

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

**RESOLUTION NO. 19-107**

**A RESOLUTION OF THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA, AUTHORIZING EXECUTION OF AMENDED AND RESTATED SCHEDULE 2004-1 TO THE MASTER LEASE PURCHASE AGREEMENT; APPROVING THE FORM OF A SERIES 2019A SUPPLEMENTAL TRUST AGREEMENT; SUBJECT TO CERTAIN LIMITATIONS, APPROVING THE NEGOTIATED SALE THROUGH A PUBLIC SALE OF SERIES 2019A CERTIFICATES OF PARTICIPATION IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$140,000,000 (THE "CERTIFICATES"), FOR THE PURPOSE OF REFINANCING A PORTION OF THE OBLIGATIONS OF THE SCHOOL BOARD UNDER AMENDED AND RESTATED SCHEDULE 2004-1 THROUGH A CURRENT REFUNDING OF THE SERIES 2014A CERTIFICATES OF PARTICIPATION; AUTHORIZING EXECUTION OF A CERTIFICATE PURCHASE CONTRACT IN CONNECTION WITH THE SALE OF THE CERTIFICATES; APPROVING THE USE OF A PRELIMINARY OFFERING STATEMENT AND AUTHORIZING ITS DISTRIBUTION AND USE IN CONNECTION WITH THE OFFERING FOR SALE OF THE CERTIFICATES; AUTHORIZING EXECUTION AND DELIVERY OF A FINAL OFFERING STATEMENT AND AUTHORIZING ITS DISTRIBUTION AND USE IN CONNECTION WITH THE OFFERING FOR SALE OF THE CERTIFICATES; AUTHORIZING THE ISSUANCE OF THE CERTIFICATES WITHOUT CREDIT ENHANCEMENT OR IF CREDIT ENHANCED THE ACCEPTANCE OF A COMMITMENT FOR THE ISSUANCE OF A MUNICIPAL BOND INSURANCE POLICY, AUTHORIZING THE EXECUTION OF A DISCLOSURE DISSEMINATION AGENT AGREEMENT, AUTHORIZING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT, AUTHORIZING AMENDMENT, REPLACEMENT OR TERMINATION OF THE INTEREST RATE EXCHANGE AGREEMENT RELATING TO THE SERIES 2014A CERTIFICATES, IF NECESSARY OR DESIRABLE IN CONNECTION WITH THE REFUNDING OF THE SERIES 2014A CERTIFICATES OR OTHERWISE IF DEEMED TO BE IN THE BEST INTEREST OF THE DISTRICT; AUTHORIZING THE EXECUTION OF SUCH FURTHER AGREEMENTS AND AMENDMENTS TO OTHER AGREEMENTS AS SHALL BE NECESSARY OR DESIRABLE TO CARRY OUT THE PURPOSES OF THIS RESOLUTION;**

**PROVIDING FOR INCIDENTAL ACTION; MAKING CERTAIN FINDINGS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, The School Board of Broward County, Florida (the “School Board”) as the governing body of the School District of Broward County, Florida (the “District”), has determined to finance and refinance certain of its capital needs through a master lease purchase agreement pursuant to Sections 1001.42 and 1013.15, Florida Statutes; and

**WHEREAS**, the School Board has the power under Section 1001.42(2), Florida Statutes, to receive, purchase, acquire, lease, sell, hold, transmit and convey title to real and personal property for educational purposes, and under Sections 1001.42(11) and 1013.15(2), Florida Statutes, to enter into leases or lease purchase arrangements of sites and educational facilities for school purposes; and

**WHEREAS**, Broward School Board Leasing Corp. (the “Corporation”), a not-for-profit corporation, has been formed to lease purchase certain real property, educational facilities and equipment to the School Board; and

**WHEREAS**, the Corporation and the School Board have provided for the lease purchase financing and refinancing of certain real property and educational facilities (the “Facilities”) from time to time by entering into a Master Lease Purchase Agreement dated as of July 1, 1990 (the “Master Lease”) and related agreements; and

**WHEREAS**, the Facilities to be leased from time to time are identified on separate Schedules (each a “Schedule”) attached to the Master Lease; and

