
CERTIFIED RECORD

OF

PROCEEDINGS OF

THE BOARD OF EDUCATION OF

JEFFERSON COUNTY SCHOOL DISTRICT NO. R-1

(JEFFERSON AND BROOMFIELD COUNTIES, COLORADO)

RELATING TO A RESOLUTION

AUTHORIZING THE EXECUTION AND

DELIVERY OF A LEASE PURCHASE AGREEMENT

STATE OF COLORADO]
COUNTY OF JEFFERSON] ss.
JEFFERSON COUNTY SCHOOL DISTRICT NO. R-1]

The Board of Education (the “Board”) of Jefferson County School District No. R-1 (Jefferson and Broomfield Counties, Colorado) (the “District”), met in a regular meeting, on Thursday, November 16, 2006, at the Educational Services Center, 1829 Denver West Drive, Building 27, Golden, Colorado, at the hour of 7:00 p.m.

The following members of the Board were present, constituting a quorum:

Name	Title
Jane Barnes	President
Vincent Chowdhury	1 st Vice President
Sue Marinelli	2 nd Vice President
Scott Benefield	Secretary
Hereford Percy	Treasurer

Absent:

Also present:

Dr. Cynthia Stevenson	Superintendent
Dr. Patrick Hickey	Chief Operating Officer
Lorie B. Gillis	Chief Financial Officer
Helen Neal	Manager, Administrative Services
Allen P. Taggart	Caplan and Earnest LLC
Steven H. Bell	Stifel, Nicolaus & Company, Incorporated
Vicki Mattox	Stifel, Nicolaus & Company, Incorporated
Richard Buddin	Kutak Rock LLP

The President called the meeting to order.

Thereupon the following proceedings, among others, were had and taken.

The following Resolution was introduced and read by title only, copies of the Resolution having been made available to the Board and to those members of the general public in attendance at the meeting.

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE PURCHASE AGREEMENT, A SITE LEASE, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE CERTIFICATE AND OTHER DOCUMENTS AND ACTIONS IN CONNECTION WITH LEASING CERTAIN REAL PROPERTY OF THE DISTRICT TO THE JEFFERSON COUNTY SCHOOL FINANCE CORPORATION PURSUANT TO THE SITE LEASE AND SUBLEASING SUCH PROPERTY BY THE CORPORATION TO THE DISTRICT PURSUANT TO THE LEASE PURCHASE AGREEMENT.

WHEREAS, the Board of Education (the "Board") of Jefferson County School District No. R-1 (Jefferson and Broomfield Counties, Colorado) (the "District") is authorized, pursuant to Section 22-32-110(1)(b) and (c), Colorado Revised Statutes, to lease or rent, with or without an option to purchase, undeveloped or improved real property located within or outside the territorial limits of the District on such terms as the Board of the District sees fit, for use as school sites, buildings or structures, or for any school purpose authorized by law, and to provide furniture, equipment, library books and everything needed to carry out the educational program of the District; and

WHEREAS, the Board has the power, pursuant to Section 22-32-110(1)(f), Colorado Revised Statutes, to rent or lease property of the District upon such terms and conditions as the Board may approve, including but not limited to, property which the Board anticipates that the District will become a subtenant of under a sublease agreement; and

WHEREAS, the Board hereby determines that it is necessary and in the best interests of the District to lease to the Jefferson County School Finance Corporation (the "Corporation") certain parcels of land (the "Sites") and the buildings and fixtures thereon (the "Buildings") (the Sites and the Buildings are collectively referred to herein as the "Leased Property"), which will be leased back by the Corporation to the District; and

WHEREAS, the District is desirous of (a) entering into that certain Site Lease (the "Site Lease"), between the District, as lessor, and the Corporation, as lessee, whereby the District shall lease the Sites and the Buildings to the Corporation for sublease to the District pursuant to the hereinafter defined Lease, (b) entering into that certain annually renewable Lease Purchase Agreement (the "Lease"), between the District, as sublessee, and the Corporation, as sublessor, and (c) entering into that certain Continuing Disclosure Certificate (the "Continuing Disclosure Undertaking") to be executed by the District; and

WHEREAS, the obligation of the District to pay Base Rentals and Additional Rentals (both as defined in the Lease) shall be from year to year only, shall constitute currently budgeted expenditures of the District, shall not constitute a mandatory charge or requirement against the District in any ensuing budget year beyond any budget year during which the Lease is in effect, and shall not constitute a general obligation indebtedness or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory limitation or requirement concerning the creation of indebtedness, nor a mandatory payment obligation of the District in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect; and

WHEREAS, there have been presented to the Board at this meeting copies of the proposed forms of the Lease, the Site Lease, and the Continuing Disclosure Undertaking; and

