

**RESOLUTION AUTHORIZING THE ADOPTION OF THE
WISCONSIN OPEB TRUST AND CUSTODY AGREEMENT
and APPOINTING THE TRUSTEE and CUSTODIAN**

WHEREAS, the School District of Shiocton (the “District”) provides for the welfare of its eligible employees, former employees and their dependents by maintaining one or more post-employment welfare benefit plans including, without limitation, plans to provide health care benefits (collectively, the “Plans”);

WHEREAS, such post-employment benefits provided by the District may represent compensation resulting from contractual agreements between the District and its eligible employees and former employees for services rendered to the District;

WHEREAS, such post-employment benefits provided by the District may represent compensation resulting from District policy including a policy of the Board of Education and/or an employment handbook or compensation resulting from an individual employment contract;

WHEREAS, the District’s obligation to provide such post-employment benefits and its liability with respect to the cost of funding such benefits accrues and has accrued during the period of employment of such eligible employees and former employees;

WHEREAS, in guidance it has provided, the Wisconsin Department of Public Instruction (the “Department”) has acknowledged that it is fiscally appropriate to have the cost of funding such post-employment benefits recognized and provided for as such benefits accrue;

WHEREAS, the District created a segregated, irrevocable trust fund (the “Trust”) pursuant to a trust and custody agreement (the “Trust Agreement”) and Wisconsin law in order to establish and maintain a trust which will hold and custody assets to fund all or a portion of the District’s accrued liability with respect to the cost of funding such post-employment benefits;

WHEREAS, the Wisconsin Uniform Financial Accounting Requirements (“WUFAR”) for school districts provide for a separate accounting fund, the “Employee Benefit Trust Fund (Fund 73)” for reporting resources set aside and held in trust to pay such post-employment and other employee benefits;

WHEREAS, the District intends for the Trust to continue to qualify as a Fund 73 employee benefits trust fund within the meaning of WUFAR in compliance with applicable requirements promulgated by the Department;

WHEREAS, the Trust is separate and independent from any other segregated account of the District which may hold or be used to account for assets used to pay post-employment benefits or fund accrued liability associated with employee benefits as required under section 115 of the Internal Revenue Code of 1986, as amended, and section 66.0603 of the Wisconsin Statutes, and under no circumstances may any assets in any such other account be commingled with assets of the Trust;

WHEREAS, the Plan funds are invested pursuant to section 66.0603 of the Wisconsin Statutes in accordance with an Investment Advisory Agreement between the District and an Investment Manager service provider;

WHEREAS, the Trust Agreement has been restated to re-appoint the Trustee as Trustee, to appoint the Trustee as Custodian and to incorporate the fiduciary obligations of the Trustee under Wisconsin and federal law;

NOW, THEREFORE, BE IT RESOLVED by the School Board of the District that:

1. Adoption of the Trust and Custody Agreement. The adoption of the Wisconsin OPEB Trust and Custody Agreement (“Trust and Custody Agreement”) is hereby approved. The Trust and Custody Agreement shall be adopted in the form of Exhibit A attached hereto and incorporated herein by reference. The District Superintendent and District Business Manager are hereby authorized and directed to execute the Trust and Custody Agreement on behalf of the District. Terms that are defined in the Trust and Custody Agreement shall have the same meaning in this adoption resolution.

2. Appointment of Corporate Trustee and Custodian. BMO Harris Bank, N.A. is re-appointed as Corporate Trustee and is newly appointed as Custodian under the Trust and Custody Agreement.

3. Terms of the Plans to Govern. The terms of the Plans shall continue to govern the payment and disbursement of the funds accumulated in the Trust. Payments shall be made from the Trust only to provide benefits offered in the Plans in accordance with the terms of the Plans. Funds held in the Trust may not be used for any other purpose other than to (a) pay operating and administrative expenses of the Trust, (b) make investments permitted under applicable Wisconsin law, (c) pay benefits in accordance with the terms of the Plans, and (d) make a distribution to a trust or entity whose income is exempt from federal income taxation under section 115 of the Internal Revenue Code of 1986, as amended, as specified by the District upon termination of the Trust and Custody Agreement as provided in the Trust and Custody Agreement.

4. Payment of Fees and Expenses. The Corporate Trustee and Custodian is hereby authorized to pay a reasonable service fee to the Corporate Trustee and Custodian and to the Investment Manager and to pay a facilitation fee to the State of Wisconsin Cooperative Educational Service Agency #6 (CESA 6) as described in the Schedule of Fees incorporated by appendix in the Trust and Custody Agreement.

5. Filing and Reporting Requirements. The District has determined and hereby declares that the Trust has met applicable filing and reporting requirements, if any, required by the Internal Revenue Service or other regulatory agencies in connection with the establishment of the Trust, and covenants that the Trust will meet any applicable filing and reporting requirements which may be required to keep it in good standing going forward.

6. Further Authorizations. The officers, employees and agents of the District are hereby authorized and directed to do any and all things reasonable and necessary to accomplish the purposes of this Resolution.

7. Conflicting Actions Rescinded; Severability; Effective Date. All prior resolutions, rules or other actions of the District or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted and recorded this _____ day of _____, 2019.

Board President

ATTEST: _____

_____, Board Clerk