

**COUNCIL MINUTES  
CITY OF PARKER  
Monday, April 13, 2026, 7:00 p.m.**

The Parker City Council met in regular session on Monday, April 13, 2026, in the council room of City Hall. Members present: Council members: Harms, Buller, Poncelet, Kuchta, Janzen, and Mayor Nolan. Absent: Schulte Others in attendance: Finance Officer Jans, Tom Rauenhorst, Austin Clarke, Darrell Buller and Toby Morris. Mayor Nolan declared a quorum present and called the meeting to order at 7:00 p.m.

All action in the following minutes was carried out by unanimous vote unless otherwise stated.

- 26.33 Motion by Buller, seconded by Janzen to approve the March 9, 2026 and March 16, 2026 meeting minutes as presented. Motion carried.
- 26.34 Motion by Harms, seconded by Buller to approve the April claims as presented except for Parker Pharmacy. List attached. Motion carried. March salaries: General Fund: \$33,444.65. Enterprise Funds: \$24,069.15. Total: \$57,513.80.
- 26.35 Motion by Buller, seconded by Kuchta to approve the Parker Pharmacy claim. Poncelet abstained. Motion carried.

Department Reports: Electric Superintendent Rauenhorst, Lineman Superintendent Clarke, and Finance Officer Jans were present to give their monthly report.

- 26.36 Motion by Kuchta, seconded by Poncelet to add Deputy Finance Officer Lisa Carlson to all bank accounts. Motion carried.

Toby Morris from Colliers Securities was present to discuss and answer any questions the council had regarding an electrical revenue bond for the new substation.

**RESOLUTION NO. 26.0413.01**

**RESOLUTION GIVING APPROVAL TO THE ISSUANCE AND PRIVATE PLACEMENT OF ELECTRIC PROJECT REVENUE BONDS; APPROVING THE FORM OF BONDS, PROVIDING FOR A SEGREGATED SPECIAL CHARGE OR SURCHARGE FOR THE PAYMENT OF THE BONDS; AND PROVIDING FOR A BOND ANTICIPATION NOTE IN ANTICIPATION OF THE ISSUANCE OF THE BONDS.**

**NOW THEREFORE BE IT RESOLVED** by the City as follows:

**SECTION 1. Definitions.** The terms when used in this Resolution ("Resolution") shall have the following meanings set forth in this section unless the context clearly requires otherwise.

**"Act"** means South Dakota Codified Laws Chapter 9-40 and Chapter 6-8B.

**"Bond Counsel"** means Meierhenry Sargent LLP, Sioux Falls, South Dakota.

**"City"** means the City of Parker, South Dakota.

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

**"Customer"** means any person, firm, corporation, governmental entity, or other user that receives electric utility service from the City's electric utility system pursuant to the City's rate ordinances or resolutions.

**"Mayor"** means the Mayor elected pursuant to the provisions of the SDCL 9-13 or his or her designee acting on his or her behalf pursuant to the Charter.

**"Parity Bonds"** means the same as defined in Section 5.

**"Placement Agent"** means Colliers Securities LLC, Pierre, South Dakota.

**"Pledged Revenues"** means the special charge or surcharge described in Section 4.

**"Project"** means the same as defined in Section 2.1.1

**"Project Revenue Bonds," or "Bonds"** means the up to \$7,00,000 Electric Project Revenue Bonds, Series 2026, or such other designation as is issued by the City.

**"Purchase Agreement"** means the Purchase Agreement authorized pursuant to and described in Section 14.2.

**"System"** means the City's electric utility system.

**SECTION 2. Declaration of Necessity. Findings.**

- 2.1. Declaration of Necessity.** The City hereby determines and declares it is necessary to construct and finance improvements to its System described as the "Project".

- 2.2. Findings.** The City does hereby find as follows:

2.2.1. It is necessary, expedient, and in the best interests of the City and its customers to finance the acquisition, construction, improvement, and equipping of electric system projects which benefit all users of the electric system.

