

**MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS
OF
PARNASSUS PREPARATORY SCHOOL**

Held October 25, 2016

Minutes of a Regular Meeting of the Board of Directors of Parnassus Preparatory School, a Minnesota non-profit corporation (the “Company” or the “School”), held on October 25, 2016 at Parnassus Preparatory School, 11201 96th Street, Maple Grove, Minnesota.

Present at the meeting were directors Greg Friess, Ken Zigrino, Barb Rose, Heather Ross and Nancy Rigby.

Also present were Ms. Ford, Executive Director of the School; Nate Dowling, the School’s construction coordinator; and Craig Kepler of Lindquist & Vennum, the School’s real estate attorney.

The meeting was called to order by Mr. Friess at 4:04 p.m. All directors present waived notice of the meeting, and Mr. Friess noted the presence of a quorum.

MISSION STATEMENT

The next order of business was to recite the mission statement of the School, which was done by Mr. Friess.

APPROVAL OF AGENDA

The next order of business was to approve the Agenda for the meeting included in the Board’s packet circulated prior to the meeting (the “Board Packet”). Upon motion duly made and seconded, the Board unanimously approved the Agenda as presented in the Board Packet.

APPROVAL OF CONSENT AGENDA

The next order of business was to approve the items on the Consent Agenda for the meeting as presented in the Board Packet. Upon motion duly made and seconded, the Board unanimously approved the Consent Agenda as presented in the Board Packet.

DISCUSSION OF ADMINISTRATIVE ITEMS

The next order of business was to discuss certain administrative items. Ms. Ford gave an update on enrollment, which was holding steady at 1007. No formal action was taken.

APPROVE CLOSING OF LINE OF CREDIT

The next order of business was to consider and vote upon the closing of the School's \$500,000 line of credit with Anchor Bank as necessary in connection with the School's proposed bonding and facilities construction project (the "Project"). Mr. Friess gave the presentation to the Board. Upon motion duly made and seconded, the Board unanimously approved the closing of the School's \$500,000 line of credit with Anchor Bank, and authorized Mr. Friess and Ms. Ford to execute any necessary documentation.

APPROVAL OF BORROWING RESOLUTIONS

The next order of business was to consider and vote upon the approval of certain resolutions in connection with the Project, as prepared by Lindquist & Vennum and included in the Board Packet. Upon motion duly made and seconded, the Board unanimously approved the resolutions included in the Board Packet. In addition, all Board members signed the written resolutions, and gave the original to Mr. Friess for safekeeping.

PROJECT UPDATE

The next order of business was to hear a presentation by Mr. Kepler regarding progress toward the issuance of the bonds in connection with the Project, as well as certain facilities and real estate matters. A discussion ensued, and Mr. Kepler answered questions from the Board. No formal action was taken.

FACILITIES UPDATE

The next order of business was to hear a presentation by Mr. Dowling regarding the guaranteed maximum price contract for the construction of the proposed facility in connection with the Project, as well as certain other construction and architectural matters. A discussion ensued, and Mr. Dowling answered questions from the Board. No formal action was taken.

ADJOURNMENT

The next order of business was to discuss the adjournment of the meeting. On motion made and duly seconded, the Board of Directors unanimously approved to adjourn the meeting at approximately 5:05 p.m.

Respectfully submitted,

Kenneth D. Zigrino, Secretary