WHEREAS, there also has been presented to the Board at this meeting a proposed form of the Preliminary Official Statement (the "Preliminary Official Statement"), to be distributed to prospective purchasers of Certificates of Participation, Taxable Series 2006A, and Certificates of Participation, Taxable Series 2006B (collectively, the "Certificates"), which represent proportionate undivided interests in rights to receive Base Rentals paid by the District under the Lease, and a proposed form of a Certificate Purchase Agreement (the "Certificate Purchase Agreement"), between the Corporation and Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and UBS Securities LLC (collectively, the "Underwriters"); and

WHEREAS, the Board desires to authorize, approve and direct the execution of the agreements and instruments described above to be executed by the District and the transactions evidenced thereby.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF JEFFERSON COUNTY SCHOOL DISTRICT NO. R-1 (JEFFERSON AND BROOMFIELD COUNTIES, COLORADO):

Section 1. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or the officers, employees and agents of the Board or the District, directed toward the execution and delivery of the Lease and the Site Lease, are hereby ratified, approved and confirmed.

Section 2. The Board hereby finds and determines, pursuant to the Constitution and laws of the State of Colorado, that (a) the leasing of the Sites and the Buildings to the Corporation under the terms and provisions set forth in the Site Lease, and (b) the subleasing of the Sites and the Buildings (collectively, the "Leased Property") by the District from the Corporation under the terms and provisions set forth in the Lease, are necessary, convenient and in furtherance of the governmental purposes of the District and are in the best interests of the District; and the Board hereby authorizes, approves and directs the accomplishment of the foregoing under the terms and provisions of the Lease and the Site Lease.

Section 3. The Lease, in substantially the form and with substantially the content presented to this meeting of the Board, is in all respects approved, authorized and confirmed, and the President or any Vice President of the Board is authorized and directed to execute the Lease in substantially the form and with substantially the same content as the form thereof presented to this meeting of the Board, for and on behalf of the District. The Board hereby approves the amount of \$95,000,000 as the maximum total amount of Base Rentals and the amount of \$4,200,000 as the maximum annual amount of Base Rentals to be paid for the leasing of the Leased Property by the District from the Corporation under the terms and conditions of the Lease. The number of Renewal Terms (as defined in the Lease) of the Lease shall not exceed twenty-five.

Section 4. The Site Lease, in substantially the form and with substantially the content presented to this meeting of the Board, is in all respects approved, authorized and confirmed, and

the President or any Vice President of the Board is authorized and directed to execute the Site Lease in substantially the form and with substantially the same content as the form thereof presented to this meeting of the Board, for and on behalf of the District.

Section 5. The Continuing Disclosure Undertaking, in substantially the form and with substantially the content presented to this meeting of the Board, is in all respects approved, authorized and confirmed, and the President or any Vice President of the Board is authorized and directed to execute the Continuing Disclosure Undertaking in substantially the form and with substantially the same content as the form thereof presented to this meeting of the Board, for and on behalf of the District.

Section 6. The Board hereby acknowledges the execution and delivery by the Corporation and the Trustee of the Mortgage and Indenture of Trust (the "Indenture"), in substantially the form and with substantially the same content as the form thereof presented to this meeting of the Board, and approves the amount of \$50,000,000 as the maximum principal amount of the Certificates that may be executed and delivered thereunder.

Section 7. The Board hereby acknowledges and consents to the assignment by the Corporation to the Trustee, pursuant to the Indenture, of all rights, title and interest of the Corporation in, to and under the Site Lease and the Lease (with certain exceptions as provided in the Site Lease, the Lease and the Indenture), and the delegation by the Corporation to the Trustee, pursuant to the Indenture, of all duties of the Corporation under the Site Lease and the Lease.

Section 8. The Board hereby acknowledges the sale of the Certificates to the Underwriters under the terms and conditions set forth in the Certificate Purchase Agreement. The President or any Vice President of the Board is hereby authorized and directed to acknowledge the Certificate Purchase Agreement for and on behalf of the District.

Section 9. The Board hereby approves and confirms the distribution by the Underwriters of the Preliminary Official Statement to prospective purchasers of the Certificates. The Official Statement (the "Official Statement"), in substantially the form of the Preliminary Official Statement presented at this meeting, is in all respects authorized and approved. The President or any Vice President of the Board is hereby authorized and directed to sign the Official Statement, for and on behalf of the District, in the form approved by the President or any Vice President of the Board, but with such changes therein as the President or any Vice President may deem necessary or appropriate, as evidenced by the execution thereof.

Section 10. The Secretary or the Assistant Secretary of the Board is hereby authorized and directed to attest, as necessary, all signatures and acts of any official of the Board or the District in connection with the matters authorized by this Resolution, and to place the seal of the District on the Lease and the Site Lease authorized and approved by this Resolution and all other additional certificates, documents and other papers associated with the transactions and other matters authorized by this Resolution. The President or any Vice President of the Board or the Superintendent or the Chief Financial Officer of the District and all other officials, employees and agents of the Board or the District are hereby authorized to execute and deliver for and on behalf of the District any and all additional certificates, documents and other papers, including,

but not limited to a commitment by an insurance company to insure payment of the Certificates, a guaranty or reimbursement agreement between the District and any insurance company that issues a surety bond as a reserve fund for the payment of Base Rentals by the District, and any agreement concerning the deposit and investment of funds in connection with the transactions contemplated by this Resolution, and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized or contemplated by this Resolution.

