

STATE OF NEW MEXICO §
 §
COUNTIES OF DOÑA ANA §
AND OTERO §
 §
GADSDEN INDEPENDENT §
SCHOOL DISTRICT NO. 16 §

The Board of Education of the Gadsden Independent School District No. 16 (“Board”) in the Counties of Doña Ana and Otero and State of New Mexico, met in regular session, in full conformity with the law and the rules and regulations of the Board, at the Gadsden Administrative Complex, Sunland Park, New Mexico, being a meeting place of the Board, on the 10th day of August, 2017 at the hour of 5:00 p.m. The duly elected officers and members of the Board were as follows:

President:	Jennifer Viramontes
Vice President:	Daniel Castillo
Secretary:	Daniel Estupiñan
Members:	Maria Saenz
	Laura Salazar Flores

Upon roll call, the following members of the Board were found to be present:

The following members were found to be absent:

The Interim Superintendent of Schools, Susan Yturralde, was also present.

Interim Superintendent Yturralde thereupon introduced the resolution entitled as follows and recommended its adoption by the Board:

RESOLUTION DETERMINING THE NECESSITY FOR LEASE-PURCHASE OF EDUCATION TECHNOLOGY EQUIPMENT, ESTIMATE OF COST, STATEMENT OF SOURCE OF FUNDS FOR LEASE-PURCHASE PAYMENTS, ESTIMATED TAX RATE AND DIRECTING DISTRICT'S FINANCIAL ADVISOR AND BOND COUNSEL TO PREPARE LEASE-PURCHASE AGREEMENT FOR THE DISTRICT'S ACQUISITION OF CERTAIN EDUCATION TECHNOLOGY EQUIPMENT AND ESTABLISHING DATE FOR MEETING TO CONSIDER A RESOLUTION GRANTING FINAL APPROVAL FOR THE LEASE-PURCHASE OF EDUCATION TECHNOLOGY EQUIPMENT

Member _____ then moved the adoption of said resolution. The motion to adopt said resolution was thereupon put to a vote and was passed and adopted on the following recorded vote:

Those Voting Aye:

Those Voting Nay:

Those Abstaining:

There being no other matters for consideration, the meeting was adjourned.

Dated at Sunland Park, New Mexico, this 10th day of August, 2017.

President, Board of Education
Gadsden Independent School District No. 16

[Seal]

Attest:

Secretary, Board of Education
Gadsden Independent School District No. 16

RESOLUTION DETERMINING THE NECESSITY FOR LEASE-PURCHASE OF EDUCATION TECHNOLOGY EQUIPMENT, ESTIMATE OF COST, STATEMENT OF SOURCE OF FUNDS FOR LEASE-PURCHASE PAYMENTS, ESTIMATED TAX RATE AND DIRECTING DISTRICT'S FINANCIAL ADVISOR AND BOND COUNSEL TO PREPARE LEASE-PURCHASE AGREEMENT FOR THE DISTRICT'S ACQUISITION OF CERTAIN EDUCATION TECHNOLOGY EQUIPMENT AND ESTABLISHING DATE FOR MEETING TO CONSIDER A RESOLUTION GRANTING FINAL APPROVAL FOR THE LEASE-PURCHASE OF EDUCATION TECHNOLOGY EQUIPMENT

WHEREAS, on August 10, 2017, the Board of Education of the Gadsden Independent School District No. 16 ("Board" and "District", respectively), Doña Ana and Otero Counties, New Mexico has determined it is in the best interest of the District to acquire education technology equipment by entering into a lease-purchase arrangement under the Education Technology Equipment Act, NMSA 1978, §§ 6-15A-1 to 6-15A-17 ("Act"); and

WHEREAS, the Board has been provided adequate information regarding the necessity to enter into a lease-purchase arrangement, pursuant to the Act, to lease-purchase \$2,000,000 of certain education technology equipment and to pay the costs related to the financing of such lease-purchase arrangement; and

WHEREAS, the Board desires to have its Financial Advisor, RBC Capital Markets, LLC, and Co-Special Counsel, Cuddy & McCarthy, LLP and McCall, Parkhurst & Horton, L.L.P., draft and assemble the necessary documentation, including a Lease-Purchase Agreement relating to the proposed lease-purchase arrangement to allow the District to receive the education technology equipment as soon as possible; and

WHEREAS, before initiating any proceedings for the final approval of a lease-purchase arrangement, the District is required to give notice to the School Budget Planning and Finance Analysis Bureau of the New Mexico Public Education Department, pursuant to Section 6-15A-4 of the Act, of the proposed Lease-Purchase Agreement; and

WHEREAS, the Board desires to authorize the appropriate officers, employees and agents of the District and the District's Financial Advisor and Co-Special Counsel to take any action necessary to enable the District to enter into the lease-purchase arrangement on September 14, 2017.

THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE GADSDEN INDEPENDENT SCHOOL DISTRICT NO. 16 THAT:

Section 1. The Board has determined and does determine that there is a necessity to enter into a lease-purchase arrangement for the lease-purchase of education technology equipment at an estimated cost of \$2,000,000 as authorized pursuant to the Act.

Section 2. The District's staff, Financial Advisor and Co-Special Counsel are hereby authorized and directed to take all action necessary so that the action of the Board relating to the Lease-Purchase Agreement may be considered by the Board on September 14, 2017.

