

**EXCERPT FROM MINUTES OF A REGULAR MEETING OF THE BOARD OF
EDUCATION OF ALLEN COUNTY, KENTUCKY**

At a regular meeting of the Board of Education of Allen County, Kentucky, held at the Allen County-Scottsville High School on September 16, 2024, at 6:00 P.M., C.D.S.T., in Scottsville, Kentucky, there were present the following:

Brian Celsor, Chairperson
Al Barman, Vice Chairperson
Billy Turner
Stephanie Ashby
Berlinda Bazzell

There were also present: Travis Hamby, Superintendent and Secretary and a representative of Robert W. Baird & Co., Inc., Louisville, Kentucky, Financial Advisor.

There were absent:

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Thereupon, there were presented to the Board certain instruments in connection with the plan of refinancing construction of a new Area Technology Center (the "Project"). After said instruments had been fully considered, a motion was made and Seconded that the following Resolution be adopted:

RESOLUTION OF THE BOARD OF EDUCATION OF ALLEN COUNTY, KENTUCKY, CONFIRMING THE ACCEPTANCE OF AN OFFER OF ASSISTANCE FROM THE KENTUCKY SCHOOL FACILITIES CONSTRUCTION COMMISSION; AUTHORIZING AND APPROVING THE EXECUTION OF A PARTICIPATION AGREEMENT WITH SAID COMMISSION; INITIATING THE REFINANCING PROCESS IN ORDER TO REFUND AND RETIRE ALL OF THE OUTSTANDING SCHOOL BUILDING REVENUE BONDS ORIGINALLY ISSUED TO FINANCE THE PROJECT; AUTHORIZING AND APPROVING THE EXECUTION OF A LEASE AGREEMENT WITH THE ALLEN COUNTY SCHOOL DISTRICT FINANCE CORPORATION AND ANY FURTHER NECESSARY INSTRUMENTS; AUTHORIZING AND APPROVING THE EXECUTION OF A SUPPLEMENT TO CONTINUING DISCLOSURE PROCEDURES AND THE EXECUTION OF TAX COMPLIANCE PROCEDURES; AND APPROVING THE PLAN OF REFINANCING SAID PROJECT GENERALLY.

WHEREAS, the Board of Education (hereinafter referred to as the "Board") in carrying out the duties and authority vested in it determined that it was necessary to finance certain school facilities in the District through the issuance of \$9,505,000 Allen County School District Finance Corporation School Building Revenue Bonds, Series of 2013, dated October 1, 2013 (the "Prior Bonds"), and

WHEREAS, the financing program represented by the Prior Bonds was implemented through the Allen County School District Finance Corporation (the "Corporation"). The Prior Bonds were issued in the name of the Corporation and the Project leased to the Board under an agreement styled Lease Agreement, dated as of October 1, 2013 (the "2013 Lease") at sufficient rentals to amortize the Prior Bonds as the same became due, and

WHEREAS, the School Facilities Construction Commission of the Commonwealth of Kentucky (the "Commission") pursuant to the KRS 157.611 through 157.640 and the Regulations and Resolutions of the Commission has determined that the Board is a school district which continues to be eligible for participation by the Commission, and

WHEREAS, the present conditions of the municipal bond market are more favorable at the present time than on the date on which the Prior Bonds were sold, making it possible for the Board to realize a substantial savings in interest costs by retiring or refinancing all or a portion of the Prior Bonds maturing October 1, 2025 and thereafter, or such other maturities of the Prior Bonds as are determined to be in the best interest of the Board without further action required of this Board (the "Refunded Bonds"), through the issuance of approximately \$5,535,000 of Allen County School District Finance Corporation School Building Refunding Revenue Bonds ("Refunding Bonds"), to be dated their date of issuance; and

WHEREAS, the Commission will by Resolution and the execution of an Adjusted Agreed Participation Agreement authorize the Board to proceed with the issuance of the Refunding Bonds through the Board of Directors of the Allen County School District Finance Corporation (the "Corporation") pursuant to the provisions of KRS 162.120 through 162.300 and 162.385 (the "School Bond Act"), and

WHEREAS, the Commission will authorize the execution of an Adjusted Participation Agreement with the Board whereunder the Commission will agree to continue to pay an annual Adjusted Agreed Participation equal to approximately 23509459.1

