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**he Somerset Hills School District  
PUBLIC INPUT & ACTION MEETING AGENDA – DECEMBER 9, 2015  
EXECUTIVE SESSION – 6:30 P.M.  
PRINCIPAL’S CONFERENCE ROOM AT BERNARDS HIGH SCHOOL  
PUBLIC INPUT & ACTION MEETING – 7:30 P.M.  
BERNARDS HIGH SCHOOL**

**I. Call to Order**

**II. Roll Call**

**III. Executive Session**

WHEREAS the “Open Public Meetings Act:” (Chapter 231 Laws of 1975) authorizes a public body to exclude the public from that portion of a meeting at which specified topics are to be discussed under circumstances where the public consideration of such topics will clearly endanger the public, or where the personal privacy or guaranteed rights of individuals whose activities or affairs are to be discussed would be clearly in danger of unwarranted invasions, and WHEREAS the matters about to be presented for discussion clearly meet the “circumstances” test of such Act:

RESOLVED that the Board of Education of Somerset Hills now adjourns its public session to reconvene in Executive Session for the purpose of discussing the following: Personnel, Student Matters, Contracts, Negotiations and Litigation.

And, be it further,

RESOLVED that the discussion in Executive Session be disclosed when the Board’s consideration of the subject matter has been closed, or that such matter does not adversely affect the rights of prospective, current, or past public officers, or personnel of the Board, unless such individuals have in writing requested the disclosures of such discussion at a public meeting and provided such a public disclosure will no longer clearly endanger the public interest.

**IV. Welcome**

Welcome to a meeting of the Board of Education of Somerset Hills. Please be advised that this and all meetings of the Board are open to the public and media, consistent with the Open Public Meetings Act: (Chapter 231 Laws of 1975), and that advance notice required therein has been provided. This is a meeting of the Board of Education of Somerset Hills at which formal action may be taken. The public will have an opportunity to be heard as shown on the Agenda.

**V. Pledge of Allegiance**

**VI. Correspondence**

1. Thank You note from Kathy LaCotta

**VII. Report of the Superintendent**

1. Student/Staff Recognition
2. Academic Report
3. Donation from Gail Blake Foundation - Dennis Blake

**VIII. Public Questions & Comments**

We very much welcome input from the public. Public comments are welcome at this time on any agenda item. Towards the end of the meeting there is a second public forum on any topic. Please state your name and address. Comments are limited to three minutes, but an individual may speak a second time after all others who wish to speak on the topic have been heard. Please understand that our public forums are not structured as question and answer sessions, but are offered as opportunities to share your thoughts with the Board. In instances where the Board feels that there is a misunderstanding or inaccuracy, the Board President or Superintendent may address the comment. In accordance with New Jersey Statute, the Board will not discuss matters regarding specific personnel. Public Questions and Comments will be limited to 30 minutes. Thank you for your input.

**IX. Approval of Minutes\***

Action Resolution 1. Approval of Minutes  
Resolved, that the Somerset Hills Board of Education approve the Public Input & Action and Executive meeting minutes for November 18, 2015.

Action Resolution 2. Approval of Minutes  
Resolved, that the Somerset Hills Board of Education approve the Special Meeting and Executive meeting minutes for November 20, 2015.

**X. Finance****A. Committee Report & Discussion:****B. Action Items:**

Action Resolution 1. Board Secretary & Treasurer Reports & Board Certification\*  
WHEREAS, the Board Secretary has received the Reports of the Secretary and Treasurer for the month of November 2015 showing the following balances:

<b>FUND</b>	<b>Board Secretary Cash Balance (1)</b>	<b>Treasurer Cash* Balance (2)</b>
(10) General Fund	\$5,989,760.11	\$5,989,760.11
(20) Special Revenue Fund	\$117,656.58	\$117,656.58
(30) Capital Projects Fund	(\$183,842.65)	(\$183,842.65)
(40) Debt Service Fund	\$177,194.00	\$177,194.00
Total Government Funds	\$6,100,768.09	\$6,100,768.09

