

A RESOLUTION OF THE BOARD OF EDUCATION OF THE DAYTON
INDEPENDENT SCHOOL DISTRICT DECLARING THE DISTRICT'S
INTENT TO REIMBURSE ITSELF FOR THE COST OF CAPITAL
EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS

WITNESSETH

WHEREAS, except as otherwise provided, all capitalized terms used in this preamble have the meanings set forth in Section 2 of this Resolution; and

WHEREAS, the Board of Education of the Dayton Independent School District (the "District") intends to undertake the acquisition, construction, installation, and equipping certain capital projects to benefit the District, including without limitation (i) the acquisition and installation of general gymnasium and bleacher improvements to the District's school facilities and (ii) the acquisition of certain real properties located on Clay Street and Third Avenue in Dayton, Kentucky, and all preliminary site preparation and other costs related thereto, including without limitation survey, environmental, appraisal, demolition, and other related costs, fees, and expenses (collectively, the "Projects"); and

WHEREAS, the District expects to expend operating revenues or capital reserve funds of the District to pay Capital Expenditures for the Projects in the future; and

WHEREAS, Code Section 150 and the Reimbursement Regulations permit the District to issue Tax-Exempt Obligations and to use the proceeds thereof to reimburse the District for its prior payment of Capital Expenditures provided, among other things, (i) the District makes a Declaration of Official Intent within sixty days after payment of such Capital Expenditures, (ii) the District makes a Reimbursement Allocation within eighteen months after later of the date a Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, and in any event no later than three years after the Capital Expenditure was paid; and

WHEREAS, the District desires to make a Declaration of Intent pursuant to the Reimbursement Regulations related to the payment of Capital Expenditures for the Projects.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE DAYTON INDEPENDENT SCHOOL DISTRICT, AS FOLLOWS:

Section 1. Affirmation of Preamble. It is hereby found, determined, and declared that the facts, recitals, and definitions set forth in the recitals of this Resolution are true and correct and are hereby affirmed, and all acts described in the recitals of this Resolution are hereby ratified. Such facts, recitals, and definitions are hereby adopted and incorporated as a part of this Resolution.

Section 2. Definitions. The following definitions apply to the terms used herein:

"Allocation" means written evidence that proceeds of Tax-Exempt Obligations issued after the payment of a Capital Expenditure are to reimburse the District for such payment.

“Capital Expenditure” means any expense related to the Projects for an item that is properly depreciable or amortizable or is otherwise treated as a capital expenditure for purposes of the Code, as well as any costs of issuing Reimbursement Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“Declaration of Official Intent” means a written declaration, including this Resolution, which the District intends to fund Capital Expenditures with an issue of Reimbursement Bonds and reasonably expects to reimburse the District from the proceeds of such an issue.

“Reimbursement” means the restoration to the District of money temporarily advanced from other funds, including moneys borrowed from other sources, by the District to pay for Capital Expenditures before the issuance of Reimbursement Bonds intended to fund such Capital Expenditures. “To reimburse” means to make such a restoration.

“Reimbursement Bonds” means Tax-Exempt Obligations that are issued to reimburse the District for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, previously paid by or for the District.

“Reimbursement Regulations” means Treasury Regulation §1.150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary, or final form, as applicable, prescribing conditions under which the proceeds of Tax-Exempt Obligations may be allocated to reimburse the District for Capital Expenditures and certain other expenses paid before the issuance of the Tax-Exempt Obligations so that the proceeds of such Tax-Exempt Obligations will be treated as “spent” for purposes of Code Sections 103 and 141 to 150.

“Tax-Exempt Obligations” means tax-exempt bonds, notes, certificates, or other obligations included in the meaning of “bonds” under Code Section 150.

Section 3. Declaration of Official Intent. The District hereby declares, pursuant to the Reimbursement Regulations, its official intent to reimburse itself with the proceeds of Reimbursement Bonds in the reasonably anticipated amount of up to \$2,500,000 for the purpose of Capital Expenditures for the Projects that may occur before the issuance of Reimbursement Bonds.

Section 4. On-Behalf of Issuer. The District may issue Reimbursement Bonds to make Reimbursements for Capital Expenditures for the Projects as set forth herein or may direct the Dayton Independent School District Finance Corporation, a governmental nonprofit corporation organized pursuant to (i) KRS 162.385, (ii) KRS 58.180, (iii) KRS Chapter 273, and (iv) Rev. Rul. 63-20, 1963-1 to issue Reimbursement Bonds on behalf of the District for such purpose.

Section 5. Effective Date. This Resolution shall take effect from and after its passage, as provided by law.

Passed and approved April 25, 2022.

Chairperson

Attest:

Secretary

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of Dayton Independent School District, and as such Secretary, I further certify that the foregoing is a true, correct, and complete copy of a Resolution duly enacted by the Board of Education of the District at a duly convened meeting held on April 25, 2022, on the same occasion signed by the Chairperson as evidence of approval, and now in full force and effect, all as appears from the official records of the District in my possession and under my control.

Witness my hand as Secretary of the Board of Education as of April 25, 2022.

Secretary