2.1.2. The issuance of the bonds is necessary and appropriate to finance the electric system improvements.

2.1.3. The improvements will promote the health, safety, and welfare of residents and customers served by the City.

### **SECTION 3. Authorization of Bonds, Pledge of Revenue and Security.**

**3.1. Authorization of Project Revenue Bonds.** The City hereby determines and declares it necessary to issue Project Revenue Bonds in a principal amount of not to exceed \$7,00,000, plus costs of issuance.

**3.2. Approval of Project Revenue Bonds.** The issuance of Project Revenue Bonds in the principal amount not to exceed \$7,00,000, shall be and the same is, in all respects, hereby authorized, approved, and confirmed. The Mayor and Finance Officer are hereby authorized to approve the final terms of the Project Revenue Bonds, and their execution and delivery thereof shall evidence that approval. The Project Revenue Bonds shall be issued under the authority of the Act and are hereby expressly incorporated herein as provided in Section 19 of the Act. The Bonds may bear interest at a fixed rate for an initial period, subject to periodic reset, may include interest-only payments for an initial period, and shall mature not later than 20 years from the date of issuance, all as provided in the Purchase Agreement.

**3.3. Pledge of Revenues.** The Project Revenue Bonds together with the interest thereon, shall not constitute a charge against the City's general credit or taxing power, but shall be a limited obligation of the City payable solely from segregated project revenues established by Section 4.

### **SECTION 4. Special Charge or Surcharge for Project Revenue Bonds.**

**4.1.** The City authorizes a special charge or surcharge of not to exceed \$.04 per kWh (the "Pledged Revenues") payable by every Customer of the City's electric utility system lawfully served by the City, whether located within or outside the corporate limits of the City as permitted by SDCL § 9-40-1, who receives electric service from the System or who otherwise directly benefits from the Project. Such Pledged Revenues shall be set at a level which, assuming a 1.10 coverage ratio, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Project Revenue Bonds and all other payments as may be required under this Resolution and Project Revenue Bonds.

**4.2.** The Pledge Revenues shall be segregated from other revenues of the System into a separate and special fund or funds and shall be used for the payment of the principal and interest, when due on the Project Revenue Bonds. The Pledged Revenues shall create net income used first for paying debt service fund annual requirements and shall be maintained at not less than 100% of the annual debt service requirements, exclusive of coverage amounts required by this Resolution.

**4.3. Rates and collection.** The rate herein specific will be collected as a special charge or surcharge for the Project. This special charge or surcharge shall remain in effect until such time as the Project Revenue Bonds are defeased or paid in full.

**4.4. Segregation.** The Finance Officer shall setup bookkeeping accounts in accordance with South Dakota Legislative Audit guidelines for the segregation of the revenue, special charges, and surcharges.

**4.5. Periodic review.** The amount of the Pledged Revenues shall be reviewed from time to time, not less than yearly, and shall be modified in order to produce such funds as are necessary and required to comply with the rate covenant and to pay principal of, interest on the Project Revenue Bonds when due. The special surcharge shall be applicable to all customers served whether in or out of the City. The special surcharge shall remain in effect until such time as the Project Revenue Bonds are discharged or defeased. The initial special surcharge shall be collected at the same time as other charges of the System. The special surcharge is found to be equitable for the services provided by the improvement. The special surcharge may be set by ordinance or resolution in accordance with this section. The rate ordinance or resolution shall be necessary for the support of government and shall be effective upon passage.

**4.6 Annual Review.** The special charges or surcharges shall be reviewed yearly by City personnel and administratively adjusted, upwards or downwards, pursuant to SDCL § 9-40-15 to such amounts as may be necessary to pay principal, interest, maintain any coverage requirements and other charges as may become due and owing under the Project Revenue Bonds.

