

RESOLUTION OF THE BOARD OF EDUCATION OF FAYETTE
COUNTY, KENTUCKY, AUTHORIZING THE USE OF CERTAIN
GENERAL FUND REVENUES TO SUPPORT DEBT SERVICE ON A
SERIES OF SCHOOL BUILDING REVENUE BONDS TO BE ISSUED BY
THE FAYETTE COUNTY SCHOOL DISTRICT FINANCE
CORPORATION

WHEREAS, the Board of Education of Fayette County, Kentucky (the “Board of Education”) has from time to time directed the Fayette County School District Finance Corporation (the “Corporation”) to issue its School Building Revenue Bonds for the purpose of paying the costs (not otherwise paid) of the construction, renovation, improvement and equipping of various school buildings located within the Fayette County School District (the “District”) for the benefit of the Board of Education;

WHEREAS, the Board of Education desires to direct the Corporation to issue its School Building Revenue Bonds, Series 2014B (the “Series 2014B Bonds”), for the purpose of paying the costs (not otherwise paid) of the renovation, improvement and equipping of the existing Squires Elementary School in the District for the benefit of the Board of Education; and

WHEREAS, the Board of Education now desires to authorize that certain general fund revenues received by the Board of Education from the levy of its general tax rate under the authority of KRS 160.460 and 160.470 be used to support the payment of the principal of and interest on the Series 2014B Bonds, the proceeds of which shall be used to pay the costs (not otherwise paid) of the renovation, improvement and equipping of the existing Squires Elementary School in the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF FAYETTE COUNTY, AS FOLLOWS:

Section 1. It is hereby found and declared to be necessary, advantageous and in the public interest that the Board of Education authorize up to \$1,850,399 in total debt service payments, ranging in annual amounts between \$32,675 and \$528,592, and subject to adjustment upon the sale of the 2014B Bonds, of the annual revenues received by the Board of Education from the levy of its general tax rate under the authority of KRS 160.460 and 160.470 during the fiscal years of the Board of Education ending on June 30, 2017 through June 30, 2023, or such other fiscal years as shall be determined based upon the sale of the 2014B Bonds (the “Designated General Fund Revenues”), which amounts have been historically budgeted by the Board of Education through its approval of the District’s annual budgets, to be transferred from the General Fund to the District’s restricted funds and used to support the payment of the principal of and interest on the Series 2014B Bonds during the fiscal years of the Board of Education ending on June 30, 2017 through June 30, 2023.

Section 2. The Treasurer of the Board of Education is hereby authorized to transfer the Designated General Fund Revenues from time to time during the above-identified fiscal years to the District’s restricted funds previously established by the Board of Education and to thereafter withdraw funds from the restricted funds as determined by the Board of Education from time to time in its discretion in order to (a) fund in part the lease payments due to the Corporation under the Contract of Lease and Rent to be entered into between the Corporation, as lessor, and the Board of Education, as lessee, with respect to the existing Squires Elementary

School in the District that will be renovated, improved and equipped with the proceeds of the Series 2014B Bonds, which lease payments will be required to be used by the Corporation to pay the principal of and interest on the Series 2014B Bonds, and/or (b) for any other purpose permitted by law.

Section 3. The Board of Education hereby directs the Secretary of the Board of Education to submit a copy of this Resolution to the Kentucky Department of Education.

Section 4. This Resolution shall take effect from and after its passage.

(signature page immediately follows)

Adopted on September 22, 2014.

John D. Price, Chairperson
Board of Education of
Fayette County, Kentucky

Attest:

Tom Shelton, Ph.D., Secretary
Board of Education of
Fayette County, Kentucky

Certification

I, the undersigned, Secretary of the Board of Education of Fayette County, Kentucky, do hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by the Board of Education at a properly convened regular meeting of the Board of Education held on September 22, 2014, signed by the Chairperson thereof and attested by me as Secretary, as shown by the official records in my possession and under my control.

IN WITNESS WHEREOF, I have executed this Certification this ____ day of _____, 2014.

Tom Shelton, Ph.D., Secretary
Board of Education of
Fayette County, Kentucky