

INTEROFFICE CORRESPONDENCE
Los Angeles Unified School District
Accounting and Disbursements Division

TO: Jefferson Crain
Executive Officer of the Board

DATE: August 28, 2020

FROM: V. Luis Buendia 
Deputy Chief Financial Officer

SUBJECT: MEETINGS FOR THE LAUSD FINANCING CORPORATION AND THE LAUSD ADMINISTRATION BUILDING FINANCE CORPORATION

Please schedule the annual meetings for the LAUSD Financing Corporation and the LAUSD Administration Building Finance Corporation after the regular LAUSD Board of Education meeting on September 15, 2020.

- I. The following items are being requested for approval:
 1. Appointment of Officers for each Corporation
 2. Resolution of the Board of Directors of the LAUSD Financing Corporation authorizing the preparation and sale of not to exceed \$31,000,000 aggregate principal amount of Refunding Certificates of Participation, 2020 Series A

- II. Attached are the following documents:
 1. Agenda for the LAUSD Financing Corporation
 2. Minutes of the last meeting of the LAUSD Financing Corporation
 3. Resolution of the Board of Directors of the LAUSD Financing Corporation authorizing the preparation and sale of Refunding Certificates of Participation, 2020 Series A
 4. Agenda for the LAUSD Administration Building Finance Corporation
 5. Minutes of the last meeting of the LAUSD Administration Building Corporation
 6. A script for the two meetings

If you have any questions, please call Timothy S. Rosnick at (213) 604-1090.

c: David Holmquist
Pedro Salcido
Patricia Chambers
Megan K. Reilly
David D. Hart
Timothy S. Rosnick
Michelle Issa

SCRIPTS FOR THE TWO ANNUAL MEETINGS

For LAUSD Financing Corporation

The Executive Officer of the Board of Education will call for adjournment of the Board of Education meeting.

The Executive Officer of the Board of Education will then call to order the Board of Directors of LAUSD Financing Corporation, take a roll call of the Board of Directors, and refer to the Agenda (see below).

LAUSD Financing Corporation
September 15, 2020

- I. Call to Order
- II. Approval of Prior Meeting Minutes
- III. Appointment, Designation and Ratification of Officers
- IV. Approval of a Resolution of the Board of Directors of the LAUSD Financing Corporation authorizing the preparation and sale of not to exceed \$31,000,000 aggregate principal amount of Refunding Certificates of Participation, 2020 Series A in one or more series and authorizing and directing certain other actions in connection therewith
- V. Adjournment

Once roll call is complete, the Executive Officer of the Board of Education calls for any public comments. Once public comments are completed, the Executive Officer of the Board calls for the approval of prior meeting minutes. Once the minutes are adopted, the Executive Officer of the Board will tell the Board that the purpose of the Corporation is to assist in the District's Certificates of Participation (COPs) financing; the role of the Corporation is ministerial; there is no other significant business undertaken by the Board of Directors.

The Executive Officer of the Board then indicates that the first order of business for the meeting is the election of officers by the Board of Directors, as required under the Corporation's Bylaws.

The Executive Officer of the Board should indicate that the officers are to be as follows (you should insert the correct names):

President of the Corporation shall be the current President of the Board of Education (Dr. Richard Vladovic)

Vice President of the Corporation shall be the current Vice President of the Board of Education (Ms. Jackie Goldberg)

Treasurer of the Corporation shall be the current Chief Financial Officer of the District (Mr. David D. Hart)

Secretary of the Corporation shall be the current Controller of the District (Ms. Joy Mayor)

The Executive Officer of the Board of Education calls for a motion for the Board of Directors to approve the Officers; motion should be seconded, the vote taken and recorded.

