

RESOLUTION OF OFFICIAL INTENT OF THE FAYETTE COUNTY BOARD OF EDUCATION TO FINANCE (A) THE CONSTRUCTION AND EQUIPPING OF (i) A GIRLS' STEM SCHOOL AND (ii) AN ELEMENTARY SCHOOL ON GREENDALE ROAD, (B) RENOVATION/RECONSTRUCTION OF HENRY CLAY HIGH SCHOOL AND (C) CAPITAL IMPROVEMENTS AT HARRISON ELEMENTARY SCHOOL FROM THE PROCEEDS OF PROPOSED ISSUES OF TAX-EXEMPT REVENUE BONDS.

WHEREAS, Treasury Regulations §1.150-2 (the "Reimbursement Regulations"), issued pursuant to §150 of the Internal Revenue Code of 1986, as amended (the "Code") prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of "bonds" under §150 of the Code ("Obligations") used to reimburse advances made for Capital Expenditures (as hereinafter defined) and paid before the issuance of such Obligations may be deemed "spent" for purposes of §§103 and 141 through 150 of the Code; and

WHEREAS, such Reimbursement Regulations require that the Borrower (as hereinafter defined) make a Declaration of Official Intent (as hereinafter defined) to reimburse any Capital Expenditure paid prior to the issuance of the Obligations intended to fund such Capital Expenditure and require that such Declaration of Official Intent be made no later than sixty (60) days after payment of the Capital Expenditure and further require that the Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen (18) months after the later of the date the Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, except that any such Allocation must be made no later than three (3) years after such Capital Expenditure was paid; and

WHEREAS, the Fayette County Board of Education (the "Borrower") wishes to ensure compliance with the Reimbursement Regulations.

NOW, THEREFORE, be it Resolved by the Board of Education of Fayette County, Kentucky, as follows:

Section 1. Definitions. The following definitions apply to the terms used herein:

"Allocation" means written evidence that proceeds of Obligations issued subsequent to the payment of a Capital Expenditure are to effect the reimbursement of the Borrower for such payments.

"Borrower" means the Fayette County Board of Education, a political subdivision of the Commonwealth of Kentucky.

"Capital Expenditures" means any expense 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 costs of issuing Reimbursement Bonds.

"Declaration of Official Intent" means a written declaration that the Borrower intends to fund a Capital Expenditure with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.

"Reimbursement" means restoration to the Borrower of money temporarily advanced from other funds of the Borrower to pay for Capital Expenditures before the issuance of Obligations intended to fund such Capital Expenditures. "To reimburse" means to make such a restoration.

"Reimbursement Bonds" means Obligations that are issued to reimburse the Borrower for Capital Expenditures previously paid by or for the Borrower.

"Reimbursement Regulations" means Treasury Regulations §1.150-2 and any amendments thereto or superseding regulation, whether in proposed, temporary or final form, as applicable, prescribing conditions under which the proceeds of Obligations when allocated or applied to a reimbursement will be treated as "spent" for purposes of §§103 and 141 through 150 of the Code.

Section 2. Declaration of Official Intent.

(a) The Borrower declares that it reasonably expects that the Capital Expenditures described in Section (b), which will be paid prior to the issuance of any Obligations intended to fund such Capital Expenditures, will be reimbursed with the proceeds of Obligations, representing borrowings of the Borrower in an approximate aggregate principal amount anticipated not to exceed \$245,000,000.

(b) The Capital Expenditures to be reimbursed are to be used for (i) the construction and equipping of a Girls' STEM School and an elementary school on Greendale Road, (ii) renovation/reconstruction of Henry Clay High School and (iii) capital improvements at Harrison Elementary School, all located in Fayette County, Kentucky.

(c) The fund or account from which the Capital Expenditures will be paid and which will be reimbursed from the proceeds of Obligations is the General Fund of the Borrower.

Section 3. Reasonable Expectations. The Borrower does not expect any other funds (including the money advanced to make the Capital Expenditures that are to be reimbursed), to be reserved, allocated on a long-term basis, or otherwise set aside by the Borrower or any other entity affiliated with the Borrower, with respect to the Capital Expenditures described in Section 2(b) hereof.

Section 4. Effective Date. This Resolution shall be effective from and after its date of adoption.

Adopted at a duly convened meeting of the Board of Education of Fayette County, Kentucky on February ____, 2024.

BOARD OF EDUCATION OF FAYETTE
COUNTY, KENTUCKY

By _____
Chairperson

Attest:

Secretary

CERTIFICATE

I, the undersigned Secretary of the Board of Education of Fayette County, Kentucky, certify that the foregoing is a true and correct copy of a Resolution passed at a properly convened meeting of the Board held on February ____, 2024, at which a quorum was present, and that said Resolution has not been amended, modified, revoked or repealed and is now in full force and effect, all as appears from the official records of the Board in my custody and under my control.

WITNESS my hand as Secretary of the Board of Education of Fayette County, Kentucky this February ____, 2024.

Secretary