Section 11. No provision of this Resolution, the Lease, the Site Lease, or the Official Statement shall be construed as creating or constituting a general obligation indebtedness or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District nor a mandatory payment obligation of the District in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect. The District shall have no obligation to make any payment with respect to the Certificates except in connection with the payment of the Base Rentals (as defined in the Lease) and certain other payments under the Lease, which payments may be terminated by the District in accordance with the provisions of the Lease.

Section 12. The Board hereby determines and declares that the Base Rentals represent the fair value of the use of the Leased Property, and that the Purchase Option Price (as defined in the Lease) represents the fair purchase price of the Leased Property. The Board hereby determines and declares that the Base Rentals do not exceed a reasonable amount so as to place the District under an economic or practical compulsion to appropriate moneys to make payments under the Lease or to exercise its option to purchase the Leased Property pursuant to the Lease. In making such determinations, the Board has given consideration to the current value of the Leased Property, the cost of acquiring, constructing or equipping property similar to the Leased Property, the uses and purposes for which the Leased Property is being and will be employed by the District, the benefit to the citizens and residents of the District by reason of the use and occupancy of the Leased Property by the District pursuant to the terms and provisions of the Lease, the option of the District to purchase the Leased Property, and the expected eventual vesting of full title to the Leased Property in the District. The Board hereby determines and declares that the leasing of the Leased Property pursuant to the Lease will result in facilities of comparable quality for use by the District and meeting the same requirements and standards as would be necessary if the District acquired the Leased Property other than pursuant to the Lease. The Board hereby determines and declares that the duration of the Lease, including all optional Renewal Terms, authorized under this Resolution, does not exceed the weighted average useful life of the Leased Property.

Section 13. The Board hereby determines and declares that, in the event the Site Lease shall remain in effect after the termination of the Lease related thereto and authorized under this Resolution, the rentals to be received by the District under the Site Lease represent the fair rental value of the property leased by the District to the Corporation under the Site Lease, and that such rentals do not place the District under an economic or practical compulsion to renew the Lease related thereto or to exercise its option to purchase the Leased Property.

Section 14. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. All bylaws, orders and resolutions, or parts thereof, inconsistent with this Resolution or with any of the documents hereby approved, are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution, or part thereof.

Section 16. This Resolution shall be in full force and effect immediately upon its approval and adoption by the Board.

APPROVED AND ADOPTED this 16th day of November 2006.

JEFFERSON COUNTY SCHOOL DISTRICT
NO. R-1

[SEAL]

By _____
President, Board of Education

Attest:

By _____
Secretary, Board of Education

Director _____ moved that the foregoing Resolution heretofore introduced and read by title be approved and adopted. Director _____ seconded the motion. The question being the approval and adoption of the Resolution, the roll was called with the following results:

Those Voting Yes:

Those Voting No:

Those Absent:

Thereupon the President declared the motion carried and the Resolution adopted.

After consideration of other business to come before the Board, the meeting was adjourned.

[SEAL]

By _____
President, Board of Education
Jefferson County School District No. R-1

Attest:

By _____
Secretary, Board of Education
Jefferson County School District No. R-1

STATE OF COLORADO]
COUNTY OF JEFFERSON] ss.
JEFFERSON COUNTY SCHOOL]
DISTRICT NO. R-1]

I, Scott Benefield, the Secretary of the Board of Education of Jefferson County School District No. R-1 (Jefferson and Broomfield Counties, Colorado) (the “District”), do hereby certify that the foregoing pages numbered 1 through 6, inclusive, constitute a true and correct copy of the Resolution of the Board of Education of the District relating to the authorization of a Lease Purchase Agreement between the District and the Jefferson County School Finance Corporation and other documents and instruments related thereto, adopted at a regular meeting of the Board held at the Educational Services Center, 1829 Denver West Drive, Building 27, Golden, Colorado, in said District, on November 16, 2006, at the hour of 7:00 p.m., as recorded in the official record of proceedings of the District kept in my office; that the proceedings were duly had and taken, the meeting was duly held and the persons therein named were present at said meeting as shown therein.

Notice of such meeting was posted in a public place within the boundaries of the District designated by the Board for the posting of notices of meetings of the Board no less than 24 hours prior to the holding of the meeting.

Notice was properly given for the meeting at which the Resolution was adopted, and all proceedings relating to the adoption of the Resolution were conducted in accordance with all applicable bylaws, rules, regulations and resolutions of the District, in accordance with the normal procedures of the District relating to such matters, and in accordance with applicable constitutional provisions and statutes of the State of Colorado and in accordance with all other applicable laws.

WITNESS my hand and the seal of the District affixed this 16th day of November 2006.

[SEAL]

By _____
Secretary, Board of Education