**WHEREAS**, the School Board and the Corporation have entered into (i) a Series 2004 Ground Lease dated as of June 1, 2004, as amended as of June 1, 2006, and (ii) Schedule 2004-1 to the Master Lease dated as of June 1, 2004 (“Schedule 2004-1,” and together with the Master Lease, the “Original Series 2004-1 Lease”), and Schedule 2004-2 to the Master Lease dated as of June 1, 2004 (“Schedule 2004-2,” and together with the Master Lease “Original Series 2004-2 Lease” and together with the Original Series 2004-1 Lease, the “Series 2004 Leases”), pursuant to which the School Board leased certain real property to the Corporation and subleased from the Corporation such real property and leased the improvements thereon, known respectively as the “Series 2004-1 Facility Sites,” the “Series 2004-1 Facilities” and the “Series 2004-2 Facilities;” and

**WHEREAS**, the Corporation has entered into a Master Trust Agreement dated as of July 1, 1990 (the “Trust Agreement”) with U.S. Bank National Association (successor in interest to First Union National Bank of Florida), as trustee (the “Trustee”), providing for the issuance of series of Certificates of Participation to the public from time to time, representing undivided proportionate interests in the principal portion and interest portion of the basic lease payments to be made by the School Board under the Master Lease and the Schedule relating to such series of Certificates; and

**WHEREAS**, to accomplish the lease-purchase financing of the Series 2004-1 Facilities and the Series 2004-2 Facilities, two series of certificates of participation were issued on a parity basis consisting of (i) \$110,460,000 in original aggregate principal amount of Certificates of Participation, Series 2004C (the “Series 2004C Certificates”), which Series 2004C Certificates were initially issued as fixed rate certificates, and (ii) \$113,825,000 in original aggregate principal amount of Certificates of Participation, Series 2004D (the “Series 2004D Certificates”), each representing undivided proportionate interests in the principal portion and interest portion of the basic lease payments to be made by the School Board under the Series 2004 Leases, pursuant to the Trust Agreement, as supplemented by a Series 2004 Supplemental Trust Agreement dated as of June 1, 2004; and

**WHEREAS**, the Corporation assigned substantially all of its interest in the Series 2004 Ground Lease and the Series 2004 Leases to the Trustee pursuant to a Series 2004 Assignment Agreement dated as of June 1, 2004; and

**WHEREAS**, the School Board entered into an ISDA Master Agreement, Schedule and Confirmation, each dated June 24, 2004 (collectively, the “2004D Interest Rate Exchange Agreement”), with Citibank, N.A. (the “2004D Swap Provider”), in connection with the Series 2004D Certificates; and

**WHEREAS**, Assured Guaranty Municipal Corp. (“AGM”), issued its Financial Guaranty Insurance Policy No. 203129-SWP (the “Swap Policy”) dated June 30, 2004, insuring certain payments relating to the Series 2004D Interest Rate Exchange Agreement; and

**WHEREAS**, the Series 2004D Certificates were refunded under a Series 2014A Supplemental Trust Agreement (as subsequently amended by the Omnibus Amendment, dated December 21, 2016, among the School Board, the Corporation and the Trustee, the “Series 2014A Supplemental Trust Agreement”) between the Corporation and the Trustee which provided for the issuance of refunding Certificates of Participation, Series 2014A (the “Series 2014A Certificates”) in an original aggregate principal amount of \$114,140,000 to current refund all of the Series 2004D Certificates which Series 2014A Certificates represent undivided proportionate interests in a portion of the principal portion and interest portion of the Basic Lease Payments to be made under the Original Series 2004-1 Lease equally and ratably with the Outstanding Series 2012A Certificates allocable to the Original Series 2004-1 Lease; and

**WHEREAS**, the Series 2014A Certificates are divided into separate subseries, the Series 2014A-1 Certificates and the Series 2014A-2 Certificates, each such subseries issued in the principal amount of \$57,070,000 (the “Series 2014A-1 Certificates” and the “Series 2014A-2 Certificates”, respectively, and collectively, the “Series 2014A Certificates”). The Series 2014A Certificates are currently in an Index Floating Rate period which will terminate on January 2, 2020. Banc of America Preferred Funding Corporation is the sole holder of the Series 2014A-1 Certificates and U.S. Bank National Association is the sole holder of the Series 2014A-2 Certificates; and

