this Bond to be executed by the facsimile signatures of the Chair of the Board of Trustees and the School District Clerk.

(Facsimile Signature)
Chair of the Board of Trustees

(Facsimile Signature)
District Clerk

Dated:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds referred to in the Resolution mentioned within.

U.S. BANK NATIONAL ASSOCIATION,
as Registrar

By _____
Authorized Representative

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM –	as tenants in common	UTMA.Custodian. (Cust) (Minor)
TEN ENT –	as tenants by the entireties	under Uniform Transfers to Minors Act. (State)
JT TEN –	as joint tenants with right of survivorship and not as tenants in common	

Other abbreviations may also be used.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE:

SIGNATURE GUARANTEE:

Signature(s) must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Registrar, which requirements include membership or participation in STAMP or such other “signature guaranty program” as may be determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration, enlargement or any change whatsoever.

EXHIBIT B

CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING is made by SCHOOL DISTRICT NO. 1 (HELENA), LEWIS AND CLARK COUNTY, MONTANA (the “District”) in connection with the issuance and delivery by the District of its \$8,000,000 General Obligation School Building Bonds, Series 2019 (the “Bonds”), as of the date set forth above the signature block below.

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit D.A. Davidson & Co., of Great Falls, Montana (the “Purchaser”), and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the District hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds. The District is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the District fails to comply with any provisions of this Continuing Disclosure Undertaking, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this Continuing Disclosure Undertaking, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this Continuing Disclosure Undertaking constitute a default under the Bonds or under any other provision of this resolution. As used in this Continuing Disclosure Undertaking, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The District will provide, in the manner set forth in section (c) hereof, either directly or indirectly through an agent designated by the District, the following information at the following times:

- (1) On or before March 31 (or the next succeeding business day if that day is not a business day) following the end of each fiscal year of the District commencing with the fiscal year ending June 30, 2019, the following financial information and operating data in respect of the District (the “Disclosure Information”). Such Disclosure Information may be unaudited and, for financial statement information, shall be for the most

recent completed fiscal year of the District and, for operating data, shall be the operating data for the then most recent completed fiscal year compiled by the District and publicly available under applicable data privacy or other law:

(A) audited financial statements of the District for the then most recent completed fiscal year or if unavailable, unaudited financial statements for the then most recent completed fiscal year, and submitting the audited financials within ten (10) business days after receipt; and

(B) updated information of the District for the most recent completed fiscal year (commencing with the fiscal year ending June 30, 2019) that is compiled by the District and publicly available under applicable data privacy or other law to include:

(i) general obligation bonds outstanding,

(ii) assessed/market valuation;

(iii) taxable valuation;

(iv) the District's enrollment; and

(v) tax collection figures for the then most recent completed fiscal year in format similar to the table in the section captioned "Tax Collections" in the Official Statement relating to the Bonds (the "Official Statement").

The audited financial statements of the District identified in paragraph (1)(A) above, are to be prepared in accordance with generally accepted accounting principles or as otherwise provided under laws of the State of Montana (the "State"), as such principles may be changed from time to time as permitted by laws of the State. If and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the District, the discrepancies will be noted.

The Disclosure Information will be provided to the Municipal Securities Rulemaking Board (the "MSRB") on or before March 31, commencing with the fiscal year ending June 30, 2019 and may be provided in a single document or multiple documents, and may be incorporated by specific reference to documents available to the public on the internet website of the MSRB or filed with the Securities Exchange Commission (the "SEC"). Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been filed with the SEC or have been made available to the public on the MSRB's Electronic Municipal Market Access system website ("EMMA"). The District shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the District have materially changed or been discontinued, such Disclosure Information need no longer be provided if the District includes in the Disclosure Information a

statement to such effect; provided, however, if such operations have been replaced by other District operations in respect of which data is not included in the Disclosure Information and the District determines that certain specified data regarding such replacement operations would be material (as defined in paragraph (b)(2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this Continuing Disclosure Undertaking is amended as permitted by this paragraph (b)(1) or section (d), then the District shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner not in excess of ten business days, notice of the occurrence of any of the following events:
- (A) principal and interest payment delinquencies;
 - (B) non-payment related defaults, if material;
 - (C) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (D) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (E) substitution of credit or liquidity providers, or their failure to perform;
 - (F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the security or other material events affecting the tax status of the Bonds;
 - (G) modifications to rights of holders of the Bonds, if material;
 - (H) bond calls, if material, and tender offers;
 - (I) defeasances;
 - (J) release, substitution or sale of property securing repayment of the Bonds, if material;
 - (K) rating changes;
 - (L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
 - (M) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (O) incurrence of a financial obligation of the District or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or obligated person, any of which affect security holders, if material; and

- (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the District or obligated person, any of which reflect financial difficulties.

