

EXCERPT FROM THE REGULAR MEETING
OF THE BOARD OF EDUCATION OF
AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2

The Board of Education (the “Board”) of Aztec Municipal School District No. 2 (the "District"), in San Juan County, and State of New Mexico, met in regular open session in full conformity with law and the rules and regulations of the Board, at the Board Room of the District Central Office Building, 1118 W. Aztec Boulevard, Aztec, New Mexico 87410, at the hour of 6:00 p.m., on the 14th day of August, 2025, at which meeting there were present and answering the roll call the following:

Present:	President:	_____
	Vice President:	_____
	Secretary:	_____
	Members:	_____

Absent:		_____

Also Present:		_____

The following resolution was then introduced for consideration by the Board:

AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2
SAN JUAN COUNTY, NEW MEXICO

RESOLUTION

RESOLUTION DETERMINING THE NECESSITY FOR ENTERING INTO A TAXABLE LEASE PURCHASE ARRANGEMENT OF EDUCATION TECHNOLOGY AND NOTE FOR EDUCATION TECHNOLOGY EQUIPMENT; ESTIMATING THE COST OF THE EDUCATION TECHNOLOGY EQUIPMENT; PROVIDING A STATEMENT OF THE SOURCE OF FUNDS FOR LEASE PURCHASE PAYMENTS; ESTIMATING THE TAX RATE AND DIRECTING THE DISTRICT'S MUNICIPAL ADVISOR AND BOND COUNSEL TO PREPARE A LEASE PURCHASE ARRANGEMENT FOR THE DISTRICT'S ACQUISITION OF CERTAIN EDUCATIONAL TECHNOLOGY EQUIPMENT; AND ESTABLISHING THE DATE FOR A MEETING TO CONSIDER A RESOLUTION GRANTING FINAL APPROVAL OF THE LEASE PURCHASE OF EDUCATION TECHNOLOGY EQUIPMENT IN AN AGGREGATE PRINCIPAL AMOUNT OF \$7,200,000.

WHEREAS, the Board of Education of the Aztec Municipal School District No. 2 ("Board" and "District" respectively), San Juan County, New Mexico has determined it is in the best interest of the District to acquire education technology equipment by entering into a taxable lease purchase arrangement (the "Lease Purchase Arrangement") and taxable note (the "Note") under the Education Technology Equipment Act, NMSA 1978, Sections 6-15A-1 to 6-15A-16 ("Education Technology Equipment Act") and the Public Securities Short-Term Interest Rate Act, NMSA 1978, Sections 6-18-1 through 6-18-16 (the Public Securities Short-Term Interest Rate Act, and together with the Education Technology Equipment Act, the "Act"); and

WHEREAS, the Board has been provided adequate information regarding the necessity to issue the Note and enter into a lease purchase arrangement, pursuant to the Act, to lease purchase an amount not to exceed \$7,200,000 of certain education technology equipment and to pay the costs related to the financing of such Taxable Note and Lease Purchase Arrangement; and

WHEREAS, the Board desires to have its Municipal Advisor, RBC Capital Markets, LLC, and Bond Counsel, Modrall, Sperling, Roehl Harris & Sisk, PA, draft and assemble the necessary documentation for a lease purchase arrangement transaction so as to allow the District to receive the education technology equipment as soon as possible; and

WHEREAS, the District has given notice of the proposed Note and Lease Purchase Arrangement to the School Budget Planning and Finance Analysis Unit of the New Mexico Public Education Department pursuant to Section 6-15A-4 of the Act; and

WHEREAS, the Board desires to authorize the appropriate officers, employees and agents of the District and the District's Municipal Advisor and Bond Counsel to take any

action necessary to enable the District to enter into the lease purchase arrangement on or about October 22, 2025.

THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE AZTEC MUNICIPAL SCHOOL DISTRICT THAT:

Section 1. The Board has determined and does determine that there is a necessity to enter into a lease purchase arrangement for the lease purchase of educational technology equipment at an estimated cost of \$7,200,000.

Section 2. The District's staff, Municipal Advisor and Bond Counsel are hereby authorized and directed to take all actions necessary so that the actions of the Board relating to the lease purchase arrangement may be considered by the Board on September 11, 2025. The District ratifies all action previously taken with respect to the lease purchase arrangement.

Section 3. It is the present intention of the Board that the lease purchase arrangement contemplated hereby, be structured pursuant to the recommendations of the District's Municipal Advisor. The Municipal Advisor's preliminary structure is attached hereto as Exhibit A.

Section 4. A summary of the lease purchase arrangement, to be reviewed and utilized by the Board is attached as Exhibit B.