(1) From Secretary's Report (2) Treasurer's Report to be distributed at Board meeting.  
WHEREAS in compliance with N.J.A.C.6A: 23-2.1(c)3 the secretary has certified that, as of the date of the report(s), no budgetary line item account has encumbrances and expenditures which in total exceed the amount appropriated by the district board of education, now, therefore, be it RESOLVED, the Board of Education accepts the above referenced report and certifications and orders that they be attached to and made part of the record of this meeting, and be it FURTHER RESOLVED, in compliance with N.J.A.C.6A: 23-3.11(c) 4, the Board of Education certifies that, after review of the secretary's monthly financial reports (appropriation section) and upon consultation with the appropriate district officials, to the best of its knowledge, no major account or fund has been over expended in violation of N.J.A.C.6A: 23-2.11(b), and that sufficient funds are available to meet the district's financial obligations for the remainder of the year.

Action Resolution 2. Approve 2015-2016 Budget Transfers\*  
Resolved that the Somerset Hills Board of Education approves the attached list of budget transfers for November, 2015.

Action Resolution 3. Payment of Bills\*  
WHEREAS, the Board Secretary has presented a check register covering check numbers 35409 to 35414 in the amount of \$2,410,839.76 with the recommendation that the checks be paid, and Now, therefore, be it Resolved, that the following bills be paid and an itemized list be filed with the minutes of this meeting:

FUND	AMOUNT
(10) General Fund	\$2,404,306.26
(20) Special Revenue Fund	\$6,533.50
(30) Capital Projects Fund	-0-
(40) Debt Service Fund	-0-
(60) Cafeteria Fund	-0-
<b>TOTAL</b>	<b>\$2,410,839.76</b>

WHEREAS, the Board Secretary has presented a check register covering check numbers 35415 to 35519 in the amount of \$\$356,554.14 with the recommendation that the checks be paid, and Now, therefore, be it Resolved, that the following bills be paid and an itemized list be filed with the minutes of this meeting:

FUND	AMOUNT
(10) General Fund	\$326,847.13
(20) Special Revenue Fund	\$29,163.51
(30) Capital Projects Fund	0
(40) Debt Service Fund	0
(60) Cafeteria Fund	\$543.50
<b>TOTAL</b>	<b>\$356,554.14</b>

Action Resolution 4. Approve Sale of Bonds  
Resolved that the Somerset Hills Board of Education approve the **attached** resolution for the sale of \$5,829,000 aggregate principal amount of school bonds, Series 2016.

Action Resolution 5. Approve Contracted Services  
Resolved, that the Somerset Hills Board of Education approve following facility/individual to conduct contracted services for the 2015-2016 school year and ESY program:

Provider	Service	Location
a) Dr. Elliot Gursky	Psychiatric Evaluations	92 Nassau Street, Princeton, NJ 08542

Action Resolution 6. Approval of Parent Organization Fund Raiser  
Resolved, that the Somerset Hills Board of Education approve the following parent organization

fund raiser for the 2015-2016 school year:

Organization	School	Event	Date
Laxbackers	BHS	Gala Night of Music & Food St. Elizabeth Church Parish Hall	1/9/16

Action  
Resolution

7. Accept Donation

Resolved, that the Somerset Hills Board of Education accept a donation in the amount of \$25,000 from the Gail Blake Foundation, with gratitude.

Action  
Resolution

8. Approve Professional Services Contract

Resolved, that the Somerset Hills Board of Education approve a Professional Services Contract for Barbara Hadzima to provide services at Bernardsville Middle School at \$425.00 per diem for the period December 1, 2015 - until the end of the assignment, date TBD.

**XI.**

Curriculum

(Attachment #4)

A. Committee Report & Discussion:

B. Action Items:

Action  
Resolution

1. Approve Field Trips\*

Resolved, that the Somerset Hills Board of Education approve the following field trips:

