

ORLEANS PARISH SCHOOL BOARD
RESOLUTION NO. 48-17

The following resolution was offered by Woody Koppel and seconded by Nolan Marshall.

A resolution authorizing the issuance and sale of Anticipation Notes, Series 2017 of the Orleans Parish School Board, State of Louisiana in a principal amount not to exceed \$60,000,000; making application to the State Bond Commission for consent and authority for such borrowing; and providing for other matters with respect to the forgoing.

WHEREAS, pursuant to Section 89 of Title 17 of the Louisiana Revised Statutes of 1950, as amended (the “**Act**”), and other constitutional and statutory authority supplemental thereto, Orleans 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, 2018, 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, 2018; and

WHEREAS, the School Board desires to borrow a principal amount not to exceed Sixty Million Dollars (\$60,000,000) pursuant to the Act from either the Louisiana Public Facilities Authority (the “**Authority**”), a consortium of local banks, or from an investment banking firm, or any other approved purchaser to pay current operations and to dedicate and set aside taxes and other revenues of the current fiscal year for the payment of Revenue Anticipation Notes, Series 2017 issued under the provisions of the Act and this resolution (the “**2017 Notes**”), which 2017 Notes will fall due and be payable not later than June 30, 2018, together with interest thereon as provided herein; and

WHEREAS, the School Board intends to issue and sell the 2017 Notes either to the Authority or to local banks in a principal amount not to exceed \$60,000,000; and

WHEREAS, the School Board has adopted its budget for its General Fund for the fiscal year ending June 30, 2018; and

WHEREAS, the borrowing authorized pursuant to this Resolution does not exceed one-half of the anticipated revenues of the School Board for the remainder of the fiscal year ending June 30, 2018; and

WHEREAS, in connection with the issuance and sale of the 2017 Notes, the School Board will be required to enter into a Purchase Agreement (the “**Agreement**”) with either the Authority, with a consortium of local banks, and investment banking firm or other approved purchaser; and

WHEREAS, in connection with its purchase of the 2017 Notes, the Authority or local banks 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 Notes; and

WHEREAS, the issuance of the 2017 Notes 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 Revenue Anticipation Notes, Series 2017 of Orleans Parish School Board, State of Louisiana in the principal amount not to exceed \$60,000,000 to be designated “Revenue Anticipation Notes, Series 2017” (the “**2017 Notes**”) for the propose of paying the current expenses of the General Fund for the fiscal year ending June 30, 2018, 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 2017 Notes shall mature no later than June 30, 2018 and shall bear interest, payable as stated therein, at the rate or rates stated thereon; provided, however, that the interest rate borne by the 2017 Notes from its date of issuance until its maturity date shall not exceed 6.0% per annum. The 2017 Notes issuable hereunder shall be issued in substantially the form attached hereto as **Exhibit “A”** 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, 2018, shall be pledged to secure the payment of the principal of and interest on the 2017 Notes.

SECTION 4. The sale of the 2017 Notes to the Authority, to a consortium of local banks, to an investment bank or to any other purchaser thereof (the Authority, local banks or any such purchaser herein referred to as the “**Purchaser**”), 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 of the School Board attached hereto as **Exhibit “B”**, with such additions, omissions and changes as may be approved by the President, Vice President, and/or Secretary of the School Board, is hereby approved; the signature of the President, Vice President and/or Secretary 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 “Orleans Parish School Board Revenue Anticipation Notes, Series 2017 — Sinking Fund Subaccount” (the “**2017 Sinking Fund Subaccount**”) to be maintained at a financial institution to be designated by the Purchaser. Amounts deposited in the said 2017 “Sinking Fund Subaccount may be applied to a lien in favor of the Purchaser of said 2017 Anticipation Notes.

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 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 “C”** 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, 2018 to be deposited into the 2017 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 of the School Board is hereby authorized and directed to execute and deliver a letter to the trustee/fiscal agent for the Purchaser of the 2017 Notes, in substantially the form set forth as **Exhibit “D”** to make withdrawals from the 2017 Sinking Fund Subaccount to pay the principal of and interest on the 2017 Notes.

SECTION 9. The President, Vice President, Secretary and/or Superintendent 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 2017 Notes and the transactions contemplated by this Resolution.

SECTION 10. The President, Vice President, Secretary and/or Superintendent are fully empowered and authorized to execute all documents necessary for the issuance of the 2017 Notes 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 2017 Notes, 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. The School Board hereby finds and determines that a real necessity exists for the employment of special bond counsel in the issuance of the 2017 Notes, and accordingly the law firm of Foley & Judell, L.L.P., Bond Counsel, is hereby employed as Bond Counsel to handle all matters of a legal nature in connection with the negotiation, sale, issuance and delivery of the 2017 Notes. Said special bond counsel shall prepare and submit to this School Board all proceedings necessary for the due authorization, issuance, sale and delivery of the 2017 Notes.