The Executive Officer of the Board then indicates that the second order of business for the meeting is approval of a Resolution of the Board of Directors of the LAUSD Financing Corporation authorizing the preparation and sale of not to exceed \$31,000,000 aggregate principal amount of Refunding Certificates of Participation, 2020 Series A in one or more series and authorizing and directing certain other actions in connection therewith

The Executive Officer of the Board of Education calls for a motion for the Board of Directors to approve the Resolution; motion should be seconded, the vote taken and recorded.

The Executive Officer of the Board of Education calls for the meeting to be adjourned.

For LAUSD Administration Building Finance Corporation

The Executive Officer of the Board of Education will then call to order the Board of Directors of LAUSD Administration Building Finance Corporation, take a roll call of the Board of Directors and refer to the Agenda (see below).

LAUSD Administration Building Finance Corporation
September 15, 2020

- I. Call to Order
- II. Approval of Prior Meeting Minutes
- III. Appointment, Designation and Ratification of Officers
- IV. Adjournment

Once roll call is complete, the Executive Officer of the Board of Education calls for any public comments. Once public comments are completed, the Executive Officer of the Board calls for the approval of prior meeting minutes. Once the minutes are adopted, the Executive Officer of the Board will tell the Board that the purpose of the Corporation is to assist in the District's COPs financings related to the Beaudry headquarters facility only; the role of the Corporation is ministerial; there is no other significant business undertaken by the Board of Directors.

The Executive Officer of the Board then indicates that the first order of business for the meeting is the election of officers by the Board of Directors, as required to be done under the Corporation's Bylaws.

The Executive Officer of the Board should indicate that the officers are to be as follows (you should insert the correct names):

President of the Corporation shall be the current President of the Board of Education (Dr. Richard Vladovic)

Vice President of the Corporation shall be the current Vice President of the Board of Education (Ms. Jackie Goldberg)

Treasurer of the Corporation shall be the current Chief Financial Officer of the District (Mr. David D. Hart)

Secretary of the Corporation shall be the current Controller of the District (Ms. Joy Mayor)

The Executive Officer of the Board of Education then calls for a motion for the Board of

Directors to approve the Officers; motion should be seconded, the vote taken and recorded.

The Executive Officer of the Board of Education calls for the meeting to be adjourned.

LAUSD FINANCING CORPORATION

MEETING AGENDA

Board Room
333 S. Beaudry Ave., Los Angeles
September 15, 2020
4:00 p.m.

- I. Call to Order.
- II. Approval of prior meeting minutes.
- III. Appointment, Designation and Ratification of Officers.
- IV. Approval of a Resolution of the Board of Directors of the LAUSD Financing Corporation authorizing the preparation and sale of not to exceed \$31,000,000 aggregate principal amount of Refunding Certificates of Participation, 2020 Series A in one or more series and authorizing and directing certain other actions in connection therewith.
- V. Adjournment.

Requests for disability related modifications or accommodations shall be made 24 hours prior to the meeting to the Board Secretariat in person or by calling (213) 241-7002.

Individuals wishing to speak at the Finance Corporation meeting must sign up at the meeting. There will be no sign ups in advance of the meeting. Speakers must sign up prior to the item being acted upon by the Corporation board.

If you or your organization is seeking to influence an agreement, policy, site selection or any other LAUSD decision, registration may be required under the District's Lobbying Disclosure Code. Please visit www.lausd.net/ethics to determine if you need to register or call (213) 241-3330.

Materials related to an item on this Agenda are available for public inspection at the Security Desk on the first floor of the Administrative Headquarters.

Items circulated after the initial distribution of materials are available for inspection at the Security Desk.

MINUTES OF THE
ANNUAL ORGANIZATIONAL MEETING OF THE
LAUSD FINANCING CORPORATION

September 3, 2019

The annual meeting of the Board of Directors of the LAUSD Financing Corporation was called to order on Tuesday, September 3, 2019 at 7:10 p.m. at the Los Angeles Unified School District, 333 South Beaudry Avenue, Los Angeles, California.

