The School Board of the Parish of Lafayette, State of Louisiana, met in special session at its regular meeting place, the Lafayette Parish School Board Administrative Building, Board Room, Lafayette, Louisiana, on Wednesday, October 24, 2001 at 5:30 P. M., pursuant to notice given in writing to every member.

MEMBERS PRESENT: Carl LaCombe, President; David Thibodaux, Vice-President; Judy H. Cox, Kay S. Gibson, John Earl Guidry, Michael Hefner, Edward J. Sam and Beverly Wilson, Board Members; James H. Easton, Secretary-Treasurer/Superintendent

MEMBERS ABSENT: Rickey Hardy

I. APPROVAL OF RESOLUTION - 10-01-1350 SINKING FUND MILLAGE ADOPTION (DEBT SERVICE MILLAGE FOR THE TAX YEAR 2001)

That the Board adopt Resolution - 10-01-1350 Sinking Fund Millage Adoption (Debt Service Millage for the Tax Year 2001).

RESOLUTION - 10-01-1350

SINKING FUND MILLAGE ADOPTION

BE IT RESOLVED, by the Lafayette Parish School Board of the Parish of Lafayette, Louisiana, in a Special Board Meeting held on October 24, 2001, that the following millages are hereby adjusted and levied on the 2001 tax roll, as required per the 2001 reassessment, on all property subject to taxation by the Lafayette Parish School Board:

<table>
<thead>
<tr>
<th>Sinking Fund</th>
<th>Millage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated School District No. 1</td>
<td>.8 mills</td>
</tr>
</tbody>
</table>

BE IT FURTHER RESOLVED, that the Assessor of the Parish of Lafayette, shall extend upon the assessment roll for the year 2001 the taxes herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law; and,

BE IT FURTHER RESOLVED, that the foregoing resolution was read in full, the roll was called on the adoption thereof, and the resolution was adopted by the following votes:
YEAS: Cox, Gibson, Guidry, Hefner, LaCombe, Sam, Thibodaux, Wilson

NAYS: None

ABSTAINED: None

ABSENT: Hardy

CERTIFICATE

I, the undersigned Secretary-Treasurer of the Lafayette Parish School Board, do hereby certify that the above and foregoing is a true copy of a resolution adopted at its Special Board Meeting of October 24, 2001, at which time a quorum was present and that same is in full force and effect.

Dated at Lafayette, Louisiana this 24th day of October, 2001.

/s/James H. Easton, Ed.D., Secretary-Treasurer

LAFAYETTE PARISH SCHOOL BOARD

II. APPROVAL OF RESOLUTION - 10-01-1351 ADJUSTED MILLAGE RATES FOR THE TAX YEAR 2001

That the Board adopt Resolution - 10-01-1351 Adjusted Millage Rates for the Tax Year 2001.

RESOLUTION - 10-01-1351

MILLAGE ROLL-DOWN

BE IT RESOLVED, by the Lafayette Parish School Board of the Parish of Lafayette, Louisiana, in a Public Hearing and Special Board Meeting held on October 24, 2001, that said Public Hearing and Special Board Meeting were conducted in accordance with the open meetings law and the additional requirements of Article VII, Section 23© of the Constitution, that the following adjusted millage rate(s) be and they are hereby levied upon the dollar of the assessed valuation of all property subject to ad valorem taxation within said Parish for the year 2001, for the purpose of raising revenue:

General Fund

<table>
<thead>
<tr>
<th>Millage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitutional Tax</td>
</tr>
<tr>
<td>Special Maintenance &amp; Operational Tax</td>
</tr>
<tr>
<td>Special Maintenance, Improvement &amp; Operational Tax</td>
</tr>
</tbody>
</table>
Operational Tax | 14.70 mills

BE IT FURTHER RESOLVED, that the Assessor of the Parish of Lafayette, shall extend upon the assessment roll for the year 2001 the taxes herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law; and,

BE IT FURTHER RESOLVED, that the foregoing resolution was read in full, the roll was called on the adoption thereof, and the resolution was adopted by the following votes:

YEAS: Cox, Gibson, Guidry, Hefner, LaCombe, Sam, Thibodaux, Wilson

NAYS: None

ABSTAINED: None

ABSENT: Hardy

CERTIFICATE

I, the undersigned Secretary-Treasurer of the Lafayette Parish School Board, do hereby certify that the above and foregoing is a true copy of a resolution adopted at its Special Board Meeting of October 24, 2001, at which time a quorum was present and that same is in full force and effect.