School	Trip	Date(s)	# of Students	# of Faculty	# of Chaperones
a) BES	First Grade-Liberty State Park Nature Center	May 19 & 20	109	10	18
b) BHS	Madrigals-Town Celebration-Mt. Airy Rd.	Nov. 28	20	1	1
c) BHS	MD Program- "5 Below" Rockaway Mall	Dec. 15	9	8	0
d) BHS	Comp World Religions - Sri Venkateswara Temple - Bridgewater	Dec. 16-2 hrs	21	2	0
e) BHS	Marching Band, Jazz Ens. Orchestra, Madrigals to BMS and Bedminster-Music Outreach	Dec. 21	84	3	3
f) BMS	8th Gr Science Classes - 7 locations along Mine Brook (2 trips per day)	May 2,3,4,5 (Raindates May 9-16)	22/ trip	2-3/trip	0
g) BMS	Gr 5-Waterloo Village	May 12	116	9	0

Action

2. Approve Professional Development\*

Resolution Resolved, that the Somerset Hills Board of Education approve the following professional development:

School	Name	Workshop/Conference	Est. Cost	Date
a) BES	Anthony, Lydia	Observe music teacher at Liberty Corner School in Basking Ridge	0	Dec. 14
b) BES	Panik, Meredith	Writing Legally Compliant IEPs - Manville	\$35.30	Jan. 21 AM
c) BES	Roll, Jill	Time-saving Strategies to Integrate Your OT interventions into classroom-New Brunswick	\$4.22	Jan. 7
d) BHS	Dooley, Megan	Tour Columbia and Barnard campuses	0	Dec. 18
e) BHS/ BMS	Falk, Lisa	Access 2.0 - Wm Patterson U	\$65.00	Jan. 23
f) BHS	Garay, Janet	ACCESS 2.0 - Wm Patterson U	\$65.00	Jan. 23
g) BHS	Koch, Kevin	IEEE Robotics Competition- Neptune NJ	\$47.82	Jan. 2
h) BHS	Neigel, Scott	Formation Assessment- Forsgate CC, Monroe Twp	0	Dec. 7
i) BHS	Trumpy, Fred	NJ Music Ed Conference- New Brunswick	\$165.00	Feb. 18-19
j) BMS	Porter, Shane	Tiered Assessment Open House (Best Practices, Schools to Watch)- Mendham	0	Dec.8
k) BMS	Fitzgerald, Marianne	Next Generation Science Standards- N. Hunterdon HS	0	Dec. 17
l) BMS	Ryan, Suzanne	Barnabas Health Institute-"Self Harm and Suicide"- W.Orange	\$85.85	Jan. 15

m) BMS	Sands, Stephen	American Choral Dir Assoc Conf- Boston	\$640.00	Feb. 10-11
n) District	Ayers, Karen	Writing Legally Compliant IEPs- Manville	\$30.00	Jan. 21 AM
o) District	Esposito, Randy	PowerSchool Users Group- Rahway, NJ -- All AM mtgs	\$149.94	11/18, 12/16, 1/13, 2/10, 3/16, 4/20, 5/25
p) District	Esposito, Randy	PowerSchool NJ Conference - AC	\$680.00	Mar 14-16
q) District	Kolmer, Grant	Lesson Study at Madison School District	0	Dec. 9-AM
r) District	Kolmer, Grant	Northern NJ Math Supv. Mtg- Millburn	0	Dec. 11-PM

Action  
Resolution

3. HIB Report\*

Resolved, that the Somerset Hills Board of Education reviewed the Harassment, Intimidation, and Bullying cases presented on December 9, 2015 and upheld the findings and/or consequences recommended by the Superintendent.

Action  
Resolution

4. Approve Grade 5 Math Enrichment

Resolved, that the Somerset Hills Board of Education approve the following new Grade 5 Math Enrichment club at Bernardsville Middle School. The stipend is \$43 per hour.

**XII.**

Facilities & Operations\*

A. Committee Report & Discussion:

B. Action Items:

1. Approve Architectural Fees for Referendum Projects

Resolved, that the Somerset Hills Board of Education approve the fees for Parette Somjen Architects for the following projects and amounts:

Bedwell Bathrooms	\$46,000
Bernardsville Middle School Walkway	\$15,000
Bernards High New Library	\$161,650
Bernards High Special Education Classrooms/bathrooms	\$103,350
Bernards High Parking and Ramp	\$151,697

**XIII.**

Policy

A. Committee Report & Discussion:

B. Action Items:

Action  
Resolution

1. Second Reading and Adoption

Resolved, that the Somerset Hills Board of Education approve the second reading and adoption



of the following policies and regulations: (attachment)

Policy #	Title
a) P 7510	Use of School Facilities
b) R 7510	Use of School Facilities
c) R 7511	Use of Athletic Fields
d) P 8600	Transportation
e) R 8600	Transportation

**XIV.**

**Personnel\***

A. Committee Report & Discussion:

B. Action Items:

All personnel action is on the recommendation of the Superintendent.