The following directors were present: Ms. Jackie Goldberg, Ms. Kelly Gonez, Dr. George McKenna, Mr. Nick Melvoin, Mr. Scott Schmerelson, and Dr. Richard Vladovic.

PUBLIC COMMENTS

David Tokofsky, in support of the School Finance Authority, stated the organization exists to pass school bonds and to put things in the land bank. He further stated that if there are no money in a new bond, then campaigning should be started.

APPROVAL OF PRIOR MINUTES

Ms. Gonez moved the approval of the minutes taken at the last corporation's meeting on September 11, 2018.

Dr. McKenna seconded the motion, which was adopted by general consent.

APPOINTMENT, DESIGNATION AND RATIFICATION OF OFFICERS

Ms. Gonez moved the approval of the Officers of the LAUSD Financing Corporation:

The President of the LAUSD Board of Education, Dr. Richard Vladovic was appointed President of the LAUSD Financing Corporation. The Vice President of the LAUSD Board of Education, Ms. Jackie Goldberg was appointed Vice President of the LAUSD Financing Corporation. The Treasurer shall be the Chief Financial Officer of the District, (to be determined) and the Secretary shall be the Controller of the District, Mr. Luis Buendia.

Mr. Melvoin seconded the motion, which was adopted by general consent.

ADJOURNMENT

On the motion by Ms. Goldberg seconded by Ms. Gonez the meeting was adjourned by general consent at 7:10 p.m.

RESOLUTION

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAUSD FINANCING CORPORATION AUTHORIZING THE PREPARATION AND SALE OF NOT TO EXCEED \$31,000,000 AGGREGATE PRINCIPAL AMOUNT OF REFUNDING CERTIFICATES OF PARTICIPATION, 2020 SERIES A IN ONE OR MORE SERIES AND AUTHORIZING AND DIRECTING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Los Angeles Unified School District (the “District”) is a school district organized and existing under and pursuant to the Constitution and laws of the State of California (the “State”); and

WHEREAS, the LAUSD Financing Corporation is a nonprofit public benefit corporation (the “Corporation”) duly organized and existing under the laws of the State, including, without limitation, the Nonprofit Public Benefit Corporation Law (Sections 5110 et. seq. of the State Corporations Code), with the authority to provide financial assistance to the District by acquiring, constructing, remodeling, rehabilitating, equipping, improving and financing various public facilities, land and equipment, and by leasing certain facilities, land and equipment for the use, benefit and enjoyment of the public served by the District, as well as any other purpose incidental thereto; and

WHEREAS, the Corporation and the District previously entered into a Lease Agreement, dated as of December 1, 2010 (the “Prior Lease Agreement”), for the purpose of financing the costs of the acquisition, construction and improvement of certain equipment and capital improvements for the District (the “2010 Project”); and

WHEREAS, in order to finance the 2010 Project, the District caused to be executed and delivered the Certificates of Participation 2010 Series B-1 (Federally Taxable Direct Pay Build America Bonds) (Capital Projects I) and Certificates of Participation 2010 Series B-2 (Tax-Exempt) (Capital Projects I) (collectively, the “Prior Certificates”); and

WHEREAS, the District previously entered into the 2013 Lease Agreement, dated as of June 1, 2013, by and between the District and the Corporation (the “2013 Lease Agreement”) for the purpose of refinancing the costs of the acquisition, construction and improvement of certain equipment and capital improvements for the District (the “2013 Project”); and

WHEREAS, the District has determined that refinancing the costs of the acquisition, construction and improvement of the 2010 Project and the 2013 Project by prepaying the base rental payments becoming due under the Prior Lease Agreement and 2013 Lease Agreement, respectively, and defeasing and refunding the Prior Certificates is in the best interests of the Corporation, the District and citizens of the District and to authorize the preparation, sale, execution and delivery of Refunding Certificates of Participation, 2020 Series A in one or more series (with such other or additional series designations as may be approved by the District) in an aggregate principal amount not to exceed \$31,000,000 (the “Certificates”) pursuant to the terms of the Trust Agreement (the “Trust Agreement”) by and among the District, the Corporation and