**WHEREAS**, in connection with the issuance of the Series 2014A Certificates, (i) the Series 2004D Interest Rate Exchange Agreement was amended by an Amended and Restated Insured Transaction dated February 27, 2014 (the “Amended Confirmation”), which, among

other things, changed references to the Series 2004D Certificates to the Series 2014A Certificates (the “Series 2014A Interest Rate Exchange Agreement”), and (ii) a Swap Management Agreement (the “Swap Management Agreement”) between the School Board and AGM dated as of February 27, 2014 was entered into which provides, among other things, for the replacement or termination of the Series 2014A Interest Rate Exchange Agreement within six months of the date when the Series 2014A Interest Rate Exchange Agreement is positive to the School Board in an amount of at least \$200,000; and

**WHEREAS**, the School Board, assisted by the District staff and its financial advisor, Public Financial Management, Inc. (the “Financial Advisor”), has undertaken a careful and deliberate effort to develop feasible and stable alternatives for the restructuring of the Series 2014A Certificates and the possible termination of all or a portion of the Series 2014A Interest Rate Exchange Agreement; and

**WHEREAS**, the School Board has determined that it is in the best interest of the District to refinance a portion of its obligations under the Original Series 2004-1 Lease and to current refund the Series 2014A Certificates through the further amendment and restatement of Schedule 2004-1, dated as of June 1, 2004, as amended and restated as of February 1, 2014, as amended on December 21, 2016 (and as further amended and restated in connection with the issuance of the hereinafter described Series 2019A Certificates, “Amended and Restated Schedule 2004-1”, and together with the Master Lease, collectively, the “Series 2004-1 Lease”), and the issuance, pursuant to a Series 2019A Supplemental Trust Agreement, between the Corporation and the Trustee (the “Series 2019A Supplemental Trust Agreement”), of refunding Certificates of Participation, Series 2019A, in an aggregate principal amount not to exceed \$140,000,000 (the “Series 2019A Certificates”), representing undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board pursuant to the Series 2004-1 Lease; and

**WHEREAS**, if necessary or advisable and in the best interest of the District, the School Board may desire to amend, replace or terminate wholly or partially the Series 2014A Interest Rate Exchange Agreement; and

**WHEREAS**, the capital markets, and particularly the market for tax-exempt securities such as the Series 2004-1 Lease have been subject to unusual volatility; and

**WHEREAS**, if deemed to be in the best interest of the District, the School Board may obtain from a credit provider to be approved as provided herein additional credit support for all or a portion of the Series 2019A Certificates;

**NOW THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA THAT:**

**Section 1.** Amended and Restated Schedule 2004-1, substantially in the form submitted to this meeting and attached hereto as **Exhibit A** is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent, and the Chair or Vice Chair and the Secretary (or any person authorized to sign on his/her behalf), upon such approval by the Superintendent, are hereby authorized and directed to execute Amended and

Restated Schedule 2004-1. The execution of Amended and Restated Schedule 2004-1 by the Chair or Vice Chair and the Secretary (or any person authorized to sign on his/her behalf) shall constitute conclusive evidence of the approval thereof.

**Section 2.** The form of Series 2019A Supplemental Trust Agreement between the Corporation and the Trustee, substantially in the form submitted to this meeting and attached hereto as **Exhibit B**, is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent. The execution and delivery of the Series 2019A Supplemental Trust Agreement by the Corporation and the Trustee shall constitute conclusive evidence of the approval thereof.

**Section 3.** (a) It is hereby found and declared that a negotiated sale of the Series 2019A Certificates is in the best interest of the District and is found to be necessary on the basis of the following reasons, as to which specific findings are hereby made:

(i) Due to the volatility of the municipal market, including the market for “annual appropriation” tax-exempt securities such as the Series 2004-1 Lease as evidenced by the Series 2019A Certificates, the School Board must be able to enter the market at the most advantageous times, rather than at specific advertised dates, thereby permitting the School Board to obtain the best possible prices and interest rates to be represented by the Series 2019A Certificates;

(ii) The current volatility of the municipal market makes it desirable for the School Board to be able to respond quickly to market preferences with respect to the financing terms for the Series 2019A Certificates and the termination of the Series 2014A Interest Rate Exchange Agreement;

(iii) The Underwriters (as defined herein) have assisted with the structuring of the issuance of the Series 2019A Certificates; and

(iv) The School Board will not be adversely affected if the Series 2019A Certificates are not sold pursuant to a competitive sale.

(b) (i) The underwriters shall be the underwriters named in a certificate purchase contract (the “Underwriters”).