19% toward the debt service requirements for the Refunding Bonds in order to retire the Refunding Bonds as its Adjusted Agreed Participation, and

WHEREAS, it is desired by the Board that the Corporation authorize, issue and sell said Refunding Bonds for the purpose of obtaining sufficient funds to provide for the retirement of all Refunded Bonds in order that the Board and Commission may realize substantial savings in interest costs by obtaining the benefit of lower interest rates now prevalent in the municipal bond market, and

WHEREAS, the Corporation has acknowledged its willingness to cooperate with the Board and to authorize the Refunding Bonds in accordance with the provisions of the School Bond Act, and

WHEREAS, upon the deposit of sufficient funds to provide for the orderly retirement of the Refunded Bonds prior to their stated maturities in a special escrow account, the rights of the Registered Owners of the Refunded Bonds in and to the school property originally financed therefrom and in and to the income and revenues derived therefrom by the Corporation under the Prior Lease will be terminated; and

WHEREAS, it is necessary that the Board enter into a Lease Agreement with the Corporation in substitution of the Prior Lease in order to provide for the orderly payment of the Refunding Bonds and the rights and security interests of the Registered Owners of the Refunding Bonds.

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

RESOLVED, that the Chairman and Secretary are hereby authorized and instructed to execute an Adjusted Participation Agreement with the Commission in order to implement the Commission's assistance to the Board in the payment of the principal and interest requirements of the Refunding Bonds.

RESOLVED FURTHER, that the Chairperson and Secretary are hereby authorized and instructed to execute a Lease Agreement, dated as of day of delivery or such other date as is determined by the Secretary of the Corporation without further action of this Board (the "Lease") and a Deed with the Corporation with respect to said Project; said Lease and Deed shall be prepared by Bond Counsel and shall contain a description of said Project property.

RESOLVED FURTHER, that the Chairperson and Secretary are hereby authorized and instructed to execute all further instruments necessary and desirable in carrying out the plan of refinancing encompassed in the issuance of said Refunding Bonds; including, but not being limited to the execution of an Appointment Agreement and Escrow Agreement with the Registrar/Paying Agent regarding the administration of the registration and payment of said Refunding Bonds and Refunded Bonds.

RESOLVED FURTHER, that upon the effective date of the 2024 Lease, which effective date is to be the date on which the Refunding Bonds are issued and delivered and the proceeds thereof deposited in a special escrow account to be used exclusively for the retirement of the Refunded Bonds, the Prior Lease shall terminate as to the Refunded Bonds only and all of the rights of the Registered Owners of the Refunded Bonds in and to the subject school building Project shall likewise terminate and thereafter neither the statutory mortgage lien nor the pledge of the revenues from the rental of such school property under the Prior Lease shall constitute security and source of payment for the Bonds of the Prior Issue so Refunded and the Registered Owners of such Refunded Bonds shall be paid from and secured by the deposits and investments in the Prior Bond Fund or Escrow Fund exclusively.

RESOLVED FURTHER, that the public sale said Refunding Bonds is hereby authorized, approved, ratified and confirmed, in accordance with the terms of a Bond Resolution to be adopted by the Board of Directors of the Corporation, the form of which has been reviewed by the Board and is hereby approved.

RESOLVED FURTHER, that the Secretary of the Board of Education is hereby authorized and instructed to file a certified copy of this Resolution with the Executive Director of the Commission, and the Secretary of the Corporation, with the request that it be brought to the attention of the Commission, and the Corporation's Board of Directors, and same shall constitute a request and notice on behalf of the Board that the Commission and Corporation, take all action necessary and appropriate (1) for the authorization and sale of said Refunding Bonds: (2) that the proceeds of the sale of said Refunding Bonds be set apart and held separate from all other funds of the Corporation for the purpose of retiring the Refunded Bonds and expenses; and (3) for executing on behalf of said Corporation the Lease Agreement.

RESOLVED FURTHER, that, pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, (the "Code") the Board, by the adoption of this Resolution, hereby designates the Refunding Bonds as "qualified tax-exempt obligations" within the meaning of the Code and certifies that it does not reasonably anticipate that the total principal amount of tax-exempt obligations which will be issued by the Board (or the Corporation acting on its behalf) during the calendar year ending December 31, 2024 will exceed \$10,000,000.