The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), which Certificates shall evidence the proportionate interests in the lease payments and prepayments to be made by the District to refinance the costs of the 2010 Project and the 2013 Project; and

WHEREAS, the District and the Corporation desire to facilitate the refinancing of the 2010 Project and the 2013 Project by entering into the Site Lease (the “Site Lease”), by and between the District and the Corporation, pursuant to which the District will lease to the Corporation real property to be designated in the Site Lease, together with the facilities and improvements thereon (collectively, the “Property”); and

WHEREAS, the District and the Corporation propose to enter into the Lease Agreement (the “Lease Agreement”), by and between the District and the Corporation, pursuant to which the Corporation will sublease the Property to the District and the District will pay lease payments to be evidenced and represented by the Certificates; and

WHEREAS, the Corporation desires to assign without recourse certain of its rights under the Site Lease and the Lease Agreement, including all of its rights to receive the lease payments scheduled to be paid by the District pursuant to the Lease Agreement, to the Trustee for the benefit of the owners of the Certificates pursuant to an Assignment Agreement (the “Assignment Agreement”), by and between the Corporation and the Trustee; and

WHEREAS, the District and the Corporation propose to sell the Certificates pursuant to a negotiated public offering pursuant to a Contract of Purchase (the “Contract of Purchase”) to be entered into with UBS Financial Services Inc. (the “Underwriter”); and

WHEREAS, the Corporation desires to approve the forms of certain of the financing documents to be executed and delivered by it in connection with the sale and delivery of the Certificates; and

WHEREAS, the Corporation has determined that it may be in the best interests of the Corporation and the District to obtain credit enhancement and such other insurance policies or surety as may be necessary to improve the marketability of the Certificates; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate its role in such financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, the Board of Directors of the LAUSD Financing Corporation (the “Board of Directors”) does hereby resolve as follows:

SECTION 1. Findings. The Board of Directors hereby specifically finds and declares that the above recitals are true and correct and that the statements, findings and determinations of the Corporation set forth in the preambles of the documents approved herein are true and correct.

The Board of Directors hereby declares its intention of entering into the Lease Agreement, the Site Lease and the Assignment Agreement.

SECTION 2. Authorization of Certificates. The Board of Directors hereby authorizes the preparation, sale, execution and delivery of the Certificates, in one or more series, in an aggregate principal amount not to exceed \$31,000,000, the interest with respect to which shall be evidenced at rates not to exceed the maximum rate permitted by law and in accordance with the terms and provisions of the Trust Agreement. The proceeds of the sale of the Certificates will be used to (i) prepay the Prior Certificates and the 2013 Lease Agreement and (ii) pay costs of sale, execution and delivery of the Certificates, including the costs of any credit enhancement and such other insurance policy. The Certificates shall be designated as “Refunding Certificates of Participation, 2020 Series A” with such other or additional designations as may be approved in accordance with Section 10 of this Resolution.

SECTION 3. Lease Agreement. The form of the Lease Agreement presented to this meeting and on file with the Secretary of the Corporation (the “Secretary”) is approved with a term not to exceed 30 years. Each of the Treasurer of the Corporation, the Secretary, and the authorized designees of such officers (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District said Lease Agreement. The Lease Agreement shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 4. Trust Agreement. The form of the Trust Agreement presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District and the Trustee said Trust Agreement. The Trust Agreement shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 5. Site Lease. The form of the Site Lease presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the District said Site Lease. The Site Lease shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. Assignment Agreement. The form of the Assignment Agreement presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the Trustee said Assignment. The Assignment shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. Contract of Purchase. The form of the Contract of Purchase presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to sell the Certificates by a negotiated public offering to the Underwriter and to execute and deliver to the District and the Underwriter. Said Contract of Purchase shall be executed in substantially the form hereby approved, with such additions thereto and changes therein as are approved by any such Authorized Officer, acting singly, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 8. The Official Statement in preliminary form relating to the Certificates (the "Official Statement") presented to this meeting and on file with the Secretary is approved. Each of the Authorized Officers, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to approve the Official Statement in substantially said form, and any amendments or supplements to the preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable.