Action

1. Accept Retirement

Resolution

Resolved, that the Somerset Hills Board of Education accept the retirement of the following employee:

Name	School	Position	Years of Service	Effective
Zonfrillo, Mary Joyce	Olcott	Assistant Board Secretary	25	1/31/16

Action

2. Accept Resignation

Resolution

Resolved, that the Somerset Hills Board of Education accept the resignation of the following employees:

Name	School	Position	Effective
Laraway, Rachel	BES	Special Education Paraprofessional	12/4/15

Action

3. Approve Co-Curricular Position

Resolution

Resolved, that the Somerset Hills Board of Education approve the following co-curricular position funded by the Municipal Alliance Grants for the 2015-2016 school year.

Co-Curricular Position	School	Stipend
After-school Math Lab	BMS	Club Rate: \$43/hour

Action

4. Approve Co-Curricular Positions

Resolution

Resolved, that the Somerset Hills Board of Education approve the following co-curricular positions for the 2015-2016 school year:

Name	School	Position	Stipend
a) LaChac, Luke	BMS	Writing Lab	\$43/hour
b) Jacobs, Heather	BMS	Writing Lab	\$43/hour
c) Habermas, Christopher	BMS	Peer Tutoring	\$43/hour
d) Liberatore, Samantha	BMS	Girls on Move/Too Smart to Start	\$43/hour
e) O'Halloran, Anne	BMS	Math Lab/Funded by the Municipal Alliance	\$43/hour
f) Barfuss, Cory	BHS	Boys Basketball	Volunteer
g) Koch, Kevin	BHS	Wrestling	Volunteer

Action 5. Approve Home Instructor

Resolution Resolved, that the Somerset Hills Board of Education approve the following home instructor for the 2015-2016 school year:

Name	Subject
Doumas, Paula	Elementary K-5 & Spanish

Action 6. Approve Student Teachers

Resolution Resolved, that the Somerset Hills Board of Education approve the following student teachers for the 2015-2016 school year:

Intern	School	Subject	Mentor	Date
a) Barrett, Thomas	BMS	Health & Exercise Science	Timothy Palek	March - May 2016
b) Fry, Laurence	BHS	English - Secondary Education	Heather Hunkele	January - May 2016

Action 7. Amend Student Teaching

Resolution Resolved, that the Somerset Hills Board of Education amend the following student teaching assignment for the 2015-2016 school year.

Name	Cooperating Teacher	School	Dates
Bale-Pena, Matthew	Joseph Milde & Philip Wilkinson	BHS & BES	Spring 2016

Action 8. Approve Translator

Resolution Resolved, that the Somerset Hills Board of Education approve the following district



translator for the 2015-2016 school year.

Name	Position	Stipend
Engelman, Amy	Translator	\$59.11/hour

**Action** 9. Approve Substitutes

**Resolution** Resolved, that the Somerset Hills Board of Education approve the following substitutes for the 2015-2016 school year.

Name	Substitute Position	Certification
a) Doumas, Paula	Teacher, Paraprofessional	Standard Certificate
b) Fischer, Taylor	Teacher, Paraprofessional	Substitute Credential
c) Barone, Peter	Bus Driver	CL
d) Longo, Joe	Bus Driver	CL
e) Reigert, Chuck	Bus Driver	CL
f) Zimmerman, Len	Bus Driver	CL
g) Mondey, Rod	Bus Driver	CL
h) Vonderschack, Carsten	Bus Driver	CL

**XV. Supplementary Matters**

**XVI. Public Questions & Comments**

**XVII. Adjournment**

**Resolutions:**

**\*Note:** The areas of permitted voting for the Bedminster district representative of the Board of Education are: 1) tuition charged by the sending district and bill lists or contracts to be used for the sending district's pupils; 2) new capital construction to be used by the sending district's pupils; 3) appointment, transfer or removal of teaching staff serving the sending district's pupils, including central administration; 4) addition or deletion of curricular or extracurricular programs involving the sending district's pupils.

**RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF \$5,829,000 AGGREGATE PRINCIPAL AMOUNT OF SCHOOL BONDS, SERIES 2016 OF THE BOARD OF EDUCATION OF THE SOMERSET HILLS REGIONAL SCHOOL DISTRICT IN THE COUNTY OF SOMERSET, NEW JERSEY, PROVIDING FOR THEIR SALE AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**

BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE SOMERSET HILLS REGIONAL SCHOOL DISTRICT IN THE COUNTY OF SOMERSET, NEW JERSEY AS FOLLOWS:

**SECTION 1.** The \$5,829,000 School Bonds, Series 2016 of The Board of Education of the Somerset Hills Regional School District in the County of Somerset, New Jersey (the "Board" when referring to the governing body and the "School District" when referring to the territorial boundaries governed by the Board) authorized by virtue of a proposal adopted by the Board on August 25, 2015, and approved by the affirmative vote of a majority of the legal voters present and voting at an annual School District election held on November 3, 2015 pursuant to N.J.S.A. 18A:24-1 et seq., as amended and supplemented, shall be issued as School Bonds (the "Bonds"). The Bonds shall mature in the principal amounts on September 15 in each of the years as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2017	\$250,000	2024	\$440,000
2018	260,000	2025	450,000
2019	370,000	2026	465,000
2020	385,000	2027	485,000
2021	395,000	2028	500,000
2022	410,000	2029	500,000
2023	425,000	2030	494,000

The Bonds shall be subject to optional redemption prior to maturity as set forth therein. The Bonds shall be fourteen (14) in number, with one certificate being issued for each year of maturity and shall be numbered SCH-1 to SCH-19 inclusive. The Bonds are entitled to the benefits of the New Jersey School Bond Reserve Act, 1980 N.J. Laws c. 72, as amended and supplemented.

**SECTION 2.** The Bonds will be issued in fully registered book-entry only form, without certificates. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Both principal of and interest on the Bonds will

be payable in lawful money of the United States of America. Each certificate will be registered in the name of and held by Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds (the "Securities Depository"). The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers of such beneficial interests. Individual purchases of the beneficial interests in the Bonds may be made in the principal amount of \$1,000 each or any integral multiple thereof with a minimum purchase of \$5,000 required, through book entries made on the books and the records of DTC and its participants.

Individual purchasers of the Bonds will not receive certificates representing their beneficial ownership interest in the Bonds, but each book-entry Bond owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Bonds purchased.

The Bonds will be dated their date of delivery and will bear interest from such date, which interest shall be payable, commencing September 15, 2016 and semi-annually thereafter on the fifteenth day of March and September in each year until maturity or prior redemption, at a rate or rates per annum, expressed in a multiple of one-eighth ( $1/8$ ) or one-twentieth ( $1/20$ ) of one per centum (1%), as proposed by the successful bidder in accordance with the Notice of Sale authorized and defined herein. The principal of and interest on the Bonds will be paid to the Securities Depository by the Board on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of DTC as of each next preceding September 1 and March 1 (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signature of the Board President under the official seal (or facsimile thereof) affixed, imprinted, engraved or reproduced thereon and attested by the manual signature of the Business Administrator/Board Secretary. The following matters are hereby determined with respect to the Bonds:

Date of Bonds:	Date of Delivery
Principal Payment Dates:	September 15, 2017 and each September 15 thereafter until maturity, or prior redemption
Interest Payment Dates:	Semiannually on each March 15 and September 15 of each year beginning September 15, 2016 until maturity, or prior redemption
Place of Payment:	Cede & Co., New York, New York

**SECTION 3.** The Bonds shall be substantially in the form set forth in Exhibit A attached hereto, with such additions, deletions and omissions as may be necessary for the Board to market the Bonds in accordance with the requirements of DTC.

**SECTION 4.** The Notice of Sale (the "Notice of Sale") and the Official Form of Proposal for Bonds shall be substantially in the form set forth in Exhibit B with such additions, deletions and omissions as may be necessary for the Board to market the Bonds in accordance with the requirements of DTC.

