

**LAFAYETTE PARISH SCHOOL BOARD
SPECIAL BOARD MEETING**

Wednesday, August 25, 2004 - 5:00 P.M., Board Room

Michael C. Hefner, President, Presiding

The School Board of the Parish of Lafayette, State of Louisiana, met in special session at its regular meeting place, the Lafayette Parish School Board Administrative Building, Board Room, Lafayette, Louisiana, on Wednesday, August 25, 2004 at 5:00 P. M., pursuant to notice given in writing to every member.

MEMBERS PRESENT: Michael C. Hefner, President; Judy H. Cox, Kay S. Gibson, John Earl Guidry, Edward J. Sam, David Thibodaux and Beverly Wilson, Board Members; James H. Easton, Secretary-Treasurer/Superintendent

MEMBERS ABSENT: Rickey Hardy, Vice-President (Business), Carl LaCombe (Business)

The President called the meeting to order.

- I. REVISED REPORTS
 - A. Capital Improvement Fund
 - B. School Food Service Fund
 - C. Group Insurance Fund

Discussion was held, no action taken.

- II. APPROVAL OF RESOLUTION 08-04-1459 ADOPTION OF THE UNIFIED BUDGET FOR FISCAL YEAR 2004-2005

That the Board adopt Resolution 08-04-1459 Adoption of the Unified Budget for Fiscal Year 2004-2005.

RESOLUTION 08-04-1459

ADOPTION OF BUDGET FOR FISCAL YEAR 2004-2005

WHEREAS, the Lafayette Parish School Board held public Board workshops on February 4, 2004, March 3, 2004, and April 21, 2004, and also held Special Board meetings on May 19, 2004, June 16, 2004, June 30, 2004, July 21, 2004, and August 4, 2004, to receive and discuss information related to the proposed budgets for fiscal year 2004-2005; and,

WHEREAS, the Lafayette Parish School Board advertised in The Daily Advertiser on August 11, 2004 and August 12, 2004 that a public hearing would be held on August 25, 2004 17, 2003 to adopt the Unified Budget for Fiscal year 2004-2005; and,

WHEREAS, the public hearing was held on August 25, 2004; now,

THEREFORE, BE IT RESOLVED, that the Lafayette Parish School Board, does hereby adopt the Lafayette Parish School Board Unified Budget for fiscal year 2004-2005.

C E R T I F I C A T E

I, the undersigned Secretary-Treasurer of the Lafayette Parish School Board, do hereby certify that the above and foregoing is a true copy of a resolution adopted at its Special Board Meeting of August 25, 2004, at which time a quorum was present and that same is in full force and effect.

Dated at Lafayette, Louisiana
this 25th day of August 2004.

/s/ James H. Easton
James H. Easton, Ed.D., Secretary-Treasurer
LAFAYETTE PARISH SCHOOL BOARD

Motion (Wilson, Cox) that the Board adopt Resolution 08-04-1459 Adoption of the Unified Budget for Fiscal Year 2004-2005.

A substitute motion was made by Guidry, and seconded by Sam that the Board defer action on Resolution 08-04-1459 Adoption of the Unified Budget for Fiscal Year 2004-2005 until the next Regular Board Meeting.

The Chair called for a roll call vote on the substitute motion. Voting for were Guidry, Sam and Thibodaux. Voting against were Cox, Gibson, Hefner and Wilson. Motion failed. Hardy and LaCombe were absent.

The Chair called for a roll call vote on the original motion. Voting for were Cox, Gibson, Guidry, Hefner, Sam and Wilson. Voting against was Thibodaux. Motion carried. Hardy and LaCombe were absent.

III. APPROVAL OF RESOLUTION 08-04-1460 AUTHORIZING THE ISSUANCE AND SALE OF ANTICIPATION CERTIFICATE, SERIES 2004 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$7,500,000

That the Board adopt Resolution 08-04-1460 Authorizing the Issuance and Sale of Anticipation Certificate, Series 2004 in a Principal Amount Not to Exceed \$7,500,000.