(ii) The form of the Certificate Purchase Agreement for the Series 2019A Certificates among the Underwriters, the School Board and the Corporation (the “Purchase Contract”) submitted to this meeting and attached hereto as **Exhibit C**, and the sale of the Series 2019A Certificates by the Corporation and the Trustee upon the terms and conditions set forth in the Purchase Contract, is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent. Any of the Chair, Vice Chair, Superintendent, or Chief Financial Officer, upon such approval by the Superintendent, is hereby authorized and directed to execute the Purchase Contract. The execution and delivery of a Purchase Contract by the Chair, Vice Chair, Superintendent, or Chief Financial Officer shall constitute conclusive evidence of the approval thereof and of the Underwriters named therein.

Execution of the Purchase Contract is subject to the following additional requirements:

(i) the aggregate principal amount of the Series 2019A Certificates shall not exceed \$140,000,000;

(ii) the final maturity of the Series 2019A Certificates shall be no later than July 1, 2029;

(iii) the price at which the Series 2019A Certificates shall be sold to the Underwriters shall not be less than 99% of the face amount thereof exclusive of original issue discount; and

(iv) the yield represented by the Series 2019A Certificates as calculated for arbitrage purposes shall not exceed the maximum legal rate.

(c) The proceeds from the sale of the Series 2019A Certificates shall be used by the School Board to (i) refinance a portion of its obligations under the Series 2004-1 Lease through the current refunding of the Series 2014A Certificates, (ii) to pay the costs associated with the issuance of the Series 2019A Certificates including, but not limited to, rating agency, financial advisory and attorneys' fees, premium for a Policy, if any, and the cost of preparation and dissemination of the preliminary and final Offering Statements, if any, for the Series 2019A Certificates, and (iii) to pay the fees and costs described in Section 9 hereof.

**Section 4.** The form of Preliminary Offering Statement submitted to this meeting and attached hereto as **Exhibit D** is hereby approved, and the School Board hereby authorizes the distribution and use of the Preliminary Offering Statement by the Underwriters in connection with the public offering for sale of the Series 2019A Certificates. If, between the date hereof and the mailing of the Preliminary Offering Statement it is necessary to make insertions, modifications and changes in the Preliminary Offering Statement, each of the Chair, the Vice Chair and the Superintendent is hereby authorized to approve such insertions, changes and modifications. Each of the Chair, the Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer is further authorized to deem the Preliminary Offering Statement “final” within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”), in the form as mailed, and in furtherance thereof to execute a certificate evidencing the same substantially in the form attached hereto as **Exhibit E**.

**Section 5.** The Superintendent is hereby authorized to have prepared and the Chair or Vice Chair and the Secretary are each hereby authorized to execute a final Offering Statement to be dated as of the date of the execution and delivery of the Purchase Contract and, upon such execution, to deliver the same to the Underwriters for use by them in connection with the sale and distribution of the Series 2019A Certificates (the “Offering Statement”). The Offering Statement shall be substantially in the form of the Preliminary Offering Statement, with such changes as shall be approved by the Superintendent as necessary to conform to the details of such Series 2019A Certificates and the requirements of the Purchase Contract related to such Series 2019A Certificates and such other insertions, modifications and changes as may be approved by the Superintendent. The execution and delivery of the Offering Statement by the Chair or Vice Chair and the Secretary shall constitute conclusive evidence of the approval thereof. The School Board hereby authorizes the Offering Statement for the Series 2019A Certificates and the information contained therein to be used in connection with the offering and sale of the Series 2019A Certificates.

**Section 6.** The School Board hereby covenants and agrees that, in order to provide for compliance by the School Board with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Disclosure Dissemination Agent Agreement between the School Board and Digital Assurance Certification, L.L.C., dated the date of delivery of the Series 2019A Certificates (the “Continuing Disclosure Agreement”), as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Agreement, if any, shall be substantially in the form attached hereto as **Exhibit F** with such changes, amendments, modifications, omissions and additions as shall be approved by the Superintendent. Each of the Chair, the Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer, upon such approval by the Superintendent, is hereby authorized to execute and deliver such Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution, the Series 2004-1 Lease or the Series 2019A Supplemental Trust Agreement, failure of the School Board to comply with such Continuing Disclosure Agreement shall not be considered an event of default under the Series 2004-1 Lease or the Series 2019A Supplemental Trust Agreement; provided, however, that any Series 2019A Certificate holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School Board to comply with its obligations under this Section 6 and the Continuing Disclosure Agreement.