SECTION 9. Attestations. Each of the Authorized Officers are hereby authorized and directed to attest to the signature of the other Authorized Officer and any other persons as may have been designated by the President or Vice President of the Corporation are hereby authorized and directed to attest to the signatures of the Authorized Officers, as may be required or appropriate in connection with the execution and delivery of the Lease Agreement, the Site Lease and the Assignment Agreement.

SECTION 10. Other Actions. Pursuant to the Bylaws of the Corporation, the President, Vice President, Treasurer, Secretary and such other officers of the Corporation are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to consummate the sale and delivery of the Certificates and otherwise to carryout, give effect to and comply with the terms and intent of this Resolution, the Certificates, the Site Lease, the Lease Agreement, the Trust Agreement, the Assignment Agreement and the Contract of Purchase, including but not limited to any certificates, and the purposes for which the Corporation was formed, and such actions previously taken by such officers and all other officers and agents of the Board of Directors with respect to the Certificates are hereby ratified, confirmed and approved.

SECTION 11. Effect. This Resolution shall take effect from and after its date of adoption.

ADOPTED AND APPROVED this ____ day of September, 2020 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

President
LAUSD Financing Corporation

I hereby certify that the foregoing resolution was duly introduced, passed and adopted at the time and place and by the vote as noted above.

Secretary
LAUSD Financing Corporation

LAUSD ADMINISTRATION BUILDING FINANCE CORPORATION

MEETING AGENDA

Board Room
333 S. Beaudry Ave., Los Angeles
September 15, 2020
4:00 p.m.

- I. Call to Order.
- II. Approval of prior meeting minutes.
- III. Appointment, Designation and Ratification of Officers.
- IV. Adjournment.

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MINUTES OF THE
ANNUAL ORGANIZATIONAL MEETING OF THE
LAUSD ADMINISTRATION BUILDING FINANCE CORPORATION

September 3, 2019

The annual meeting of the Board of Directors of the LAUSD Administration Building Finance Corporation was called to order on Tuesday, September 3, 2019 at 7:10 p.m. at the Los Angeles Unified School District, 333 South Beaudry Avenue, Los Angeles, California.

The following directors were present: Ms. Jackie Goldberg, Ms. Kelly Gonez, Dr. George McKenna, Mr. Nick Melvoin, Mr. Scott Schmerelson, and Dr. Richard Vladovic.

PUBLIC COMMENTS

David Tokofsky, in support of the School Finance Authority, stated the organization exists to pass school bonds and to put things in the land bank. He further stated that if there are no money in a new bond, then campaigning should be started.

APPROVAL OF PRIOR MINUTES

Ms. Gonez moved the approval of the minutes taken at the last corporation's meeting on September 11, 2018.

Dr. McKenna seconded the motion, which was adopted by general consent.

APPOINTMENT, DESIGNATION AND RATIFICATION OF OFFICERS

Ms. Gonez moved the approval of the Officers of the LAUSD Financing Corporation:

The President of the LAUSD Board of Education, Dr. Richard Valdovic was appointed President of the LAUSD Financing Corporation. The Vice President of the LAUSD Board of Education, Ms. Jackie Goldberg, was appointed Vice President of the LAUSD Financing Corporation. The Treasurer shall be the Chief Financial Officer of the District, (to be determined) and the Secretary shall be the Controller of the District, Mr. Luis Buendia.

Mr. Melvoin seconded the motion, which was adopted by general consent.

ADJOURNMENT

On the motion by Ms. Goldberg, seconded by Ms. Gonez, the meeting was adjourned by general consent at 7:14 p.m.