LONG BEACH COMMUNITY COLLEGE DISTRICT
FINANCING CORPORATION

Minutes of Meeting of
August 28, 2001

The meeting of the Long Beach Community College District Financing Corporation, was held at Long Beach City College, Building I, Room 101, Liberal Arts Campus, 4901 East Carson Street, Long Beach, California 90808, on August 28, 2001.

CALL TO ORDER
The meeting was called to order at 7:05 p.m., by Mr. Clark, acting as Chairman of the meeting.

ROLL CALL
Present: Mr. Tom Clark, Ms. Dianne Theil McNinch, Ms. Trudy Polsky, Mr. Darwin R. Thorpe, Mr. Roberto Uranga, and Dr. E. Jan Kehoe, acting as Secretary of the meeting.

Chairman Clark: This is the initial meeting of the Long Beach Community College District Financing Corporation. Before we proceed, I would like to dispose of several preliminary procedural matters.

Dr. Jan Kehoe will be the Secretary of the Corporation and she’ll be acting in that role. Madam Secretary would you please read the notice of the meeting of the members of the Board and report on the giving of the notice to members of the Board and public.

Dr. Kehoe: This meeting was noticed on August 23, 2001, by public posting of the agenda at Long Beach City College.

Chairman Clark: Would you also report as to the number of votes represented at the meeting by members of the Board.

Dr. Kehoe: Five members of the Board are present at the meeting and a quorum for the transaction of business exists.

Chairman Clark: Legal notice of the meeting has been given, a quorum is present, and the meeting is now legally and lawfully convened and ready to transact business.

The first order of business is the ratification of the actions of the sole incorporator by way of the resolution and consent to action of the directors of the Long Beach Community College District Financing Corporation.
There are five items included in this resolution:

(a) The corporation’s registered agent at the registered office specified in the
corporation’s articles.

(b) That the articles and by-laws in the form adopted by the sole incorporator of the
corporation be ratified, adopted and approved as and for the by-laws of the
corporation.

(c) That the persons designated as the members of the Board and the officers of the
corporation be ratified, adopted and approved.

(d) That the seal of the corporation in the form presented be ratified, adopted and
approved; and

(e) That any acts taken or documents executed in the name and on behalf of the
corporation, whether prior to or subsequent to the incorporation of the corporation,
by the sole incorporator of the corporation, are hereby adopted and approved as
binding on the corporation.

I will now entertain a motion to adopt the resolution.

Mr. Uranga: Mr. Chairman, my name is Roberto Uranga. I move that the members of
the Board adopt the proposed resolution.

Mr. Thorpe: Mr. Chairman, I second that and have a couple of questions.

On the last item, (e) “That any acts taken,” would it be possible to, and I don’t know
whether this corporation will have a consultant such as these fine gentlemen here this
evening at our future meetings, indicate a couple of examples of those acts.

Mr. Mark Levinson: My paralegal, Gina Buettner, is the sole incorporator. Gina filed
the articles and has done the housekeeping work up to this point. Gina is technically
tonight resigning and what we want to do is simply have the approval of the filing of the
articles and her other actions of appointing you all as a member of the Board of Directors.
Those are the actions she’s taken today.

Mr. Thorpe: Are there any other acts that we’ve taken that you’re aware of?

Mr. Levinson: No.

The motion carried, all voting aye.

Chairman Clark: The second order of business is the adoption of a resolution approving
participation in the Certificates of Participation financing.
I would now like to ask the Secretary to read the proposed Resolution No. 082801FC relating to the approval of the corporation’s participation in the Long Beach Community College District 2001 capital improvements financing, but before she begins I would like to note that the resolution is lengthy. I will entertain a motion to dispense with the reading of the entire resolution provided that all members of the Board have previously read the resolution. Have you all read the proposed Resolution No. 082801FC? (The other members of the Board confirmed that they have reviewed the Resolution.)