**Section 7.** Upon approval of an Insurer, if any, the Chair, the Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer are hereby authorized to take such actions (including, without limitation, approval of changes to the documents herein approved) and to execute such commitments, agreements, certificates, instruments and opinions as shall be necessary or desirable to procure the issuance of a Policy from the Insurer.

**Section 8.** An Escrow Deposit Agreement between the School Board and the Escrow Agent substantially in the form submitted to this meeting and attached hereto as **Exhibit G**, is hereby approved, with such insertions, modifications and changes as may be approved by the Superintendent, and the Chair, the Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer, upon such approval by the Superintendent, are hereby authorized and directed to executed the Escrow Deposit Agreement. The execution and delivery of the Escrow Deposit Agreement by the Chair, the Vice Chair, the Superintendent, the Chief Financial Officer and the Treasurer shall constitute conclusive evidence of the approval thereof.

**Section 9.** If necessary, appropriate or desirable to consummate the transactions contemplated by this Resolution or otherwise in the best interest of the District, the Chair, the Vice Chair, the Superintendent, the Chief Financial Officer, the Treasurer and the Office of the General Counsel are hereby authorized to amend, replace or terminate all or a portion of the existing Series 2014A Interest Rate Exchange Agreement related to the Series 2014A Certificates, including without limitation, execution and delivery of any amendments or agreements (including agreements to replace the Series 2014A Interest Rate Exchange Agreement with new arrangements) with respect thereto not inconsistent with the terms of this Resolution, applicable law and other applicable agreements. In the event that the existing Series 2014A Interest Rate Exchange Agreement is terminated, the net present value of the cost of the termination together with the refunding shall not exceed 3% of the aggregate principal amount of the Series 2014A Certificates then outstanding, including any settlement amount that may be due as a result of such termination and the costs of issuance and termination including without

limitation, fees and expenses of the Financial Advisor, Special Tax Counsel, and costs associated with an amendment or replacement of the Series 2014A Interest Rate Exchange Agreement.

**Section 10.** The Chair, the Vice Chair, the Secretary, the Superintendent, the Chief Financial Officer, the Treasurer and the General Counsel (or any person authorized to sign on his/her behalf) are each authorized and directed to execute and deliver all additional documents, contracts, instruments and certificates including, without limitation, and, if appropriate, relating to the implementation of a book-entry-only system of registration of the Series 2019A Certificates with The Depository Trust Company of New York, and amendments to the Series 2004 Assignment Agreement and the Series 2004 Ground Lease, that may be necessary or desirable and to take all actions and steps including, without limitation, to change the dated date of any and all documents or the series designation of the Series 2019A Certificates in the event of a delay in the issuance of the Series 2019A Certificates, on behalf of the School Board which are necessary or desirable in connection with the issuance of the Series 2019A Certificates, the execution and delivery and compliance with the provisions of the Master Lease, Amended and Restated Schedule 2004-1, the Master Trust Agreement, the Series 2019A Supplemental Trust Agreement, the Escrow Deposit Agreement, the Disclosure Dissemination Agent Agreement, the Series 2014A Interest Rate Exchange Agreement and the Purchase Contract, or the refinancing of the Series 2004-1 Facilities, or the purchase and sale of certain Government Obligations in the Escrow Deposit Trust Fund and which are not inconsistent with the terms and provisions of this Resolution.

**Section 11.** It is hereby found and determined that all formal actions of the School Board concerning and relating to the adoption of this Resolution and the consummation of the transactions contemplated by this Resolution were adopted in open meetings of the School Board, and that all deliberations of the School Board that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

**Section 12.** If any section, paragraph, clause or provision of this Resolution shall be held invalid by any court of competent jurisdiction, such holding shall not affect any other section, paragraph, clause or provision of this Resolution.

**Section 13.** All resolutions or portions thereof previously adopted by the School Board which are inconsistent with the provisions of this Resolution are hereby repealed to the extent of such inconsistency.

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**Section 14** This Resolution shall take effect immediately upon its adoption.

Adopted this 25<sup>th</sup> day of June, 2019.

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Heather P. Brinkworth  
Chair, The School Board of Broward  
County, Florida

Attest:

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Robert W. Runcie  
Secretary  
The School Board of Broward County, Florida