**SECTION 5. Additional Bonds.** As permitted by Sections 8 and 9 of the Act, additional bonds payable from revenues and income of the System or Project may be issued, as permitted in the Act and this section, and no provision of this Resolution shall have the effect of restricting the issuance of, or impairing the lien of, such additional parity bonds with respect to the net revenues or income from the extensions, additions or improvements. The City may issue additional bonds (the "Parity Bonds") payable from the Pledged Revenues and having a lien upon such Pledged Revenues on a parity with the Bonds and the outstanding Parity Bonds providing that:

**5.1.** the City is current in the payment of principal and interest on the Outstanding Project Revenue Bonds and is current in the collections required for the Principal and Interest Account.

**5.2.** the Pledged Revenues collected by the City in the last preceding fiscal year are sufficient to cover 1.25 times the maximum annual principal and interest requirements on the Outstanding Project Revenue Bonds and the proposed Parity Bonds. The City shall have the right to issue additional bonds secured by a subordinate lien of Pledged Revenues to the lien from the Project Revenue Bonds.

**SECTION 6. Project Fund Accounts.** For the purpose of application and proper allocation of the income of the Project and to secure the payment of principal and interest on the Project Revenue Bonds, the following mandatory asset segregations shall be set up in accordance with the Department of Legislative Audit manual and shall be used solely for the following respective purposes until payment in full of the principal of and interest on the Project Revenue Bonds:

**6.1. Project Revenue Account.** There shall be deposited periodically into the Project Revenue Account the net revenues as defined in Section 17 of the Act derived from the operation of the Project collected pursuant to the ordinances and resolutions of the City of Parker, South Dakota (collectively the "Rate Ordinance"). Moneys from the Project Revenue Account shall be transferred periodically into separate funds and accounts as provided below.

**6.2. Project Debt Service Account.** Out of the revenues in the Project Revenue Account, there shall be set aside in each month into the account designated Project Debt Service Account, a sum sufficient to provide for the payment as the same become due of the next maturing principal and interest payment on the Project Revenue Bonds and any reserve determined by the City's governing body to be necessary.

**Depreciation Account.** There shall be established a General Depreciation Account. Out of the revenues of the Project Revenue Account there shall be set aside each month into the General Depreciation Account an amount determined by the City Council to be a proper and adequate amount for repair and depreciation of the Project.

**SECTION 7. Project Surplus Account.** There shall be established the Project Surplus Account. Revenues remaining in the Project Revenue Account at the end of any fiscal year after all periodic transfers have been made therefrom as above required, shall be deemed to be surplus and shall be transferred to the Project Surplus Account. If at any time there shall exist any default in making any periodic transfer to the Project Debt Service Account, the City Council shall authorize the City Finance Officer to rectify such default so far as possible by the transfer of money from the Project Surplus Account. If any such default shall exist as to more than one account or fund at any time, then such transfer shall be made in the order such funds and accounts are listed above. All uses of moneys in the Project Surplus Account shall be subject to and consistent with the Purchase Agreement.

**SECTION 8. Approval of Bond Counsel and Placement Agent.** The Mayor and Finance Officer are authorized to retain Bond Counsel and the Placement Agent.

**SECTION 9. Tax Matters.** The Interest on the Project Revenue Bond shall be excludable from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended ("the Code") and applicable Treasury Regulations (the "Regulations"). The City covenants that it will take all actions within its control and will not omit to take any action City to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

**SECTION 10. Covenants.** The City hereby covenants and agrees with the owners of the Project Revenue Bonds as follows:

**10.1.** The City will punctually perform all duties with reference to the Project, the System and the Project Revenue Bonds required by the constitution and laws of the State of South Dakota and by this resolution.

**10.2.** The City covenants and agrees that pursuant to Sections 25 through 27 of the Act, the lawful holders of the Project Revenue Bonds shall have a statutory mortgage lien upon the Project and the extensions, additions and improvements thereto acquired pursuant to the Act, until the payment in full of the principal and interest on the Project Revenue Bonds, and the City agrees not to sell or otherwise dispose of the System, the Project, or any substantial part thereof, and shall not establish, authorize or grant a franchise for the operation of any other utility supplying like products or services in competition therewith, or permit any person, firm or corporation to compete with it in the distribution of electricity for municipal, industrial, and domestic purposes within the City.