Dated at Lafayette, Louisiana this 24th day of October, 2001.

/s/James H. Easton, Ed.D., Secretary-Treasurer

LAFAYETTE PARISH SCHOOL BOARD

III. APPROVAL OF RESOLUTION - 10-01-1352 MILLAGE ROLL-UP (ADJUSTED MILLAGE RATES AFTER REASSESSMENT AND ROLL-FORWARD OF THE MILLAGE TO A RATE NOT TO EXCEED THE PRIOR YEAR'S MAXIMUM MILLAGE FOR THE TAX YEAR 2001)

That the Board adopt Resolution - 10-01-1352 Millage Roll-up (Adjusted Millage Rates after Reassessment and Roll-forward of the Millage to a Rate Not to Exceed the Prior Year's Maximum Millage for the Tax Year 2001).

RESOLUTION - 10-01-1352

MILLAGE ROLL-UP

BE IT RESOLVED, by the Lafayette Parish School Board of the Parish of Lafayette, Louisiana, in a Public Hearing and Special Board Meeting held on October 24, 2001, that said Public Hearing and Special Board Meeting were conducted in accordance with the open meetings law
and the additional requirements of Article VII, Section 23© of the Constitution, that the taxing authority voted to increase the millage rate(s), but not in excess of the prior year's maximum rate(s), on all taxable property shown on the official assessment roll for the year 2001, and when collected, the revenues from said taxes shall be used only for the specific purposes for which said taxes have been levied. Said millage rate(s) are:

**General Fund**

<table>
<thead>
<tr>
<th></th>
<th>Adjusted Rate</th>
<th>2001 Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitutional Tax</td>
<td>4.04 mills</td>
<td>4.59 mills</td>
</tr>
<tr>
<td>Special Maintenance &amp; Operational Tax</td>
<td>6.40 mills</td>
<td>7.27 mills</td>
</tr>
<tr>
<td>Special Maintenance, Improvement &amp; Operational Tax</td>
<td>4.40 mills</td>
<td>5.00 mills</td>
</tr>
<tr>
<td>Operational Tax</td>
<td>14.70 mills</td>
<td>16.70 mills</td>
</tr>
</tbody>
</table>

BE IT FURTHER RESOLVED, that the Assessor of the Parish of Lafayette, shall extend upon the assessment roll for the year 2001 the taxes herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law; and,

BE IT FURTHER RESOLVED, that the foregoing resolution was read in full, the roll was called on the adoption thereof, and the resolution was adopted by no less than two-thirds of the total membership of the taxing authority voting in favor as required by Article VII, Section 23 © of the Louisiana Constitution and R.S. 47:1705(B). The votes were:

YEAS: Cox, Guidry, Hefner, LaCombe, Sam, Thibodaux, Wilson

NAYS: Gibson

ABSTAINED: None

ABSENT: Hardy

**CERTIFICATE**

I, the undersigned Secretary-Treasurer of the Lafayette Parish School Board, do hereby certify that the above and foregoing is a true copy of a resolution adopted at its Special Board Meeting of October 24, 2001, at which time a quorum was present and that same is in full force and effect.

Dated at Lafayette, Louisiana this 24th day of October, 2001.

/s/James H. Easton, Ed.D., Secretary-Treasurer

LAFAYETTE PARISH SCHOOL BOARD

IV. APPROVAL OF POLICY FILE: DFAA - SALES TAX REVENUE
That the Board adopt Policy File: DFAA - Sales Tax Revenue.

SALES TAX REVENUE

The proceeds of the 2001 half-cent sales tax are dedicated to paying the costs of 1) providing for classroom teacher salaries and related benefits and equal percentage increases in same, and 2) to establish a Teacher Salary Reserve Fund with the annual interest earnings to be paid to classroom teachers as a 13th check in each fiscal year.

