

EXCERPT FROM A REGULAR MEETING
OF THE BOARD OF EDUCATION OF
BLOOMFIELD SCHOOL DISTRICT NO. 6

The Board of Education of Bloomfield School District No. 6, County of San Juan, State of New Mexico, as governing board (the "Board") of Bloomfield School District No. 6 (the "District"), met in regular session in full conformity with law and the rules and regulations of the Board at the Bloomfield Municipal School District No. 6 on July 12, 2022, at the hour of 6:00 p.m. Upon roll call, the following members were found to be present:

PRESENT:

President:

Vice President:

Secretary:

Members:

ABSENT:

ALSO
PRESENT:

Upon motion duly made the following resolution was adopted:

BLOOMFIELD SCHOOL DISTRICT NO. 6
SAN JUAN COUNTY, NEW MEXICO

RESOLUTION

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 A LEASE PURCHASE ARRANGEMENT FOR THE DISTRICT'S ACQUISITION OF CERTAIN EDUCATIONAL TECHNOLOGY EQUIPMENT AND ESTABLISHING DATE FOR MEETING TO CONSIDER A RESOLUTION GRANTING FINAL APPROVAL TO THE LEASE PURCHASE OF EDUCATION TECHNOLOGY EQUIPMENT.

WHEREAS, on July 12, 2022, the Board of Education of the Bloomfield School District No. 6 ("Board" and "District" respectively), San Juan County, 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, Sections 6-15A-1 to 6-15A-16 ("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 an amount not to exceed \$1,300,000 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 Bond Counsel, Modrall, Sperling, Roehl Harris & Sisk, PA, draft and assemble the necessary documentation for a lease purchase agreement transaction so as 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 of the proposed lease purchase arrangement to the School Budget Planning and Finance Analysis Unit of the New Mexico Public Education Department pursuant to Section 6-15A-4 of the Act; and

WHEREAS, the Board desires to authorize the appropriate officers, employees and agents of the District and the District's Financial Advisor and Bond Counsel to take any action necessary to enable the District to enter into the lease purchase arrangement on or about September 14, 2022.

THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF BLOOMFIELD SCHOOL DISTRICT NO. 6 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 educational technology equipment at an estimated cost of \$1,300,000 as authorized pursuant to the Act.

Section 2. The District's staff, Financial Advisor and Bond Counsel are hereby authorized and directed to take all actions necessary so that the actions of the Board relating to the lease purchase arrangement may be considered by the Board on August 9, 2022.

Section 3. It is the present intention of the Board that the lease purchase arrangement contemplated hereby, 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 reviewed and utilized by the Board is attached as Exhibit B.

Section 5. The Board hereby determines that there will be no new property tax to be levied to pay the required payments of principal and interest pursuant to the lease purchase agreement.

Section 6. A Special meeting to consider final approval to the lease purchase arrangement is called and set for August 9, 2022, at the hour of 5:00 p.m., being not more than four weeks and not less than three weeks from the date of the adoption of this Resolution.

Section 7. The President of the Board and the Secretary of the Board be, and the same hereby are, authorized and directed to have published a notice of the meeting to be held on August 9, 2022, in the *Farmington Daily Times* or the *Albuquerque Journal*, newspapers of general circulation in the District, once each week for the two weeks immediately preceding the meeting, i.e., July 20 and 27, 2022, and the Secretary of the Board is hereby authorized and directed to give such other notice of the sale of lease purchase agreement and the special meeting as she shall determine. The Notice will include the information required by Section 6-15A-8B (1)-(7).

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 Unit of the New Mexico Public Education Department and the approval of any official statement related to any general obligation lease purchase arrangement, 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. This Resolution shall take effect on the date adopted and approved as set forth below.

PASSED AND ADOPTED this 12th day of July, 2022.

BOARD OF EDUCATION OF BLOOMFIELD
SCHOOL DISTRICT NO. 6

By: _____
President

ATTEST:

By: _____
Secretary

The motion to adopt the resolution upon being put to a vote was passed and adopted on the following recorded vote:

Those Voting Aye:

Those Voting Nay:

Those Absent:

_____ (____) members of the Board having voted in favor of the motion, the President declared the motion carried and the resolution adopted, whereupon the President and Secretary signed the resolution. The Secretary was directed to enter the foregoing proceedings and resolution upon the records of the minutes of the Board.

EXHIBIT A
Expected Structure of the
Lease Purchase Arrangement

Dated date: September 14, 2022

Award: Special Board meeting on August 9, 2022 at 5:30 p.m.

Interest Component: Not to exceed 5%

Rent Payments: September 15, 2023.

Principal Component: Not to exceed \$1,300,000

Rent Payments: Not to exceed \$1,300,000:

Date	Payment
09/15/2023	\$1,300,000
Total	\$1,300,000

Prepayment:

Rent Payments under this Lease Purchase Agreement may not be prepaid.

Closing:

Closing is expected to occur on September 14, 2022

EXHIBIT B

Summary of Lease Purchase Agreement

1. The Lease Purchase Agreement amount shall be an amount not to exceed \$1,300,000 payable at closing for the lease purchase of education technology equipment. Lease purchase payments (“Rent Payments”) constituting the principal component thereof shall be paid on September 15, 2023 provided, that in no event shall the term of the Lease Purchase Agreement exceed five years:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>
09/15/2023	\$1,300,000	%
Total	\$1,300,000	%

2. The interest component of Rent Payments shall be paid at the rate not to exceed 5% on September 15, 2023.

3. The source of funds for the Rent Payments 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 State covenants that the general obligation lease purchase arrangement shall at all times 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 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.