**10.3.** The City covenants and agrees with the owners of the Project Revenue Bonds that it will maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost, so long as any portion of the Project Revenue Bonds remain outstanding; that it will maintain insurance on the System for the benefit of the holders of the Project Revenue Bonds in an amount which usually would be carried by private companies in a similar type of business; that it will prepare, keep and file records, statements and accounts as provided for in this Resolution. The Project Revenue Bonds shall refer expressly to this Resolution and the Act and shall state that it is subject to all provisions and limitations thereof pursuant to Section 19 of the Act.

**10.4.** The City covenants and agrees that it will at all times comply with the Code and Regulation so that the interest on the Bonds will not be includable in gross income for federal income tax purposes:

**10.4.1.** It will not use or permit the use of any proceeds of the Bonds or any property financed or refinanced with Bond proceeds in a manner that would cause the Bonds to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141 or 148 of the Code.

**10.4.2.** It will comply with the requirements of Section 148 of the Code and related regulations regarding arbitrage restrictions and rebate of excess earnings to the United States.

**10.4.3.** It will file all required information reports (e.g., IRS Form 8038-G) in a timely manner.

**10.4.4.** If necessary, it will establish procedures to calculate any required rebate amounts and to make rebate payments to the United States in accordance with Section 148(f) of the Code.

**SECTION 11. Consent to Appointment.** In the event of mismanagement of the Project, a default in the payment of the principal or interest of the Project Revenue Bonds, or in any other condition thereof materially affecting the lawful holder of the Project Revenue Bonds, or if the revenues of the Project are dissipated, wasted or diverted from their proper application as set forth herein, the City hereby consents to the appointment of a receiver pursuant to Section 33 of the Act, and agrees that the receiver will have the powers set forth therein, and in Section 34 and 35 of the Act to operate and administer the Project, and charge and collect rates as described therein.

**SECTION 12. Severability.** If any section, paragraph, clause or provision of this Resolution, the Project Revenue Bonds, or any agreement pertaining hereto shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution or Project Revenue Bonds, or any other documents pertaining hereto.

**SECTION 13. Authorization of City Officials.** The Mayor, Finance Officer and other City Officials shall be and they are hereby authorized to execute and deliver for and on behalf of the City any and all other certificates, documents or other papers and to perform such other acts as they may deem necessary or appropriate in order to implement and carry out the actions authorized herein.

**SECTION 14. Private Placement of Bonds.**

**14.1. Bond Purchase Agreement.** The Bonds shall be privately placed at a price set forth in the Purchase Agreement. The Mayor and the Finance Officer, or either of them, in consultation with the Placement Agent, is authorized to make such changes in the structuring of the terms and private placement of the Bonds as they shall deem necessary. In this regard, they, or either of them, in consultation with the Placement Agent, are authorized to cause to be privately placed an aggregate principal amount of the Bonds less than that authorized herein, to sell any or all of the Bonds as term Bonds with annual mandatory redemption requirements which will produce substantially the same annual principal reductions as authorized herein, to change the dated date of the Bonds, and to adjust principal and interest payment dates and redemption dates of the Bonds. The Mayor and the Finance Officer, or either of them, are hereby authorized to execute and the Finance Officer is authorized to attest the Bond Purchase Agreement with the Placement Agent providing for the purchase and private placement of the Bonds. The Bond Purchase Agreement shall be in form and content acceptable to the Mayor and Finance Officer, the execution thereof by either of them to constitute conclusive evidence thereof; provided the Bonds Purchase Agreement effects the private placement of the Bonds in accordance with the provisions of this Resolution, and is not inconsistent with the terms hereof. The Mayor and Finance Officer are authorized to cause the Bonds to be authenticated and delivered by the Registration Agent to the Placement Agent and to execute, publish, and deliver all certificates and documents, and closing certificates and documents, as they shall deem necessary in connection with the private placement and delivery of the Bonds.