**SECTION 5.** The Bonds shall be sold upon receipt of electronic bids on January 20, 2016 at 11:00 a.m. by the Business Administrator/Board Secretary of the Board on i-Deal's Bidcomp®/PARITY® electronic competitive bidding system ("PARITY") in accordance with the Notice of Sale authorized herein. The use of the services provided by PARITY and the fees associated therewith are hereby approved. The Business Administrator/Board Secretary or Wilentz, Goldman & Spitzer, P.A., Bond Counsel ("Bond Counsel") is hereby authorized and directed to arrange for the publication of the Notice of Sale, such publication to be not less than seven (7) days prior to the date of sale, in summary form in The Bond Buyer, a nationally recognized local government bond marketing publication devoted to financial news and municipal bonds, and the full text of such Notice of Sale in the Courier News. The Board hereby delegates to and designates the Business Administrator/Board Secretary as the officer authorized to sell and to award the Bonds in accordance with the Notice of Sale authorized herein, and the Business Administrator/Board Secretary shall report in writing the results of the sale to this Board as required by law. **Furthermore, the Board hereby delegates to the Business Administrator/Board Secretary the authority to postpone and reschedule the sale of the Bonds, upon consultation with Bond Counsel, without readvertisement in accordance with the Notice of Sale authorized herein and to adjust the maturity schedule of the Bonds up to twenty-four (24) hours prior to the date of sale indicated herein, which adjustment shall not exceed ten percent (10%) of the principal amount of any maturity or in the aggregate, the overall issue.**

The Board President, the Business Administrator/Board Secretary, Bond Counsel, the Financial Advisor, Phoenix Advisors, LLC (the "Financial Advisor") and the Board

Attorney, are each hereby further authorized and directed to do and accomplish all matters and things necessary or desirable to effectuate the offering and sale of the Bonds.

**SECTION 6.** The Bonds shall have affixed thereto a copy of the written opinion with respect to the Bonds that is to be rendered by Bond Counsel to the Board.

**SECTION 7.** The Official Statement to be distributed in preliminary form on or about January 13, 2016 (the "Preliminary Official Statement"), prepared in connection with the offering and sale of the Bonds, is hereby "deemed final" for the purposes of Rule 15c2-12, as amended and supplemented (the "Rule") promulgated by the Securities and Exchange Commission pursuant to the provisions of the Securities and Exchange Act of 1934, as amended and supplemented, with the exception of certain information permitted to be omitted thereby and is hereby approved and authorized for the information of purchasers of the Bonds, with such changes and corrections not inconsistent with the substance thereof, including those required to reflect the effect of the sale of the Bonds, as are deemed necessary and advisable by the Business Administrator/Board Secretary in consultation with Bond Counsel.

**SECTION 8.** Bond Counsel is hereby authorized and directed to arrange for the printing of the Preliminary Official Statement and the Official Statement. Bond Counsel is hereby authorized and directed to arrange for the distribution of the Preliminary Official Statement on behalf of the Board to those financial institutions that customarily submit bids for such Bonds. The Board President or the Business Administrator/Board Secretary is hereby authorized and directed to deliver the Official Statement to the purchaser of the Bonds for its use in connection with the sale, resale and distribution of the Bonds, where and if applicable. Bond Counsel is hereby authorized and directed to prepare the Preliminary Official Statement and the Official Statement as necessary in connection with the issuance of the Bonds, and the Board President or the Business Administrator/Board Secretary is hereby authorized and directed to execute the Official Statement and any certificates necessary in connection with the distribution of the Official Statement. Bond Counsel is hereby further authorized and directed to arrange for the printing of the Bonds.

**SECTION 9.** The Board hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the Bonds, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds.

**SECTION 10.** The Business Administrator/Board Secretary, Bond Counsel, the Financial Advisor and the Board Attorney are hereby authorized and directed to make representations and warranties, to enter into agreements and to make all arrangements with DTC, as may be necessary in order to provide that the Bonds will be eligible for deposit with DTC and to satisfy any obligation undertaken in connection therewith.