Expenditure of sales tax revenues shall be in accordance with the approved Administrative Plan.

Use of the Teacher Salary Reserve Fund shall be governed by the existing Policy File: DM - General Fund Reserves.

Motion (Hefner, Thibodaux) that the Board adopt Policy File: DFAA - Sales Tax Revenue. Motion carried.

V. APPROVAL OF THE 2001 SALES TAX PROPOSITION ADMINISTRATIVE PLAN

That the Board approve the 2001 Sales Tax Proposition Administrative Plan.

2001 SALES TAX PROPOSITION ADMINISTRATIVE PLAN

REVENUES

A ½ cent sales tax, which exempts food and drugs, will currently generate approximately $16 million annually. Because this tax is before the voters on November 17th, the earliest that we can begin collecting the tax is January 1, 2002. Therefore we shall only receive approximately $8 million during our first fiscal year of collection (i.e. July 1, 2001 through June 30, 2002). Thereafter, our subsequent fiscal year collections will be approximately $16 million provided that the local economy stays the same. Naturally if the economy grows or shrinks, then our collections will grow or dwindle proportionately.

TAX DEDICATIONS

The tax is dedicated to 1) providing for classroom teacher salaries and related benefits and equal percentage increases in same, and 2) to establish a Teacher Salary Reserve Fund with the annual interest earnings to be paid to classroom teachers as a 13th check in each fiscal year.”

Listed below is a description of each category of the tax dedications as well as the specific administrative plans to comply with the tax dedications:

1. CLASSROOM TEACHER SALARIES AND RELATED BENEFITS

This category is defined to include the following:
The Administration endorses the concept of reactivating the Blue Ribbon Committee (BRC) and intends to work closely with the BRC to further develop specific plans in each of the above categories. The BRC will consist of (but not be limited to) at least the following incorporators:

- University of Louisiana, Lafayette
- Greater Lafayette Chamber of Commerce
- Diocese of Lafayette
- Lafayette Economic Development Authority
- Black Ministerial Alliance
- Superintendent of the Lafayette Parish School System

2. EQUAL PERCENTAGE INCREASES IN SAME

(i.e. classroom teacher salaries) - This category is defined to include the following:

a. Percentage increases (i.e. raises) for all classroom teachers as defined by the State Department of Education. These raises would include 2144 regular and special education teachers and would include any full-time employee of the parish school board who is engaged to provide instruction directly and regularly to students in any elementary, secondary or special education school setting including a librarian, an assessment teacher, a speech therapist and a counselor: one who is not an administrator and who has successfully completed the Teacher Assistance and Assessment Program or who is not required to participate in the Teacher Assistance and Assessment Program.

b. Equal percentage increases can be an equal number of step increases for all eligible teachers on the salary scale as well as an equal percentage salary increase for all eligible teachers, exclusive of the step increase(s). A combination of both step increase and an equal percentage increase(s) is permissible. Those eligible teachers, as defined above in 2 (a.) who are employed by the Lafayette Parish School System on or subsequent to January 1, 2002, shall participate in the proceeds of this proposition.

c. The raise will include the salary increase and related benefits which will be limited to state and federal mandates which are State Retirement Tax, Federal FICA Tax and Medicare Tax.

d. In order to enhance teacher retention and recruitment, the initial raise will be given in January 2002. A second raise will be given as part of establishing the Teacher Salary Schedule for the 2002-2003 school year. The raises will be as follows and are explained more fully in the schedules attached:
January 2002 5.65% on average, including step

September 2002* 5.65% on average, including step

* The first check for the 2002-2003 school year is paid on September 30, 2002.

3. ESTABLISH A TEACHER SALARY RESERVE FUND WITH THE ANNUAL INTEREST EARNINGS TO BE PAID TO CLASSROOM TEACHERS AS A 13TH CHECK IN EACH FISCAL YEAR

This category will be as follows:

It is vital that we establish the reserve before we fully commit revenues to the other dedicated purposes. In the first two fiscal years a reserve fund will be established equal to $5 million. The reserve fund will not be used unless the local economy declines and annual sales tax collections fall below the $16 million mark. Thereupon, we shall draw from the reserve fund to sustain the tax dedications. Eventually when the economy recovers, we shall attempt to restore the reserve fund to the $5 million level. If the economy grows and is strong for a series of years, it is possible that we may increase the amount of the reserve fund beyond the initial level in order to prepare us for any severe long-term downturn in the economy. Additionally if the reserve fund grows beyond $5 million due to good economic times, then we may periodically draw the reserve fund down to a reasonable level by giving teachers a one-time supplemental paycheck from the excess in the reserve fund.

