

RESOLUTION REIMBURSEMENT OF BOND EXPENSES

POLICY ISSUE / SITUATION:

At the August 27, 2012 business meeting, the Board gave support to the initiation of pre-bond planning activities with a target election date of May 2014. The bonds would fund additional capacity at the high school level and K-5 schools as well as support the transition to full day kindergarten and the new physical education standards effective in 2017. The proceeds would be used to update older school and administrative facilities as well as provide resources for technology and curriculum updates.

BACKGROUND INFORMATION:

The District will incur capital expenditures and will want to be reimbursed for expenditures of the project that were paid prior to issuance of the bonds. The District's bond counsel has drafted the attached resolution for reimbursement of expenditures from future tax-exempt obligation bonds.

RECOMMENDATION:

(12-228) It is recommended the School Board adopt attached Resolution 12-228:

RESOLUTION OF THE BEAVERTON SCHOOL DISTRICT
NO. 48J, WASHINGTON AND MULTNOMAH COUNTIES,
OREGON DECLARING ITS INTENT TO REIMBURSE
EXPENDITURES FROM PROCEEDS OF TAX-EXEMPT
OBLIGATIONS

**RESOLUTION OF THE BEAVERTON SCHOOL DISTRICT
NO. 48J, WASHINGTON AND MULTNOMAH COUNTIES,
OREGON DECLARING ITS INTENT TO REIMBURSE
EXPENDITURES FROM PROCEEDS OF TAX-EXEMPT
OBLIGATIONS**

WHEREAS, the Board of Directors of the Beaverton School District No. 48J, Washington and Multnomah Counties, Oregon (the "District") desires to finance the costs of capital construction and improvements to school and administration facilities, including costs of capital equipment, software, and curriculum materials (the "Project"); and

WHEREAS, the District intends to finance costs of the Project or portions thereof with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"); and

WHEREAS, prior to the issuance of the Obligations the District desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the District; and

WHEREAS, the Board of Directors of the District has determined that those moneys advanced to pay the Expenditures prior to the issuance of the Obligations are available only for a temporary period and it is necessary to reimburse the District for the Expenditures from the proceeds of the Obligations; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE BEAVERTON SCHOOL DISTRICT NO. 48J, WASHINGTON AND MULTNOMAH COUNTIES, OREGON DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. The District hereby states its intention and reasonably expects to reimburse Expenditures of the Project paid prior to the issuance of the Obligations with proceeds of the Obligations.

SECTION 2. The reasonably expected maximum principal amount of the Obligations is \$300,000,000.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the District paid its first Expenditure on the Project to be reimbursed from proceeds of the Obligations (excluding certain preliminary expenditures which may have been paid before that date).

SECTION 4. The District will make a reimbursement allocation, which is a written allocation that evidences the District's use of proceeds of the Obligations to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

SECTION 5. This resolution is adopted as official action of the District in order to comply with Treasury Regulation Section 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Expenditures of the District incurred prior to the date of issue of the Obligations.

ADOPTED, SIGNED AND APPROVED this 13th day of November, 2012.

**BEAVERTON SCHOOL DISTRICT NO. 48J
WASHINGTON AND MULTNOMAH COUNTIES,
OREGON**

By LeeAnn Larson
LeeAnn Larson, Chair

ATTEST:

Jeff Rose
Jeff Rose, Superintendent