

**FREWSBURG CENTRAL SCHOOL  
BOARD OF EDUCATION  
Tuesday, April 18, 2017  
5:30 P.M.  
Mrs. O'Boyle's Office**

**AGENDA ADDENDUM**

**V. ACTIONS**

4. A RESOLUTION, DATED APRIL 18, 2017, SPECIFICALLY AUTHORIZING THE FREWSBURG CENTRAL SCHOOL DISTRICT, CATTARAUGUS AND CHAUTAUQUA COUNTIES, NEW YORK (THE "DISTRICT"), TO PARTICIPATE IN A PROGRAM THAT IS CURRENTLY BEING STRUCTURED AND IMPLEMENTED BY THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (THE "AUTHORITY") PURSUANT TO WHICH THE DISTRICT WILL BE ABLE TO SECURE PERMANENT FINANCING ARRANGEMENTS FOR CERTAIN OUTSTANDING SHORT-TERM OBLIGATIONS OF THE DISTRICT, AND FURTHER SPECIFICALLY AUTHORIZING THE DISTRICT (ACTING THROUGH THE PRESIDENT OF ITS BOARD OF EDUCATION) TO ENTER INTO, DELIVER AND PERFORM (A) A FINANCING AGREEMENT (INCORPORATING A PROPOSED FINANCIAL PLAN) WITH THE AUTHORITY AND (B) ALL OTHER REASONABLY NECESSARY AND RELATED DOCUMENTS REQUIRED TO BE EXECUTED AND DELIVERED BY THE DISTRICT IN CONNECTION WITH SUCH PROGRAM.

**WHEREAS**, the Frewsburg Central School District, Cattaraugus and Chautauqua Counties, New York (the "District") heretofore issued its \$1,981,628 Bond Anticipation Note, 2016 (the "Prior Note") to finance the reconstruction and renovation of, and the construction of various improvements and upgrades to, the District's R. H. Jackson Elementary School and the site thereof (the "Project"); and

**WHEREAS**, the Prior Note remains outstanding pending the entry by the District into arrangements for the permanent financing of the Project that was temporarily financed by the Prior Note; and

**WHEREAS**, the Prior Note was issued by the District pursuant to a bond resolution that was adopted by the Board of Education of the District (the "Board") on December 13, 2012 (the "Bond Resolution"); and

**WHEREAS**, the Bond Resolution provides that, subject to certain provisions of statutory law, the powers and duties of the Board relative to prescribing the terms, form and contents and details as to the sale and issuance of the bonds authorized by the Bond Resolution are delegated to the President of the Board, as the chief fiscal officer of the District (the “President”) or, under certain circumstances, the Vice President of the Board; and

**WHEREAS**, the Bond Resolution remains in full force and effect and has not been amended, modified or revoked; and

**WHEREAS**, Chapter 383 of the Laws of 2001 (the “Act”) significantly altered the method and timing whereby building aid from the State of New York (the “State”) is to be paid to the District; and

**WHEREAS**, the Act contemplates and permits the participation of individual school districts in a program for pooled financing of their outstanding indebtedness through the issuance of bonds by such school districts directly to the Dormitory Authority of the State of New York (the “Authority”), in connection with the contemporaneous issuance of bonds by the Authority to the public; and

**WHEREAS**, school districts electing to participate in such program are able to obtain, pursuant to the Act, the assurance of the State Education Department that they will receive building aid for all of the interest that they pay on the bonds that they issue to the Authority; and

**WHEREAS**, the Authority duly adopted, on May 29, 2002, its Master School Districts Financing Program Revenue Bond Resolution (the “Master Resolution”), and on one or more dates subsequent thereto duly adopted its Series Resolutions authorizing multiple series of its School Districts Revenue Bond Financing Program Revenue Bonds (the “Authority Bonds”); and

**WHEREAS**, the Authority has deemed it necessary and in keeping with its purposes to issue, under the Master Resolution and the applicable Series Resolution, the Authority Bonds therein authorized for the purpose of lending to certain school districts as defined in the Act funds sufficient to (a) finance or refinance the costs of certain capital projects undertaken by such school districts, and (b) pay the costs of issuance of the bonds to be issued by the Authority; and