RESOLUTION 08-04-1460

**AUTHORIZING THE ISSUANCE UP TO
\$7,500,000 OF ANTICIPATION CERTIFICATES, SERIES 2004**

A resolution authorizing the issuance and sale of an Anticipation Certificate, Series 2004 of the Lafayette Parish School Board, State of Louisiana in a principal amount not to exceed \$7,500,000; approving the form of a Purchase Agreement between the School Board and the Louisiana Public Facilities Authority or any other purchaser; making application to the State Bond Commission for consent and authority for such borrowing; and providing for other matters with respect to the foregoing.

WHEREAS, pursuant to Section 89 of Title 17 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto, Lafayette Parish School Board, State of Louisiana (the "School Board"), in order to pay its current expenses for any fiscal year, may anticipate revenues for such fiscal year and may borrow money to pay such expenses and issue evidences of indebtedness to evidence such borrowing; and,

WHEREAS, based on the cash flow projection of the School Board for the fiscal year ending June 30, 2005, there is a need for the School Board to borrow money in anticipation of revenues in order to meet its expenses of current operation for the fiscal year ending June 30, 2005; and,

WHEREAS, the Louisiana Public Facilities Authority (the "Authority") has announced that it will offer a 2004 School Board Advance Funding Program whereby the Authority will purchase anticipation certificates issued by the various school boards of the State of Louisiana pursuant to Section 89 of Title 17 of the Louisiana Revised Statutes of 1950, as amended; and,

WHEREAS, the School Board intends to issue and sell an Anticipation Certificate, Series 2004 (the "Anticipation Certificate") to the Authority in a principal amount not to exceed \$7,500,000; and,

WHEREAS, the School Board has adopted its budget for its General Fund for the fiscal year ending June 30, 2005, prior to the issuance of the Anticipation Certificate; and,

WHEREAS, the borrowing authorized hereby does not exceed one-half of the anticipated revenues of the School Board for the remainder of the fiscal year ending June 30, 2005; and,

WHEREAS, there are no outstanding borrowings of this School Board authorized under the provisions of Section 89 of Title 17 of the Louisiana Revised Statutes of 1950, as amended; and,

WHEREAS, in connection with the issuance and sale of the Anticipation Certificate to the Authority, the School Board will be required to enter into a Purchase Agreement (the "Agreement") with the Authority; and,

WHEREAS, in connection with its purchase of the Anticipation Certificate, the Authority will require the School Board to utilize the security procedure authorized by Section 89.1 of Title 17 of the Louisiana Revised Statutes of 1950, as amended, to further secure the payment of the Anticipation Certificate; and,

WHEREAS, the issuance of the Anticipation Certificate is subject to approval by the Louisiana State Bond Commission; now,

THEREFORE, BE IT RESOLVED, by the School Board, that:

SECTION 1. There is hereby authorized the incurring of debt and the issuance of an Anticipation Certificate of Lafayette Parish School Board, State of Louisiana in the principal amount not to exceed \$7,500,000 to be designated "Anticipation Certificate, Series 2004" for the purpose of paying the current expenses of the General Fund for the fiscal year ending June 30, 2005, pursuant to the provisions of Section 89 of Title 17 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto.

SECTION 2. The Anticipation Certificate shall mature no later than June 30, 2005 and shall bear interest, payable as stated therein, at the rate or rates stated thereon; provided, however, that the interest rate borne by the Anticipation Certificate from its date of issuance until its maturity date shall not exceed 4.0% per annum. After its maturity date, the Anticipation Certificate issuable hereunder shall be issued in substantially the form attached hereto as Exhibit B to the hereinafter mentioned Agreement with such necessary or appropriate variations, omissions and insertions as are required or permitted by law or by this Resolution or the Agreement.

SECTION 3. All revenues to accrue to the General Fund of the School Board for the fiscal year ending June 30, 2005, shall be pledged to secure the payment of the principal of and interest on the Anticipation Certificate.

SECTION 4. The sale of the Anticipation Certificate to the Authority, or to any other purchaser thereof, for a purchase price equal to the principal amount thereof is hereby approved.

SECTION 5. The form of the Agreement as presented at this meeting and on file with the Secretary-Treasurer of the School Board attached hereto as Appendix A, with such additions, omissions and changes as may be approved by the President, Vice President, and/or Secretary-Treasurer of the School Board, is hereby approved; the signature of the President, Vice President and/or Secretary-Treasurer on the Agreement to constitute conclusive evidence of their approval of such additions, omissions and changes.

