

From: "Edelen, Debby" <debby.edelen@woodford.kyschools.us>

Date: June 5, 2020 at 10:10:11 AM EDT

To: Dani Bradley <dani.bradley@woodford.kyschools.us>, Sherri Springate <sherri.springate@woodford.kyschools.us>, Ambrose Wilson <ambrose.wilson2@woodford.kyschools.us>, Allison Richardson <allison.richardson@woodford.kyschools.us>, Scott Hawkins <scott.hawkins@woodford.kyschools.us>

Subject: Bond attorney letter

This will be attached to an agenda item, but I wanted to bring it to your attention.
Please note, the bond attorney is paid by Baird when bonds are sold.

Franklin, Mark <Mark.Franklin@dinsmore.com>

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to Kelly, me, grant7800@kih.net, Scott

All:

Having reviewed both resolutions, I agree with Dirk's prior advice that the current board cannot bind a future board with respect to the annual set-aside to the Building Fund for the new project. That does not mean that the more recent resolution authorizing an additional \$350,000 is automatically void with respect to fiscal years after June 30, 2020, but the Board of Education would be free to discontinue or change the additional set-aside for future fiscal years by the adoption of a new resolution. Moreover, given that both the \$600,000 and \$350,000 resolutions essentially represent an internal budgeting device and (to my understanding) are not relied upon by outside third parties, the Board of Education could change the combined set-aside applicable to the future fiscal years by the adoption of a new resolution.

Once the Board of Education and its Finance Corporation each authorize bonds for the project in mutually-supporting bond-authorizing resolutions, the District will be required by law to make the necessary deposits to the sinking fund established in the resolutions to pay debt service on the bonds. If the bonds are sized to account for an annual contribution by the Board of Education of \$950,000, \$600,000, or some other amount in order to pay all required debt service, then that amount will need to be reserved and paid into the sinking fund for the bonds without the need for any additional annual resolutions such as those discussed above.

Please let me know if you have any questions.

Thank you.

Mark
<image.jpeg>

Mark S. Franklin
Partner

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