Section 3. It is the present intention of the Board that the lease-purchase arrangement contemplated hereby be general obligation lease-purchase certificates of participation privately placed with the New Mexico State Treasurer, and be structured pursuant to the recommendations of the District's Financial Advisor. The Financial Advisor's preliminary structure is attached hereto as Exhibit A.

Section 4. A summary of the Lease-Purchase Agreement, to be utilized in both alternative lease-purchase arrangements, reviewed by the Board is attached as Exhibit B.

Section 5. The Board determines that all or part of the funds needed for payment of the lease-purchase arrangement will not require the imposition of a property tax as lawfully available funds in the District's Education Technology Debt Service Fund are available to pay the lease-purchase arrangement immediately upon issuance.

Section 6. A special meeting to consider final approval of the lease-purchase arrangement is called and set for September 14, 2017, being not more than four weeks and not less than three weeks from the date of the adoption of this Resolution.

Section 7. Notice of the Special Meeting on September 14, 2017 will be published once each week for the two weeks immediately preceding September 14, 2017 in a newspaper having general circulation in the District. The Notice will include the information required by Section 6-15A-8B (1)-(6) of the Act.

Section 8. The President of the Board and the Superintendent of the District are hereby authorized to make any filings, notices, applications or take any other action necessary, including notice to the School Budget Planning Bureau of the New Mexico Public Education Department and the approval of any official statement related to any general obligation lease-purchase certificates of participation, if necessary.

Section 9. All recitals and findings contained in the preamble hereof are found to be true and correct and are made a part of this Resolution.

Section 10. This Resolution shall take effect on the date adopted and approved as set forth below.

Adopted and approved on this 10th day of August, 2017.

President, Board of Education,
Gadsden Independent School District No. 16

(SEAL)

Attest:

Secretary, Board of Education,
Gadsden Independent School District No. 16

STATE OF NEW MEXICO
COUNTIES OF DOÑA ANA
AND OTERO
GADSDEN INDEPENDENT
SCHOOL DISTRICT NO. 16

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SECRETARY'S CERTIFICATE

I hereby certify that I am the duly appointed Secretary of the Board of Education of the Gadsden Independent School District No. 16 ("Board"), and that the foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board, constituting the governing body of the Gadsden Independent School District No. 16 ("District"), had and taken at a regular meeting of the Board held at the Gadsden Administrative Complex, 4950 McNutt, Sunland Park, New Mexico (in the District), convening at the hour of 5:00 p.m., on August 10, 2017, insofar as they concern the adoption of a resolution determining the necessity for lease-purchase education technology equipment, a copy of which being therein set forth, as recorded in the book of official records of the proceedings of the District kept in the office of the Superintendent of Schools, and that said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein named were present at said meeting as therein shown.

WITNESS my hand and seal of the District affixed this 10th day of August 2017.

Secretary, Board of Education

[SEAL]

EXHIBIT A

Expected Structure of the
Lease-Purchase Agreement

Dated date: October 18, 2017.

Award: Special board meeting on September 14, 2017 at 4:30 p.m.

**Interest Component
Rent Payment:** October 19, 2017 in an amount of approximately \$100. Funds have been accumulated in the District's Education Technology Debt Service Fund to make this payment.

**Principal Component
Rent Payment:** On October 19, 2017 in the amount of \$2,000,000. Funds have accumulated in the District's Debt Service Fund to make this payment.

Prepayment: Rent Payment under this Lease-Purchase Agreement may not be prepaid.

Closing: Closing is expected to occur on October 18, 2017 at 9:30 a.m.

EXHIBIT B

Summary of Lease-Purchase Agreement

1. The Lease-Purchase Agreement amount shall be \$2,000,000 payable at closing for the lease-purchase of education technology equipment. The lease-purchase payment ("Rent Payment") constituting the principal component thereof shall be on October 18 in each of the following years and in no event shall the term of the Lease-Purchase Agreement exceed five years:

\$2,000,000	2017
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2. The interest component of Rent Payment shall be paid at a rate not to exceed 5% on October 18, 2017.

3. The source of funds for the Rent Payment shall be derived from an annual levy of ad valorem taxes sufficient to meet the payments of principal and interest due, provided that the District may apply any other funds that may be in its general fund or investment income actually received from investments and available for that purpose to the payments due or any prepayment premium payable in connection with such lease purchase arrangements as the same become due; and upon such payments the levy or levies provided for may thereupon to that extent be reduced.

4. The District covenants that the lease-purchase arrangement shall at all time be free from taxation by the State, except for estate or gift taxes and taxes on transfers.

5. The proposed Lease-Purchase Agreement also provides that the District will maintain possession and title to the education technology equipment during the term of said Agreement and the Lessor under said Agreement does not retain a perfected security interest in any equipment.

6. The Lease-Purchase Agreement provides for maintenance of the equipment, insurance, the payment of taxes, if any, remedies in the event of default, and in the event of damage, destruction or condemnation of the education technology equipment, for payment of related costs in the acquisition of the education technology equipment and the funding of the lease-purchase agreement, and contains other provisions relating to notice, choice of law and administration of the Lease-Purchase Agreement required by the Lessor.