Section 5. The Board hereby identifies as the source of funds for the payments required on the Note and Lease Purchase Arrangement as proceeds of property (ad valorem) taxes levied on all property included within the District without limitation as to rate or amount, or other funds in the District's general fund. The Board hereby determines that the tax levy of \$10.128 mills is levied to pay the required payments of principal and interest pursuant to the lease purchase arrangement. The estimate is subject to adjustment or change. The District reserves the right in the best interest of the District and to assure that adequate funds are available to pay the Note and the right to vary the mill levy amount.

Section 6. The Taxable Note and Lease Purchase Arrangement will be sold through a private placement with the New Mexico State Treasurer's Office.

Section 7. A special meeting to consider final approval of the lease purchase arrangement is called and set for on or about September 11, 2025, being not more than four weeks and not less than three weeks from the date of the adoption of this Resolution.

Section 8. The President of the Board and the Secretary of the Board be, and the same hereby are, authorized and directed to have published a notice of the meeting to be held on September 11, 2025, in the *Tri-City Record*, a newspaper of general circulation in the District, once each week for the two weeks immediately preceding the meeting, and the Secretary of the Board is hereby authorized and directed to give such other notice of the sale of the Lease Purchase Arrangement and the special meeting as she shall determine.

The Notice will include the information required by Section 6-15A-8(B)(1)-(5) in substantially the form set forth in Exhibit C hereto.

Section 9. The President of the Board, the Superintendent of the District the Finance Director are hereby authorized to make any filings, notices, applications or take any other action necessary, including notice to the School Budget Planning Unit of the New Mexico Public Education Department and the approval of any official statement related to any general obligation lease purchase arrangement, if necessary.

Section 10. All recitals and findings contained in the preamble hereof are found to be true and correct and are made a part of this Resolution. This Resolution shall take effect on the date adopted and approved as set forth below.

_____ moved adoption of the resolution, and _____
seconded the motion. The motion to adopt the resolution upon being put to a vote was
passed and adopted on the following recorded vote:

Those Voting Aye:

Those Voting Nay:

Those Absent:

_____ () members of the Board having voted in favor of the motion,
the presiding officer declared the motion carried and the resolution adopted, whereupon
the President of the Board and Secretary signed the resolution. The Secretary was directed
to enter the foregoing proceedings and resolution upon the records of the minutes of the
Board.

PASSED AND ADOPTED this 14th day of August, 2025.

BOARD OF EDUCATION OF AZTEC
MUNICIPAL SCHOOL DISTRICT

[SEAL]

By: _____
Fran Dobey, President

ATTEST:

By: _____
Laci L. Phillips Newland, Secretary

STATE OF NEW MEXICO

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)ss.

COUNTY OF SAN JUAN

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I, Laci L. Phillips Newland, the duly qualified and acting Secretary of the Board of Education (the “Board”) of Aztec Municipal School District No. 2 (the “District”), do hereby certify:

1. The foregoing pages are a true, correct and complete copy of the record of the proceedings of the Board of the District, had and taken at a duly called, regular, open meeting held in the Board Room of the District Central Office Building, 1118 W. Aztec Boulevard, Aztec, New Mexico 87410, at the hour of 6:00 p.m., on the 14th day of August, 2025, insofar as the same relate to the Resolution relating to the issuance of a taxable lease purchase arrangement and education technology note, a copy of which is therein set forth as recorded in the regular book of official records of the proceedings of the District kept in District office.

2. The proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at the meeting, as therein shown.

3. Notice of the meeting was given in accordance with the open meetings standards of the District presently in effect. Such notice constitutes compliance with the permitted methods of giving notice of meetings of the Board as required by the open meetings standards resolution adopted by the Board and presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the District this 14th day of August, 2025.

[SEAL]

Laci L. Phillips Newland, Secretary

EXHIBIT A

Expected Structure of the Taxable Lease Purchase Arrangement

Dated date: October 22, 2025

Award: Special Board meeting on September 11, 2025

Interest Component: Not to exceed 8.00%

Rent Payments: October 23, 2025

Principal Component: Not to exceed \$7,200,000

Rent Payments: Not to exceed \$7,200,000 plus interest due October 23, 2025

Date	Estimated Principal	Estimated Interest
10/23/2025	\$7,200,000	\$901.40
Total	\$7,200,000	

Prepayment: Rent Payments under this Taxable Lease Purchase Arrangement may not be prepaid.