SECTION 6. There is hereby created a separate and distinct subfund within the School Board's General Fund to be entitled "Lafayette Parish School Board Anticipation Certificate, Series 2004--Sinking Fund Subaccount" (the "Sinking Fund Subaccount") to be maintained at the trustee bank to be determined. Amounts deposited in the said Sinking Fund Subaccount may be applied to a lien in favor of the Authority.

SECTION 7. Pursuant to Section 89.1 of Title 17 of the Louisiana Revised Statutes of 1950, as amended, the President, Vice President or Secretary-Treasurer of the School Board is hereby authorized and directed to execute and deliver a letter to the Louisiana State Department of Education, in substantially the form set forth as Exhibit "F" to the Agreement that will irrevocably direct certain payments of Minimum Foundation Equalization Distribution Funds due to the School Board for the fiscal year ending June 30, 2005 to be deposited into the Sinking Fund Subaccount.

SECTION 8. Pursuant to Section 89.1 of Title 17 of the Louisiana Revised Statutes of 1950, as amended, the President, Vice President or Secretary-Treasurer of the School Board is hereby authorized and directed to execute and deliver a letter to the trustee for the Authority, in substantially the form set forth as Exhibit "G" to the Agreement to make withdrawals from the Sinking Fund Subaccount to pay the principal of and interest on the Anticipation Certificate.

SECTION 9. The President, Vice President, Secretary-Treasurer, Superintendent, Deputy Superintendent for Operations & Budget Management, Director of Finance and Assistant Secretary are authorized to enter into any other instruments or agreements and to take such further actions as may be necessary or desirable in connection with the issuance of the Anticipation Certificate and the transactions contemplated by the Agreement and this Resolution.

SECTION 10. The President, Vice President, Secretary-Treasurer, Superintendent, Deputy Superintendent for Operations & Budget Management, Director of Finance and Assistant Secretary are fully empowered and authorized to execute all documents necessary for the issuance of the Anticipation Certificate and to affix the seal of the School Board to such documents.

SECTION 11. Application be and same is hereby formally made to the State Bond Commission, Baton Rouge, Louisiana, for its consent and authority to issue, sell and deliver the aforesaid Anticipation Certificate, and a certified copy of this Resolution shall be forwarded to the State Bond Commission, together with a letter requesting the prompt consideration and approval of this application.

SECTION 12. A copy of this Resolution shall be published at least once in the official journal of the School Board or, if there is none, in a newspaper having general circulation therein. For thirty days after the date of publication, any person in interest may contest the legality of this Resolution and of any provision herein made for the security and payment of the Anticipation Certificate. After that time, no one shall have any cause of action to test the regularity, formality, legality or effectiveness of this Resolution, and provisions thereof for any

cause whatever. Thereafter, it shall be conclusively presumed that every legal requirement for the issuance of the Anticipation Certificate has been complied with. No court shall have authority to inquire into any of these matters after the thirty days.

Motion (Gibson, Sam) that the Board adopt Resolution 08-04-1460 Authorizing the Issuance and Sale of Anticipation Certificate, Series 2004 in a Principal Amount Not to Exceed \$7,500,000.

This Resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: Judy Cox, Kay Gibson, John Earl Guidry, Michael Hefner, Edward Sam, David Thibodaux and Beverly Wilson

NAYS: None

ABSTAINING: None

ABSENT: Rickey Hardy and Carl LaCombe

And this Resolution was declared adopted on this the 25th day of August, 2004.

/s/ Michael C. Hefner

/s/ James H. Easton, Ed.D.

Michael C. Hefner, President
LAFAYETTE PARISH SCHOOL BOARD

James H. Easton, Ed.D., Secretary-Treasurer
LAFAYETTE PARISH SCHOOL BOARD

(ATTACHMENTS TO THE RESOLUTION ARE AVAILABLE FOR INSPECTION AT THE OFFICE OF THE SCHOOL BOARD DURING NORMAL BUSINESS HOURS.)

There being no further business, it was moved by Thibodaux, seconded by Gibson and carried that the meeting adjourn.

SIGNED:

SIGNED:

/s/ Michael C. Hefner

/s/ James H. Easton

Michael C. Hefner, President
LAFAYETTE PARISH SCHOOL BOARD

James H. Easton, Ed. D. Secretary-Treasurer
LAFAYETTE PARISH SCHOOL BOARD

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