The fee of special bond counsel in this connection is hereby fixed at \$30,000, plus expenses, which sum is less than the maximum fee allowed by the Attorney General's fee schedule for comprehensive legal and coordinate professional services in the issuance of general obligations, based on the amount of said 2017 Notes actually issued, sold and delivered, plus "out-of-pocket" expenses, said fee to be contingent upon the issuance, sale and delivery of said notes. A certified copy of this resolution shall be forwarded to the Attorney General of the State of Louisiana for his approval of the employment herein provided for.

SECTION 13. The School Board covenants and agrees that to the extent permitted by the laws of the State Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "**Code**"), in order to establish, maintain and preserve the exclusion from "gross income" of interest on the 2017 Notes under the Code. The School Board further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the 2017 Notes or any other funds of the School Board to be used directly or indirectly in any manner, the effect of which would be to cause the 2017 Notes to be "arbitrage bonds" or would result in the inclusion of the interest on the 2017 Notes in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Note proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the 2017 Notes in a manner which would cause the 2017 Notes to be "private activity bonds".

The President and Secretary of the School Board are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or certificate necessary to effectuate the purposes of this resolution and the Supplemental Resolution

and to effect the issuance and delivery of the 2017 Notes.

SECTION 14. If any provision or item of this Resolution or the Supplemental Resolution, or the application thereof is held invalid, such invalidity shall not affect other provisions, items, or applications of this Resolution or the Supplemental Resolution which can be given effect without the invalid provisions, items, or applications, and to this end the provisions of this resolution and the Supplemental Resolution are hereby declared severable.

SECTION 15. The foregoing Resolution shall take effect immediately upon its adoption.

SECTION 16. 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 2017 Notes. 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 whatsoever. Thereafter, it shall be conclusively presumed that every legal requirement for the issuance of the 2017 Notes has been complied with. No court shall have authority to inquire into any of these matters after the thirty days.

SECTION 17. By virtue of the Authority's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approvals(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the

Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

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

YEAS: Ethan Ashley, John Brown, Leslie Ellison, Ben Kleban, Woody Koppel, Nolan Marshall

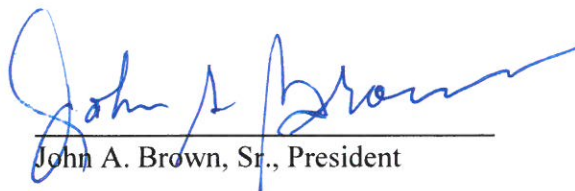
NAYS: **None**

ABSENT: **Sarah Usdin**

ABSTENTIONS: **None**

PASSED AND ADOPTED AT THE ORLEANS PARISH SCHOOL BOARD
BUSINESS MEETING held at Timbers, 3520 General DeGaulle Drive, Multi-purpose Room
1050, New Orleans, Louisiana, on the 14th day of September, 2017.

ORLEANS PARISH SCHOOL BOARD

A handwritten signature in blue ink, appearing to read "John A. Brown, Sr.", is written over a horizontal line. The signature is stylized and cursive.

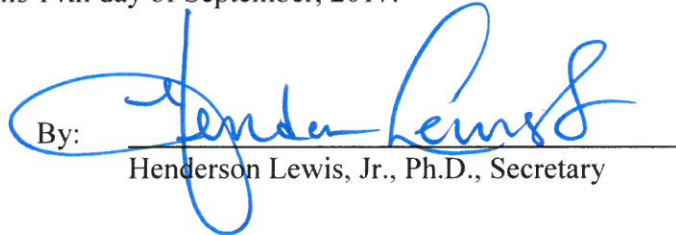
John A. Brown, Sr., President

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Secretary of the Orleans Parish School Board of the Parish of Orleans, State of Louisiana, do hereby certify that the foregoing seven (7) pages constitute a true and correct copy of a resolution adopted by said Orleans Parish School Board on September 14, 2017, entitled: "A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ANTICIPATION NOTES, SERIES 2017 OF THE ORLEANS PARISH SCHOOL BOARD, STATE OF LOUISIANA IN A PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000; MAKING APPLICATION TO THE STATE BOND COMMISSION FOR CONSENT AND AUTHORITY FOR SUCH BORROWING; AND PROVIDING FOR OTHER MATTERS WITH RESPECT TO THE FORGOING."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Orleans Parish School Board, on this 14th day of September, 2017.

By: 
Henderson Lewis, Jr., Ph.D., Secretary

(SEAL)