**WHEREAS**, the District has requested the Authority to finance or refinance the Project, and the Authority has agreed, on the basis of certain representations and warranties to be made by the District, to make a loan or loans to the District to currently refund the Prior Note of the District; and

**WHEREAS**, the District desires to receive a loan or loans from the Authority upon substantially the terms and conditions set forth in the Financing Agreement between the Authority and the District (a copy of which has been presented to the Board and by this reference is incorporated herein) (the “Financing Agreement”), and has authorized the execution and delivery of bonds of the District payable to the Authority (the “School District Bonds” or the “Bonds”) to evidence its obligation to repay such loan or loans; and

**WHEREAS**, the Authority has authorized the issuance of the Authority Bonds pursuant to the Master Resolution and the applicable Series Resolution, a portion of the proceeds of which are to be applied for purposes of making a loan or loans to the District; and

**WHEREAS**, the Authority Bonds are to be special obligations of the Authority payable solely from the revenues or other receipts, funds or moneys to be derived by the Authority under or pursuant to the Financing Agreement and from other revenues pledged and available therefor under the Master Resolution and the Series Resolution; and

**WHEREAS**, pursuant to the Financing Agreement the District will deliver its School District Bonds to the Authority and pledge to the Authority, to secure the payments to be made by the District under the Financing Agreement, a sufficient portion of any and all public funds to be apportioned or otherwise made available by the State of New York to the District;

**NOW, THEREFORE, BE IT RESOLVED**, by the Board (by the favorable vote of not less than two-thirds of all the members of the Board) as follows:

SECTION 1. For the purpose of currently refunding the Prior Note (or other bond anticipation notes of the District to be issued in contemplation or replacement thereof), and generating moneys which shall be sufficient to pay (A) the principal amount of the Prior Note (or such other notes), (B) the costs and expenses incidental to the issuance of the School District Bonds herein authorized and the Authority Bonds which they support, including, but not limited to, the District's proportionate share of the fees and costs of the Authority incurred in connection with the issuance of the Authority Bonds (including, without limitation, the compensation payable to the underwriter of the Authority Bonds), (C) the fees and costs of the financial advisory and bond counsel firms retained by the District in connection with the issuance of the School District Bonds, and (D) all other fees and costs of issuance associated with the issuance of the Authority Bonds and the School District Bonds, there are hereby specifically authorized to be issued by the District the School District Bonds, as contemplated by the Financing Agreement, in an aggregate principal amount not to exceed \$10,000,000, with the precise final amount to be determined by the President of the Board (acting on the advice of the District's financial advisory firm) and included in the Financing Agreement. The Bonds shall be dated on or about June 8, 2017, shall be of the denomination of \$5,000 or any integral multiple thereof not exceeding the principal amount of each respective maturity (unless a bond of odd denomination is required), and shall mature and shall bear interest on such dates as are set forth in a Notice of Terms that is to be delivered by the Authority to the District, a form of which is attached as Exhibit I to the Financing Agreement (the "Notice of Terms").

SECTION 2. The School District Bonds shall be executed in the name of the District by the manual or facsimile signature of the President of the Board, and a facsimile of the District's seal shall be imprinted thereon and attested by the District Clerk. The School District Bonds shall contain the recital of validity clause provided for in Section 52.00 of the Local Finance Law and shall otherwise be in such form and contain such recitals, as the President of the Board shall determine.

SECTION 3. A Financial Plan showing the estimated details of the proposed issuance of the Authority Bonds and the School District Bonds will be prepared by the underwriter retained

by the Authority (the "Financial Plan"). The Financial Plan will show the estimated sources, amounts and uses of all funds required to accomplish such transaction. The Financial Plan will be prepared based upon the assumption that the School District Bonds will be issued in the aggregate principal amount of not more than \$10,000,000 and that the School District Bonds will be issued in such amount, will mature, will be of such terms, and will bear interest as set forth in the final Notice of Terms that is to be approved by the President of the Board in accordance with this transaction. The President of the Board is hereby authorized and directed to determine (or adjust) the amount of the Prior Note (or any replacement notes) to be refunded, the amount of the School District Bonds to be issued, the date of such School District Bonds and the date of issue, maturities and terms thereof, the provisions relating to any redemption of the School District Bonds prior to maturity, whether the School District Bonds will be insured by a policy or policies of municipal bond insurance or otherwise enhanced by a credit enhancement facility or facilities, the terms of the private sale of the Bonds to the Authority, including the form, terms and conditions of the Financing Agreement providing for the sale of the School District Bonds, and all powers in connection therewith are hereby delegated to the President of the Board; provided, that the terms of the School District Bonds to be issued, including the rate or rates of interest borne thereby, shall comply with the requirements of any applicable law. The President of the Board shall file a copy of the certificate determining the final details of the School District Bonds and the final Financial Plan with the District Clerk not later than ten (10) days after the delivery of the Bonds, as herein provided.