Closing: Closing is expected to occur on or about October 22, 2025

EXHIBIT B

Summary of Lease Purchase Arrangement

1. The Taxable Lease Purchase Arrangement amount shall be an aggregate principal amount not to exceed \$7,200,000 payable at closing for the lease purchase of education technology equipment. lease purchase payments (“Rent Payments”) constituting the principal component thereof shall be paid on October 23, 2025, provided, that in no event shall the term of the Taxable Lease Purchase Arrangement exceed five years:

Date	Estimated Principal	Estimated Interest
10/23/2025	\$7,200,000	\$901.40
Total	\$7,200,000	

2. The interest component of Rent Payments shall be paid at the rate not to exceed 8.00% on October 23, 2025.

3. The source of funds for the Rent Payments shall be derived from an ad valorem taxes sufficient to meet the payments of principal and interest due, provided that the District may apply any other funds that may be in its general fund or investment income actually received from investments and available for that purpose to the payments due or any prepayment premium payable in connection with such lease purchase arrangements as the same become due; and upon such payments the levy or levies provided for may thereupon to that extent be reduced. The Board estimates that a property tax rate of \$10.128 mills is needed to pay the required payments of principal and interest pursuant to the Note. The District reserves the right in the best interest of the District and to assure that adequate funds are available to pay the Note to vary the mill levy amount.

4. The State covenants that the general obligation lease purchase arrangement shall at all times be free from taxation by the State, except for estate or gift taxes and taxes on transfers.

5. The proposed Taxable Lease Purchase Arrangement also provides that the District will maintain possession and title to the education technology equipment during the term of said Agreement and the Lessor under said Agreement does not retain a perfected security interest in any equipment.

6. The Taxable Lease Purchase Arrangement provides for maintenance of the equipment, insurance, the payment of taxes, if any, remedies in the event of default, and in the event of damage, destruction or condemnation of the education technology equipment, for payment of related costs in the acquisition of the education technology and the funding of the Taxable Lease Purchase Arrangement, and contains other provisions relating to notice, choice of law and administration of the Taxable Lease Purchase Arrangement required by the Lessor.

EXHIBIT C

Form of Publication of Notice of Meeting and Note Sale

NOTICE OF SALE AND SPECIAL PUBLIC MEETING OF AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2 SAN JUAN COUNTY, NEW MEXICO

PUBLIC NOTICE IS HEREBY GIVEN that the Board of Education (the "Board") of the Aztec Municipal School District No. 2, County of San Juan, New Mexico (the "District"), will meet in special session at 5:00 p.m., on Thursday, September 11, 2025, in person and virtually via Zoom, in the Board Room at the District Central Office Building, 1118 W. Aztec Boulevard, Aztec, New Mexico, to consider a resolution granting final approval and acceptance of and to award the Aztec Municipal School District No. 2, County of San Juan, New Mexico Taxable Lease Purchase Arrangement and Note (the "Note") for the purposes of (i) financing the lease/purchase of education technology equipment for learning and administrative use in schools and related facilities within the District pursuant to the Education Technology Equipment Act, Sections 6-15A-1 through 6-15A-17 NMSA 1978, as amended; (the "Education Technology Equipment Act") and the Public Securities Short-Term Interest Rate Act, NMSA 1978, Sections 6-18-1 through 6-18-16 (the "Public Securities Short-Term Interest Rate Act") and (ii) to pay costs of issuance of the Note.

A \$7,200,000 Taxable Lease Purchase Arrangement (the "Taxable Lease") will be entered into for the purpose of financing the Education Technology Equipment for the District.

The estimated cost of the Educational Technology Equipment required to meet the needs of the District is approximately \$7,200,000.

The proposed repayment terms of the Lease and Note are:

\$7,200,000		
Aztec Municipal School District No. 2		
San Juan County, New Mexico		
Educational Technology General Obligation		
Taxable Lease Purchase Arrangement and Note		
Series 2025		
Date	Estimated Principal	Estimated Interest
10/23/2025	\$7,200,000	\$901.40
Total	\$7,200,000	

The Board hereby identifies the source of funds for the payments required on the Lease and Note as proceeds of property (ad valorem) taxes to be levied on all property included within the District without limitation as to rate or amount or other funds in the District's general fund.

The Board estimates that the \$10.128 tax rate is needed for the repayment of the Note for the real property owners in the District. The estimate is subject to adjustment or change. The District reserves the right in the best interest of the District and to assure that adequate funds are available to pay the Note and the right to vary the mill levy amount.

Members of the public are invited and encouraged to attend the special Board meeting at 5:00 p.m., on Thursday, September 11, 2025 to express their views on the issuance of the Lease Purchase Arrangement and Note and the repayment of the Note from property taxes or the District's general fund.

DATED this 14th day of August, 2025.

BOARD OF EDUCATION
AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2