**14.2.** The Bonds shall be executed in such manner as may be prescribed by applicable law in the name and on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Finance Officer, and approved as to form and countersigned by a Resident Attorney by his manual or facsimile signature.

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

**14.4.** The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner.

**SECTION 15. Record Retention and Post Issuance Compliance.** The City does hereby adopt Meierhenry Sargent LLP Post-Issuance Compliance Policy and Tax-Advantaged Obligations and Continuing Disclosure manual, to the extent applicable to the bonds, as its written post issuance compliance procedures with regard to the current financing. The Finance Officer is directed to retain records with regard to this financing for the entire term of the financing plus three years and to keep record of all payments for six years after the payment has been made.

**SECTION 16. Annual Disclosure.** The City shall, not later than 270 days after the City's fiscal year, commencing with the fiscal year ending on December 31, 2026, provide the registered owner of the Bonds its audited financial statements prepared in

accordance with the laws of the State of South Dakota and including all statements and information prescribed for inclusion therein by the Department of Legislative Audit of the State.

**SECTION 17. Effective Date.** This Resolution shall take effect on the 20<sup>th</sup> day following its publication, unless suspended by a referendum.

Adopted at City of Parker, South Dakota, this 13th day of April 2026.

APPROVED:

Derek Nolan  
Mayor

Adam Jans  
City Finance Officer

ATTACHMENT TO RESOLUTION  
Post-Issuance Compliance Policy for Tax-Exempt and  
Tax-Advantaged Obligations and Continuing Disclosure

**Definitions**

“Compliance Officer” means the Finance Officer of the Issuer.

“Issuer” means the City of Parker, South Dakota.

**Statement of Purpose**

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Issuer designed to monitor post-issuance compliance:

- (i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"}, and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and
- (ii) with applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax- exempt I tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12(b) (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminated related reports and information and reporting "material events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Financial Advisors (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with pertinent law is an on-going process, necessary during the entire term of the obligations, and is an integral component of the Issuer's debt management. Accordingly, the analysis of those facts and implementation of the Policy will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and advisors.

**General Policies and Procedures**

The following policies relate to procedures and systems for monitoring post-issuance compliance generally.

- A. The Compliance Officer shall be responsible for monitoring post-issuance compliance issues.
- B. The Compliance Officer will coordinate procedures for record retention and review of such records.
- C. All documents and other records relating to Obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer. In maintaining such documents and records, the Compliance Officer will comply with applicable Internal Revenue Service ("IRS") requirements, such as those contained in Revenue Procedure 97-22.
- D. The Compliance Officer shall be aware of options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Section 1.141-12 of the Regulations and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program) and take such corrective action when necessary and appropriate.
- E. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

**Issuance of Obligations - Documents and Records**

With respect to each issue of Obligations, the Compliance Officer will:

- A. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- B. Confirm that bond counsel has filed the applicable information report (e.g., Form 8038, Form 8038-G, Form 8038-CP) for such issue with the IRS on a timely basis.
- C. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Obligations with other applicable staff members of the Issuer.

### **Arbitrage**

The following policies relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations.

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.
- B. Confirm that a computation of the yield on such issue from the Issuer's financial advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18 months after each project financed by the Obligations is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.
- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
- L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.
- M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

### **Private Activity Concerns**

The following policies relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with the Obligations.

The Compliance Officer will:

- A. Maintain records determining and tracking facilities financed with specific Obligations and the amount of proceeds spent on each facility.
- B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.
- D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:
  - 1. Sale of the facilities, including sale of capacity rights;
  - 2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;

3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
5. Joint-ventures, limited liability companies or partnership arrangements;
6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
7. Development agreements which provide for guaranteed payments or property values from a developer;
8. Grants or loans made to private entities, including special assessment agreements; and
9. Naming rights arrangements.