RESOLVED FURTHER, that, pursuant to the amendments to the Code, the Board, by the adoption of this Resolution, certifies that it reasonably anticipates that not less than 95% of the proceeds of the Refunding Bonds will be used for "local government activities" of the Board and that the aggregate face amount of all tax-exempt bonds issued by the Board (or the Corporation acting on its behalf) during the calendar year ending December 31, 2024 will not exceed \$10,000,000.

RESOLVED FURTHER, that, the exception for governmental units contained in Section 148(f)(4)(D) of the Code, is available with regard to the Refunding Bonds as the principal amount of tax exempt obligations issued by the Corporation on behalf of the Board will not exceed the aggregate sum of \$15,000,000 for the calendar year ending December 31, 2024 and said Refunding Bonds shall therefore be exempt from the rebate requirements of the Code.

RESOLVED FURTHER, that the Contract of Robert W. Baird & Co., Inc., Louisville, Kentucky, for its services as Municipal Advisor is hereby authorized, ratified and approved and the Chairperson and Secretary are hereby authorized to execute said Contract on behalf of the Board. In accordance with Municipal Securities Rulemaking Board Rule G-23 as amended November 28, 2013, said Municipal Advisor shall not provide any underwriting services. Compensation of said Municipal Advisor will be in accordance with the fee schedule approved the Kentucky Department of Education and the Kentucky School Facilities Construction Commission.

RESOLVED FURTHER, that Steptoe & Johnson PLLC is hereby approved to serve as Bond Counsel to the Corporation and the Secretary of the Corporation is authorized to execute an engagement letter with such firm.

RESOLVED FURTHER, that Robert W. Baird & Co., Inc., Louisville, Kentucky, Municipal Advisor for the Board of Education and the Corporation, is hereby directed to prepare an Official Statement on behalf of and in conjunction with the Board of Education and the Board of Directors of the Corporation in regard to the issuance of the Refunding Bonds containing all pertinent information with regard thereto to be supplied prospective bidders for said Refunding Bonds.

RESOLVED FURTHER, that in accordance with the "Disclosure Rules" of the Securities and Exchange Commission, Rule 15c2-12(b)(5), as a result of the aggregate amount of bonds issued by the Corporation (or any other agency acting on behalf of the Board) exceeding \$1,000,000 the Board and the Corporation shall enter into a "written agreement" whereunder said Board shall be obligated to supply to Electronic Municipal Market Access ("EMMA") System maintained by the Municipal Securities Rule Making Board financial statements on an annual basis as well as notice of "material events" required by the Rule. The Chairperson and Secretary of the Board are hereby authorized to execute said Continuing Disclosure Agreement on behalf of the Board.

RESOLVED FURTHER, that the Board hereby adopts the Supplement to Continuing Disclosure Procedures presented to the Board and agrees to follow, or cause the Financial Advisor to the Board and Corporation or another third party acting as disclosure agent to follow, said procedures to ensure the timely and complete filing of all financial information, operating data and notices of material events as required by SEC Rule 15c2-12 and the Corporation's Continuing Disclosure Undertakings entered into prior to or after the date of this Resolution.

RESOLVED FURTHER, that the Board hereby adopts the Tax Compliance Procedures presented to the Board and agrees to follow said procedures to ensure that the interest paid on the Bonds remains excludable from gross income of recipients for Federal income tax purposes.

Upon a vote being taken on the motion to adopt the above Resolution, the result was as follows:

<u>Yeas</u>	<u>Nays</u>
Brian Celsor, Chairperson	None
Al Barman, Vice Chairperson	
Billy Turner	
Stephanie Ashby	
Berlinda Bazzell	

Thereupon, the Chairperson declared that the motion had carried and that the Resolution had been adopted.

* * * * *

Thereupon, a motion was made, seconded and unanimously carried that the meeting be adjourned.

CERTIFICATE

The undersigned hereby certifies, as the duly elected and acting Secretary of the Board of Education of Allen County, Kentucky, that the foregoing is a true copy of the minutes of a portion of a regular meeting of said Board held on September 16, 2024 in Scottsville, Kentucky, insofar as said minutes pertained to the matters hereinbefore set forth.

Witness my hand as Secretary of the Board of Education as of September 16, 2024.

Secretary, Board of Education