As used herein, for those events that must be reported if material, an event is “material” if it is an event as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, an event is also “material” if it is an event that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

- (A) the failure of the District to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
- (B) the amendment or supplementing of this Continuing Disclosure Undertaking pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the District under section (d)(2); and
- (C) any change in the fiscal year of the District.

(c) Manner of Disclosure. The District agrees to make available the information described in section (b) to the following entities by telecopy, overnight delivery, mail or other means, as appropriate:

- (1) The District agrees to make available to the MSRB, in an electronic format as prescribed by the MSRB from time to time, the information described in section (b).
- (2) The District further agrees to make available, by electronic transmission, overnight delivery, mail or other means, as appropriate, the information described in section (b) to any rating agency then maintaining a rating of the Bonds at the request of the District and, at the expense of such Bondowner, to any Bondowner who requests in writing such information, at the time of transmission under paragraph (1) of this section (c), or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.
- (3) All documents provided to the MSRB pursuant to this section (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the District in this Continuing Disclosure Undertaking shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the District under this Continuing Disclosure Undertaking shall terminate and be without further effect as of any date on which the District delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the District to comply with the requirements of this Continuing Disclosure Undertaking will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This Continuing Disclosure Undertaking (and the form and requirements of the Disclosure Information) may be amended or supplemented by the District from time to time, without notice to (except as provided in paragraph (b)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the District accompanied by an opinion of Bond Counsel, who may rely on certificates of the District and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the District or the type of operations conducted by the District, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this Continuing Disclosure Undertaking as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the District agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This Continuing Disclosure Undertaking is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.
- (e) Limitation of Liability of the District. None of the agreements or obligations of the District contained in this Continuing Disclosure Undertaking or in the Disclosure Information shall be construed to constitute an indebtedness of the District within the meaning of any constitutional or statutory provisions whatsoever or constitute a pledge of the general credit or taxing powers of the District.

Dated: _____, 2019

SCHOOL DISTRICT NO. 1 (HELENA),
LEWIS AND CLARK COUNTY, MONTANA

By _____
Chair

By _____
District Clerk

[Signature page to Continuing Disclosure Undertaking]

Board of Trustees Work Session

Approval of HPS – HEA Collective Bargaining Agreement



I. NEW BUSINESS

A. Items for Action

6. Approval and Ratification of the HPS-HEA Collective Bargaining Agreement.

Background:

Pursuant to 39-31-306, MCA, an agreement reached by the public employer and the exclusive representative must be reduced to writing and must be executed by both parties.

The HPS and HEA reached a tentative agreement on Wednesday, May 15, 2019. The HEA ratified the tentative agreement to the contract, Wednesday, May 22, 2019. The contract passed by a 77% margin of those voting (235 voted for the agreement, 72 voted against it). The District negotiation team recommends ratification.

A high-level summary of the changes to the terms and conditions of the contract are noted below. Upon the Board's approval, a final copy will be made available electronically.

- One-year agreement
- Insurance: Increase the cafeteria contribution from \$740 to \$781 per month (this maintains single health insurance and life insurance for each employee)
- Pay: \$1,000 bonus for each teacher (prorated based on hours/FTE - 1/2 time teacher gets \$500) paid in September 2019
- PCAP Schedule Adjustment - to be negotiated and agreed upon by mid-December - to address the rapid growth and rationale for progression
- Retirement Incentive - to be negotiated and agreed upon by October 1 for implementation
- Language:
 - New language relative to kindergarten visits - being clearer on the annual school calendar
 - Adjustments to the activity pay matrix and clarified that those serving activities are not represented by HEA
 - Removed the TRS retirement language that was illegal
 - Changed the tenure language to be a mirror of current statute
 - Electronic distribution of the contract - as opposed to hard copy
 - Attached the governance document referring to evaluation so that it was clear to the reference
 - Added National Board Cert as an opportunity for payment through professional development funds
 - Adjusted the dues language in accordance with the Janis Lawsuit - removing the requirement for representation fee
 - Updated the transfer language
 - Clerical changes that reflected process and modern language

Considerations:

- HEA and HPS have a productive and collaborative negotiations history.
- This agreement supports the directive of the Board to support our educators and address issues relative to the district budget.
- The term of the agreement is from July 1, 2019 to June 30, 2021.

Superintendent recommendation:

Approve and ratify the collective bargaining agreement as agreed upon between HPS and HEA.