Use of the reserve fund shall be governed by the School Board's existing policy on General Fund Reserves (Policy File DM). The reserve fund shall earn interest. All interest earned on the reserve fund shall be paid annually to eligible classroom teachers as a 13th check*.

*Interest Earnings Distribution Check (i.e. 13th Check)

Assuming a 3% interest earnings on the Reserve Fund. Therefore, the value of the annual Interest Earnings Distribution Check (i.e. 13th check) for individual teachers will be approximately as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Interest Earnings</th>
<th>Approx. # of Staff</th>
<th>Individual Check</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 01-02</td>
<td>$ 45,000</td>
<td>2144</td>
<td>$ 20.99</td>
</tr>
<tr>
<td>FY 02-03</td>
<td>$ 125,000</td>
<td>2144</td>
<td>$ 58.30</td>
</tr>
<tr>
<td>FY 03-04</td>
<td>$ 150,000</td>
<td>2144</td>
<td>$ 69.96</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$ 150,000</td>
<td>2144</td>
<td>$ 69.96</td>
</tr>
</tbody>
</table>

TEACHER TAX INITIATIVE
CASH FLOW
SUMMARY PLAN

EXAMPLE SCENARIO

(SIX MOS) FY 02-03  FY 03-04  FY 04-05  FY 05-06

REVENUES:

1/2 CENT SALES TAX $ 8,000,000 $ 16,000,000 $ 16,000,000 $ 15,000,000 $ 17,000,000
Interest on Reserve Fund $ 45,000 $ 125,000 $ 150,000 $ 150,000 $ 150,000
Total Revenues available $ 8,045,000 $ 16,125,000 $ 16,150,000 $ 15,150,000 $ 17,150,000

EXPENDITURES:

TEACHER RAISES:
Jan,'02 - 5.65%(with step) $ 2,441,038 $ 4,882,076 $ 4,882,076 $ 4,882,076 $ 4,882,076
Sept, '02 - 5.65%(with step) $ 4,882,076 $ 4,882,076 $ 4,882,076 $ 4,882,076 $ 4,882,076
sub-total $ 2,441,038 $ 9,764,152 $ 9,764,152 $ 9,764,152 $ 9,764,152

CLASSROOM SALARIES $ 1,656,962 $ 5,137,848 $ 6,235,848 $ 6,235,848 $ 6,235,848

RESERVE FUND $ 3,902,000 $ 1,098,000 $ - $ (1,000,000) $ 1,000,000

13th CHECK* $ 45,000 $ 125,000 $ 150,000 $ 150,000 $ 150,000

Total Expenditures $ 8,045,000 $ 16,125,000 $ 16,150,000 $ 15,150,000 $ 17,150,000

Note: The above projection assumes that the current number of teachers will stay the same or decrease.

*Interest Earnings Distribution Check (i.e. 13th check)
Assuming a 3% interest earnings on the Reserve Fund. Therefore, the value of the annual Interest Earnings Distribution Check (i.e. 13th check) for individual teachers will be approximately as follows:

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</thead>
</table>
FY 01-02  $ 45,000  2144   $ 20.99
FY 02-03  $ 125,000  2144   $ 58.30
FY 03-04  $ 150,000  2144   $ 69.96
Thereafter $ 150,000  2144   $ 69.96

Motion (Gibson, Sam) that the Board approve the 2001 Sales Tax Proposition Administrative Plan and that the Administrative Plan be made part of the minutes. Motion carried.

There being no further business, it was moved by Gibson, seconded by Thibodaux and carried that the meeting adjourn.

SIGNED:

/s/Carl LaCombe, President /s/James H. Easton, Ed.D., Secretary-Treasurer

LAFAYETTE PARISH SCHOOL BOARD

mgp