Monitoring of private use should include the following:

1. Procedures to review the amount of existing private use on a periodic basis; and
2. Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt or tax-advantaged debt, the Compliance Officer will consult with the Issuer's bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of the above potential private uses.

### **Qualified Tax-Exempt Obligations**

If the Issuer issues qualified tax-exempt obligations in any year, the Compliance Officer shall monitor all tax-exempt financings (including lease purchase arrangements and other similar financing arrangements and conduit financings on behalf of 501(c)(3) organizations) to assure that the \$10,000,000 "Small Issuer" limit is not exceeded.

### **Federal Subsidy Payments**

The Compliance Officer shall be responsible for the calculation of the amount of any federal subsidy payments and the timely preparation and submission of the applicable tax form and application for federal subsidy payments for tax-advantaged obligations such as Build America Bonds, New Clean Renewable Energy Bonds and Qualified School Construction Bonds.

### **Reissuance**

The following policies relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes.

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Obligations which could potentially be treated as a reissuance for federal tax purposes.

### **Record Retention**

The following policies relate to retention of records relating to the Obligations Issued. The Compliance Officer will:

- A. Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- B. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.
- C. Coordinate with staff to generally maintain the following:
  1. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);
  2. Documentation evidencing expenditure of proceeds of the issue;
  3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations, and information regarding depreciation.
  4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements, and research agreements);
  5. Documentation evidencing all sources of payment or security for the issue; and
  6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

### **Continuing Disclosure**

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Financial Advisors (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

- A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.
- B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 365 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.
- C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at [www.emma.msrb.org](http://www.emma.msrb.org) in the format prescribed by the MSRB.
- D. Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must be transmitted within 10 days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.
- E. Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.
- F. Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.
- G. Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

PASSED and ADOPTED by the City of Parker, South Dakota, this 13<sup>th</sup> day of April, 2026.

Derek Nolan  
Mayor

Adam Jans  
City Finance Officer

- 26.37 Motion by Poncelet, seconded by Janzen to approve the preceding resolution as presented. Motion carried.
- 26.38 Motion by Harms, seconded by Kuchta to approve the SiteWorks bid of \$98,677.70 for the reconstruction of 3<sup>rd</sup> Street between Maple Ave and Pine Ave. Motion carried.
- 26.39 Motion by Kuchta, seconded by Harms to purchase a 12ft-15ft evergreen tree for \$300.00. Motion carried.
- 26.40 Motion by Poncelet, seconded by Kuchta to approve \$3,269.28 in ambulance write-offs. Motion carried.
- 26.41 Motion by Buller, seconded by Janzen to approve the 2026 slurry seal bid from Astech for \$145,074.90. Motion carried.
- 26.42 Motion by Harms, seconded by Kuchta to approve the Replat of Tract 1, Tract 2 and 3 of The Meadows. Motion carried.
- 26.43 Motion by Poncelet, seconded by Janzen to approve the transfer of Tract 2 and 3 of The Meadows to the PDC. Motion carried.
- 26.44 Motion by Kuchta, seconded by Harms to approve the transfer of Lots 5 & 6, Block 4, Original Town of Parker, to the PDC. Motion carried.
- 26.45 Motion by Poncelet, seconded by Kuchta to approve the transfer of Lot 7 of The Meadows to the PDC. Motion carried.

26.46 Motion by Buller, seconded by Janzen to enter executive session at 7:52 p.m. for the purpose of discussing personnel, consult with legal counsel, or other matters in accordance with SDCL 1-25-2. Motion carried.

Mayor Nolan declared out of executive session at 8:52 p.m.

26.47 Motion by Harms, seconded by Buller to hire an Economic Development Director. Motion carried.

26.48 Motion by Buller, seconded by Kuchta to adjourn at 8:54 p.m. Motion carried.

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Derek Nolan, Mayor

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Adam Jans, Finance Officer