



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC: Consideration and Approval of a Resolution Declaring Intention to Reimburse Certain Expenditures

SUBMITTED BY: Samuel D. Flores **OF:** Division of Finance

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: December 15, 2021

RECOMMENDATION:

Consider a Resolution Declaring Intention to Reimburse Certain Expenditures

RATIONALE:

Per our Co-Bond Counsel, and federal tax and state law, the resolution permits the District to expend general fund money on hand for projects related to the proposed Maintenance Tax Notes, Series 2022 (the "Notes") and reimburse the general fund upon closing and receipt of the Note proceeds.

BUDGETARY INFORMATION:

The Notes are issued for the purpose of providing for the payment of contractual obligations to be incurred in connection with the acquisition of certain District-owned public property, including, but not limited to the following: equipping, repair, rehabilitation, or renovation, of existing school facilities in the District including HVAC systems, and to pay the costs of issuance related thereto. If any preliminary expenses are incurred, the District can be reimbursed.

BOARD POLICY REFERENCE AND COMPLIANCE:

Chapter 103 of the Internal Revenue Code of 1986
Chapter 1201, Texas Government Code

CERTIFICATE FOR RESOLUTION

We, the undersigned officers of the Board of Trustees of United Independent School District (the "District"), hereby certify as follows:

1. The Board of Trustees of the District (the "Board") convened in regular meeting on the 1st day of December 15, 2021, at the regular designated meeting place (the "Meeting"), and the roll was called of the duly constituted officers and members of the Board, to-wit:

Ramiro Veliz, III, President
Aliza Flores Oliveros, Vice President
Juan Roberto Ramirez, Secretary
Ricardo Molina, Sr., Parliamentarian

Francisco Castillo, Member
Javier Montemayor, Jr., Member
Ricardo Rodriguez, Member

and all of said persons were present, except the following absentees: _____, thus constituting a quorum. Whereupon, among other business the following was transacted at the Meeting: a written

RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES

(the "Resolution") was duly introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be passed; and, after due discussion, said motion, carrying with it the passage of the Resolution, prevailed and carried by the following votes:

AYES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the Resolution passed at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of the Meeting pertaining to the passage of the Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Resolution would be introduced and considered for passage at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED this 15th day of December, 2021.

Secretary, Board of Trustees

President, Board of Trustees

(DISTRICT SEAL)

RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES

WHEREAS, the United Independent School District (the "District") desires to pay expenditures in connection with the design, planning, acquisition, construction, equipping, and/or renovating of the project or facilities described in Exhibit A attached hereto (the "Project");

WHEREAS, Chapter 1201, Texas Government Code (the "Code") permits the District to use the proceeds of obligations to reimburse the District for costs attributable to the Project paid or incurred before the date of issuance of such obligations; and

WHEREAS, the District finds, considers, and declares that the reimbursement of the District for the payment of such expenditures will be appropriate and consistent with the objectives of the District's programs and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues obligations to finance the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE UNITED INDEPENDENT SCHOOL DISTRICT THAT:

Section 1. This Resolution declares the intention of the District to reimburse the expenditures for the Project with the proceeds of obligations. The District presently intends to reimburse the expenditure by incurring obligations issued under Texas law, the interest on which is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended.

Section 2. The District reasonably expects to incur debt, in one or more series of obligations, in an aggregate maximum principal amount now estimated to be \$22,500,000 for the purpose of paying the costs for the acquisition of certain property and related improvements for the District.

Section 3. The District intends to reimburse the expenditures hereunder not later than 18 months after the date the original expenditure is paid or the date the Project is placed in service or abandoned, but in no event more than three years after the original expenditure is paid unless the Project is a construction project for which the District and a licensed architect or engineer have certified that at least five years are necessary to complete the Project in which event the maximum reimbursement period is five years after the date of the original expenditure.

Section 4. The District intends that this Resolution satisfy the official intent requirement set forth in Section 1.150-2 of the Treasury Regulations and evidences its intentions under Section 1201.042(c) of the Code.

Section 5. This Resolution shall be liberally construed to evidence the intent of the District to comply with state law and federal income tax law in the issuance of tax-exempt obligations for the Project.

* * *

EXHIBIT A

PROJECT DESCRIPTION

Providing for the payment of contractual obligations to be incurred in connection with the acquisition of certain District-owned public property, including, but not limited to the following: equipping, repair, rehabilitation, or renovation, of existing school facilities in the District including HVAC systems, and to pay the costs of issuance related thereto.