SECTION 4. The President of the Board is hereby delegated all powers of this Board with respect to agreements for credit enhancement, derived from and pursuant to Section 168.00 of the Local Finance Law, for the School District Bonds, including, but not limited to the determination of the provider of such credit enhancement facility or facilities and the terms and contents of any agreement or agreements related thereto. The faith and credit of the District are hereby irrevocably pledged for the payment of the principal of and interest on the School District Bonds as the same respectively become due and payable. An annual appropriation shall be made in each year sufficient to pay the principal of and interest on the School District Bonds becoming due and payable in such year. There shall annually be levied on all the taxable real property of the District a tax sufficient to pay the principal of and interest on the School District Bonds as the same become due and payable.

SECTION 6. The Board hereby approves and directs execution and delivery (by the President of the Board, acting on behalf of the District) of the Financing Agreement, the School District Bonds, the Letter of Representation, the Continuing Disclosure Agreement, the Arbitrage and Use of Proceeds Certificate (all as defined in the Financing Agreement) and any and all other agreements, certificates or other documents contemplated by the Financing Agreement (collectively, the "Agreements") in order to provide for the permanent financing of all or a portion of the Prior Note (or any notes issued in contemplation or replacement thereof) as may be required by the Authority. The President of the Board is authorized and directed to execute such other documents, and take such other actions, as are necessary or appropriate to refinance all or a portion of the Prior Note (or any notes issued in contemplation or replacement thereof) through the Authority and to perform the District's obligations under the Agreements (if applicable). The President's execution and delivery of any such documents prior to the date hereof is hereby ratified, approved and adopted.

SECTION 7. The President of the Board is further authorized to take such actions and execute such documents as may be necessary to ensure (if applicable) the continued status of the interest on the School District Bonds as excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (if applicable) to designate the School District Bonds authorized by this resolution as "qualified tax-exempt obligations" in accordance with Section 265 of the Code.

SECTION 8. In the absence or unavailability of the President of the Board, the Vice President of the Board is hereby specifically authorized to exercise the powers delegated to the President of the Board in this resolution.

SECTION 9. The District hereby determines that the issuance of the School District Bonds is a Type II action that will not have a significant effect on the environment and, therefore, no other determination or procedures under the State Environmental Quality Review Act ("SEQR") is required.

SECTION 10. The President of the Board and the District Clerk are hereby authorized and directed for and on behalf of the District to execute and deliver all certificates and other documents, perform all acts and do all things required or contemplated to be executed, performed or done by this resolution or any document or agreement approved or contemplated hereby, including, but not limited to, the Financing Agreement, the other Agreements, and all documents defined therein or contemplated thereby.

SECTION 11. All other matters pertaining to the terms and issuance of the School District Bonds shall be determined by the President of the Board and all powers in connection therewith are hereby delegated to the President of the Board.

SECTION 12. Except to the extent modified by this resolution, the Bond Resolution is hereby confirmed and ratified in all respects.

SECTION 13. This resolution shall take effect immediately upon its adoption.

5. Commitment Statement- BOCES Services 2017-2018

**WHEREAS**, the Board of Education of the Frewsburg Central School District has reviewed the Commitment Statement from Erie 2- Chautauqua-Cattaraugus BOCES for services to be provided during the 2017-2018 school year, and

**WHEREAS**, the Board of Education of the Frewsburg Central School District agrees that such services are required to complement the existing educational program therefore,

**BE IT RESOLVED**, that the services to be provided and the cost proration are acceptable to this district (**See attachment III- Board and Administration Only**)