



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC: Approval of a Resolution Declaring Intention to Reimburse certain Expenditures with borrowing proceeds in an amount not to exceed \$125,000,000

SUBMITTED BY: Laida P. Benavides, CPA **OF:** Division of Finance

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: June 19, 2013

RECOMMENDATION:

Management is recommending approval of the resolution expressing the official intent to reimburse the general fund with tax-exempt obligation proceeds the costs incurred prior to the issuance of such obligations.

RATIONALE:

In the event that the District deems it necessary to design, plan, acquire, construct, equip and/or renovate district projects or facilities as identified in resolution prior to the issuance of tax-exempt obligations, the District chooses to declare its intention to reimburse itself for such payments at such time as it issues such obligations.

BUDGETARY INFORMATION:

N/A

BOARD POLICY REFERENCE AND COMPLIANCE:

Treasury Regulations, Section 1.150-2

CERTIFICATE FOR RESOLUTION

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

1. The Board of Trustees of the District (the "Board") convened in regular session, open to the public, on June 19, 2013, at the meeting place designated in the notice (the "Meeting"), and the roll was called of the members, to wit:

- | | |
|--------------------------------------|--------------------------------|
| Judd Gilpin, President | Pat Campos, Member |
| Ricardo Molina Sr., Parliamentarian | Ramiro Veliz III, Member |
| Ricardo Rodriguez, Secretary | Javier Montemayor, Jr., Member |
| Juan Roberto Ramirez, Vice President | |

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 WITH BORROWING PROCEEDS

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

YES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the Resolution adopted 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 adoption of the Resolution; the persons named in the above and foregoing paragraph are duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board were 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 adoption at the Meeting and each of such 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 June 19, 2013.

Secretary, Board of Trustees

President, Board of Trustees

(CITY SEAL)

**RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES
WITH BORROWING PROCEEDS**

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

WHEREAS, Chapter 1201, Texas Government Code, as amended ("Chapter 1201"), 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 THE UNITED INDEPENDENT SCHOOL DISTRICT, TEXAS 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 \$125,000,000 for the purpose of paying the costs of the Project.

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 on Exhibit A 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 Chapter 1201.

Section 5. This Resolution shall be liberally construed to evidence the intent of the District to comply with Texas 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 design, planning, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain District-owned public property, specifically being: (1) school buildings and facilities, (2) wireless technology infrastructure for District facilities, (3) vehicles (both yellow and white fleet) purchases, (4) portables, (5) school furniture, (6) technology equipment and other major equipment needed by District departments; and (7) payment of contractual obligations for professional services in connection therewith (to wit: consultants, engineering, financial advisory, and legal).