



FLOYD COUNTY BOARD OF EDUCATION
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William Newsome, Jr., Board Chair - District 3
Linda C. Gearheart, Vice-Chair - District 1
Dr. Chandra Varia, Member- District 2
Keith Smallwood, Member - District 4
Steve Slone, Member - District 5

DATE: 9/18/25

CONSENT AGENDA ITEM: Approve a resolution declaring the intent of the Board of Education of Floyd County to reimburse the general fund or building fund through tax-exempt bond proceeds

APPLICABLE STATUTE(S), REGULATION(S), BOARD POLICY/PROCEDURE(S):
BOE Policy 01.1

BACKGROUND: The District may incur expenses related to upcoming capital projects prior to the issuance of bonds. The reimbursement resolution will allow the District to reimburse the general fund or building fund for these expenses through the issuance of tax-exempt bonds. The resolution does not bind the District or Board of Education to any certain project. The reimbursement resolution will provide the District with flexibility as it begins planning for future capital projects.

RECOMMENDED ACTION: Approve a resolution declaring the intent of the Board of Education of Floyd County to reimburse the general fund or building fund through tax-exempt bond proceeds for the following capital expenditures:

- Improvements, additions and land acquisition at Prestonsburg High School
- Renovations, athletic improvements and related projects at Betsy Lane High School
- Renovations and improvements to Betsy Lane Elementary School
- Repairs and renovations to central office
- Renovations, athletic improvements and related projects at Floyd Central High School

CONTACT PERSON: Tiffany Warrix Campbell, Director of Finance

CONTACT PERSON: Tiffany Warrix Campbell, Chief Finance Officer


DIRECTOR


SUPERINTENDENT

The Floyd County Board of Education does not discriminate on the basis of race, color, national origin, age, religion, marital status, sex, or disability in employment, educational programs, or activities as set forth in Title IX & VI, and in Section 504.

RESOLUTION DECLARING THE OFFICIAL INTENT OF THE BOARD OF EDUCATION OF FLOYD COUNTY, KENTUCKY WITH RESPECT TO REIMBURSEMENT OF TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES RELATED TO THE PROJECT TO BE MADE FROM SUBSEQUENT BORROWINGS BY THE BOARD OF EDUCATION OR THE FLOYD COUNTY SCHOOL DISTRICT FINANCE CORPORATION ON BEHALF OF THE BOARD OF EDUCATION.

WHEREAS, Treasury Regulation § 1.150-2 ("Reimbursement Regulations"), issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, ("Code") prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of "bonds" under Section 150 of the Code ("Obligations") used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of such Obligations may be deemed "spent" for purposes of Sections 103 and 141 to 150 of the Code and therefore, not further subject to any other requirements or restrictions under those sections of the Code; and

WHEREAS, such Reimbursement Regulations require that an Issuer (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 days after payment of the Capital Expenditure and further require that any Reimbursement Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen 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 Reimbursement Allocation must be made no later than three years after such Capital Expenditure was paid; and

WHEREAS, the Board of Education of Floyd County, Kentucky ("Board") wishes to ensure compliance with the Reimbursement Regulations;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF FLOYD 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 reimburse the Board for such payments. "To allocate" means to make such an Allocation.

"Capital Expenditure" 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 any costs of issuing Reimbursement Bonds.

"Declaration of Official Intent" means a written declaration that the Board intends to fund Capital Expenditures with an issue of Reimbursement Bonds to be issued by the Board or the Floyd County School District Finance Corporation (the "Issuer") on behalf of the Board and reasonably expects to be reimbursed from the proceeds of such an issue.

"Reimbursement" means the restoration to the Board of money temporarily advanced from other funds, including moneys borrowed from other sources, of the Board 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 by the Issuer to reimburse the Board for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, previously paid by or for the Board.

"Reimbursement Regulations" means Treasury Regulations § 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 Obligations may be allocated to reimburse the Board for Capital Expenditures and certain other expenses paid prior to the issuance of the Obligations such that the proceeds of such Obligations will be treated as "spent" for purposes of Sections 103 and 141 to 150 of the Code.

Section 2. Declaration of Official Intent.

(a) The Board declares that it reasonably expects that the Capital Expenditures described in Section (b), which were paid no earlier than sixty days prior to the date hereof, or 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 a borrowing by the Issuer in the maximum principal amount, for such Reimbursements, of approximately \$3,000,000; and

(b) The Capital Expenditures to be reimbursed are to be used for land acquisition and various renovations and improvements at multiple schools throughout the Floyd County School District as more fully described in EXHIBIT A attached hereto (collectively, the "Project").

Section 3. Reasonable Expectations. The Board 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 Board or any other entity, with respect to the Capital Expenditures for the purposes described in Section 2(b).

Section 4. Open Meetings. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board; and that all deliberations of this Board and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

Section 5. This Resolution shall take effect upon its adoption.

Upon a vote being taken on the motion to adopt the above Resolution, the Chairperson declared that the motion had carried and that the Resolution had been adopted.

Dated _____, 2025

Chairperson, Board of Education

Secretary, Board of Education

CERTIFICATE

I, Secretary of the Board of Education of Floyd County, Kentucky, certify that the foregoing is a true copy of a resolution adopted at a regular meeting of the Board of Education held on _____, 2025, insofar as they pertained to the matters hereinbefore set forth.

Witness my hand as Secretary of the Board of Education this ____ day of _____, 2025.

Secretary, Board of Education

EXHIBIT A

Description of Projects

1. Prestonsburg High School Land Acquisition.
2. Prestonsburg High School Remodel & Addition for Multipurpose Facility.
3. Central Office Track Renovation.
4. Betsy Lane Elementary School Dome Renovation.
5. Central Office roof replacement and HVAC system upgrades at Central Office and gymnasium.
6. Turf replacement at Betsy Lane High School football field and Turf softball and baseball infield at Floyd Central High School.
7. Betsy Lane High School Softball Field.
8. Floyd Central Multipurpose Practice Facility.