**SECTION 11.** The Board reasonably expects to reimburse itself from the proceeds of the Bonds for certain costs of the school project paid prior to the issuance of



the Bonds. No funds from sources other than the Bonds have been or are reasonably expected to be reserved, allocated on a long-term basis or have otherwise been set aside by the Board, or any member of the same "Controlled Group" as the Board, within the meaning of Treasury Regulation Section 1.150-1(e), pursuant to their budget or financial policies with respect to any expenditures to be reimbursed. This Section 11 is intended to be and hereby is a declaration of the Board's official intent to reimburse any expenditures toward certain costs of the school project, as described above, to be incurred and paid prior to the issuance of the Bonds in accordance with Treasury Regulation Section 1.150-2, and no further action (or inaction) will be an abusive arbitrage device in accordance with Treasury Regulation Section 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements under Section 148 of the Code. The proceeds of the Bonds used to reimburse the Board for any expenditures toward certain costs of the school project to be financed by the Bonds will not be used directly or indirectly (i) to "refund" an issue of governmental obligations within the meaning of Treasury Regulation Section 1.150-1(d), (ii) to create or increase the balance in "replacement proceeds", within the meaning of Treasury Regulation Section 1.148-1 of the Bonds, or any other Bond issue, with respect to any obligation of the Board or to replace funds or (iii) to reimburse the Board for any expenditure or payment that was originally paid with the proceeds of any obligation of the Board (other than borrowing by the Board from one of its own funds or the funds of a member of the same "Controlled Group" within the meaning of Treasury Regulation Section 1.150-1(e)). The Bonds used to reimburse the Board for any expenditures toward certain costs of the school project, as described above, will be issued in an amount not to exceed \$1,000,000. The costs to be reimbursed with the proceeds of the Bonds will be "capital expenditures" in accordance with the meaning of section 150 of the Code and Treasury Regulation Section 1.150-1. This section shall take effect immediately, but will be of no effect with regard to expenditures for costs paid outside the permitted reimbursement period set forth in Treasury Regulation Section 1.150-2(d)(2).

**SECTION 12.** In the event that DTC may determine to discontinue providing its service with respect to the Bonds or is removed by the Board and if no successor securities depository is appointed, the Bonds which were previously issued in book-entry only form shall be converted to registered Bonds (the "Registered Bonds") in denominations of \$1,000, or any integral multiple thereof with a minimum purchase of \$5,000 required. The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The Board shall be obligated to provide for the execution and delivery of the Registered Bonds in certified form.

**SECTION 13.** The Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate (the "Certificate") which will set forth the obligation of the Board to file budgetary, financial and operating data and notices of certain enumerated events deemed material in accordance with the provisions of the Rule. The Business Administrator/Board Secretary is hereby authorized and directed to execute and deliver the Certificate evidencing the Board's undertaking with respect to the Rule. Notwithstanding the foregoing, failure of the Board to



comply with the Certificate shall not be considered a default on the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance to cause the Board to comply with its obligations hereunder.

**SECTION 14.** The Board President and the Business Administrator/Board Secretary are each hereby authorized and directed to determine all matters in connection with the issuance of the Bonds by the Board not determined by this or a subsequent resolution, all in consultation with Bond Counsel and the manual or facsimile signature of the Board President or the Business Administrator/Board Secretary upon any documents shall be conclusive as to all such determinations. The Board President and the Business Administrator/Board Secretary and any other Board representative, including but not limited to, Bond Counsel and the Board Attorney, are each hereby authorized and directed to take such actions or refrain from such actions as are necessary to consummate the transaction contemplated by the issuance of the Bonds by the Board and any and all such actions or inactions heretofore taken by the Board President and the Business Administrator/Board Secretary and any other Board representative, including, but not limited to Bond Counsel and the Board Attorney, are hereby ratified and confirmed. Wherever herein the Board President is authorized and directed to act or execute and deliver documents, including the Bonds, the Board Vice President is hereby authorized and directed to do same in the Board President's place.

**SECTION 15.** The Bonds will be designated as "qualified tax-exempt obligations" for purposes of section 265(b)(3)(B)(ii) of the Code.

**SECTION 16.** This resolution shall take effect immediately.