Ms. McNinch: Mr. Chairman, my name is Dianne McNinch, and I move that the members of the Board adopt the proposed resolution, waiving the reading, with respect to the corporation’s participation in the District’s capital improvement financing.

Mr. Thorpe: I second the motion.

Chairman Clark: We have a motion and second to waive the reading only.

Mr. Thorpe: After we pass this resolution, how confidential is this resolution? Can it not also be given or circulated to the other stakeholders of the district such as the appropriate union presidents, etc.?

Chairman Clark: I would assume it’s public information.

Mr. Levinson: Sure.

Mr. Thorpe: We’re not operating a secret session?

Chairman Clark: No, very transparent; all available.

The motion to waive the reading of Resolution No. 082801FC carried, all voting aye.

Chairman Clark: The motion to dispense with the reading is approved and adopted and we will now take up a discussion of the resolution. The floor is now open for discussion at this time only.

Mr. Thorpe: That particular word that you read did bother me, it said, “at this time only,” and I was wondering who had provided that and why that’s in there, “at this time only,” because I would presume we might discuss this resolution at a second meeting.

Mr. Levinson: It relates to the action item. So, if you have a question, talk now.

Chairman Clark: It’s just like anything, the best time to discuss it is before you adopt it, preferably.

Mr. Thorpe: What I meant was, we might, indeed, want to bring that resolution up for consideration for some other reason at a later meeting.

Mr. Levinson: This is not limiting.....
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Mr. Thorpe: The grammar is kind of loose.

Mr. Levinson: Right. Right. O.K. Your point is well taken.

Mr. Thorpe: Thank you very much.

Chairman Clark: Thank you. You have all read the resolution and heard the comments that we had…..

Mr. Thorpe: Mr. Chairman may I ask one more question? I notice in reading all of these documents I see the statement, and later on I’ll find out what a “Dutch auction,” is, because it seems like it’s just the opposite as I’ve seen the handbooks on the Internet….”Dutch auction” I guess everyone shares, right, roughly? Do you want to explain a “Dutch auction” to us?

Mr. Levinson: Briefly, it’s simply a mechanism that the marketplace uses to bid on the rate of interest that relates to the certificates. In New York, there’ll be an auction agent. In some other instances, they are called “Remarketing Agents.” Once a week, they go out to the marketplace. We have this paper. What will people pay for it? It will be Triple A paper, because the paper will be insured, and the Triple A paper typically carries a given rate, very well known, within a certain parameter, and they’ll assign the rate for that week. And that’s pretty much the process.

Mr. Thorpe: All different buyers may bid on that? Institutions?

Mr. Levinson: Correct.

Mr. Thorpe: Financing marketing’s a better name because when you go “Dutch” you know what I mean. It says in those documents “New York time.” Is that the same as Eastern Standard Time?

Mr. Levinson: That’s correct.

Mr. Thorpe: I know New York controls the world.

Mr. Levinson: Well, we go with the flow.

Chairman Clark: Thank you. You have all read the resolution regarding the corporation’s participation in the district’s capital improvements financings. I will now entertain a motion to adopt the resolution.

Mr. Uranga: Mr. Chairman, my name is Roberto Uranga. I move that the members of the Board adopt the proposed resolution with respect to the corporation’s participation in the district’s capital improvements financing.

Mr. Thorpe: Mr. Chairman, my name is Darwin Thorpe and I second the motion.
The motion to adopt the Resolution No. 082801FC with respect to the corporation’s participation in the district’s capital improvements financing carried, all voting aye.

Chairman Clark: This completes the formal business to come before this meeting and I will now entertain a motion to adjourn.

Ms. McNinch: Mr. Chairman, my name is Dianne McNinch and I move that this meeting be adjourned.

Mr. Thorpe: Mr. Chairman, I second that.

The motion to adjourn the meeting carried, all voting aye.

Chairman Clark: Thank you all, that concludes our meeting.

ADJOURNMENT
Chairman Clark adjourned the meeting at 7:15 p.m.

Respectfully submitted,

Dr. E. Jan Kehoe, Secretary