

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF CURRENT TAX REVENUE NOTES, SERIES 2019-2020, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,000,000.

WHEREAS, this Board has determined, as provided in this Resolution, to borrow money in anticipation of the collection of current ad valorem property tax revenues in and for the fiscal year which commenced on July 1, 2019 (“Fiscal Year 2020”), and to issue notes evidencing that borrowing; and

WHEREAS, the Treasurer, as the fiscal officer of this Board, has certified that the maximum maturity of those notes is June 30, 2020;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Norton City School District, County of Summit, Ohio, that:

Section 1. This Board determines that it is necessary to borrow, pursuant to Section 133.10 of the Revised Code and for the purpose of paying current expenses of the School District in Fiscal Year 2020, an amount not to exceed \$1,000,000 in anticipation of the collection of current property tax revenues in and for Fiscal Year 2020 to be received from all settlements of those taxes for that purpose that are to be received in the remainder of that Fiscal Year, other than taxes to be received for the payment of debt charges, and less all advances, and to issue the School District’s “Current Tax Revenue Notes, Series 2019-2020 (Federally Taxable)” (the “Notes”), to evidence that borrowing. This Board further determines that the authorized maximum aggregate principal amount of the Notes does not exceed one-half of the amount that the Summit County Budget Commission estimates this Board will receive from all property taxes that are to be distributed to this Board in Fiscal Year 2020 after issuance of the Notes, other than such taxes to be received for the payment of debt charges, and less all advances; that the estimated amount is supported by the latest Official or Amended Official Certificate of Estimated Resources for Fiscal Year 2020 filed with this Board; and that the total appropriations by the Board from each fund for Fiscal Year 2020 do not exceed, and, on the date of issuance of the Notes, will not exceed, the certified estimated revenue available for expenditure from each fund.

Section 2. The Notes shall be issued in an aggregate principal amount not to exceed \$1,000,000 (with such amount to be determined by the Treasurer in the certificate awarding the Notes referenced in Section 4 (the “Certificate of Award”)), shall be dated their date of issuance; shall mature on June 30, 2020 (or otherwise, as may be specified in the Certificate of Award, but no later than June 30, 2020); shall be issued in one denomination representing the entire principal amount and in no case shall any denomination of the Notes be less than \$100,000; and shall bear interest (computed on the basis of a 360-day year consisting of 12 30-day months) at a rate not exceeding 3.50% per year (to be determined by the Treasurer in the Certificate of Award), payable at maturity.

Section 3. The Notes shall be signed by the President or the Vice President, and Treasurer, of this Board, provided that one of those signatures may be a facsimile; shall be payable in lawful money of the United States of America at the corporate trust office or other office of the bank or trust company identified in the Certificate of Award or, if agreed to by the original

purchaser, at the office of the Treasurer (the “Paying Agent”); and shall express upon their faces the purpose for which they are issued and that they are issued pursuant to Chapter 133 of the Revised Code, Section 133.10 thereof, this Resolution and the Certificate of Award.

If agreed to by the original purchaser, the Notes shall be prepayable, in whole, without penalty or premium, at the sole discretion of the Board of Education at any time prior to maturity (the “Prepayment Date”) as provided in this Resolution. Prepayment prior to maturity shall be made by deposit with the Paying Agent of the principal amount of the Notes together with interest accrued thereon to the Prepayment Date. The Board’s right of prepayment shall be exercised by mailing a notice of prepayment, stating the Prepayment Date and the name and address of the Paying Agent, by certified or registered mail to the Original Purchaser and to the Paying Agent not less than seven days prior to the Prepayment Date. If money for prepayment is on deposit with the Paying Agent on the Prepayment Date following the giving of that notice, interest on the principal amount prepaid shall cease to accrue on the Prepayment Date. Upon the request of the Treasurer, the original purchaser of the Notes shall use its best efforts to arrange for the delivery of the Notes at the designated office of the Paying Agent for prepayment, surrender and cancellation.

Section 4. The Notes shall be and hereby are awarded and sold to the original purchaser identified in the Certificate of Award, for the par value thereof and in accordance with Sections 1, 2 and 3. The Treasurer is hereby authorized and directed to make all of the designations and determinations herein authorized and referred to, in a Certificate of Award, and to deliver the Notes, when executed, upon payment of the purchase price. The President, Vice President and Treasurer of this Board, and the Superintendent, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Resolution.

Section 5. The proceeds of the sale of the Notes shall be paid into the General Fund and shall be used only for the purposes for which the current property tax revenues anticipated are levied, collected and appropriated.

Section 6. The levy by this Board of the taxes anticipated by the Notes on all taxable property in the School District on the tax list and duplicates for the tax years 2018 and 2019 to be collected by this Board during Fiscal Year 2020, by resolutions previously adopted by this Board pursuant to law, is hereby acknowledged, confirmed and ratified. Those taxes are direct taxes during the fiscal year in which the Notes will be outstanding, and are in an aggregate amount at least sufficient to provide funds to pay the debt service on the Notes at maturity and therefore are not less than the interest and sinking fund tax required by Section 11 of Article XII of the Ohio Constitution. Those taxes have been computed, certified, levied and extended upon the tax list and duplicate for the tax years 2018 and 2019 for collection by the same officers, in the same manner and at the same times that all taxes for general purposes for Fiscal Year 2020 are collected. The proceeds of the taxes anticipated are to be applied to the extent required to the payment of debt service on the Notes at maturity. Pursuant to law and particularly Section 133.10(E) of the Revised Code, the amounts of the proceeds of those taxes required to pay that debt service are appropriated to pay that debt service and other appropriations from those sources shall be limited to the balance available after deducting

the amounts required to pay the debt charges and financing costs of the Notes. This Board covenants that it will give effect to that appropriation, to the extent stated above, in resolutions it hereafter adopts appropriating money for expenditure or encumbrance in Fiscal Year 2020.

Section 7. In accordance with Section 133.10(E)(1) of the Revised Code, this Board requests the Summit County Fiscal Officer to draw and issue at the time of each distribution (by advance, settlement or otherwise) to the School District of the proceeds of the taxes anticipated and levied for the purpose of paying current expenses in and for Fiscal Year 2020 (including any payments from the State pursuant to Sections 321.24(F) and 323.156 of the Revised Code) after the date of the Notes, that would otherwise have been paid to the General Fund of the School District, a separate warrant for payment into a separate account of the Bond Retirement Fund of the School District established under Section 8 (the "CTRNs Account"), to include that portion of that distribution needed to ensure payment of the debt service on the Notes at maturity, and to draw and issue a separate warrant for payment into the General Fund for the balance of that distribution. The portion of each distribution to be included in a separate warrant for payment into the CTRNs Account shall be the product of the following calculation: the total amount of that distribution multiplied by a fraction the numerator of which is the aggregate amount of the debt service to their stated maturity on the Notes and the denominator of which is the total estimated net amount of the proceeds from the taxes anticipated and levied for the purpose of paying current expenses in Fiscal Year 2020 distributed and to be distributed to this Board between the date of the Notes and their stated maturity date. The portion of the last distribution to be so included in a separate warrant for payment into the CTRNs Account shall be in the amount certified to the Summit County Fiscal Officer by the Treasurer of this Board as the amount necessary, after taking into account amounts credited and to be credited to the CTRNs Account, to make timely payment of debt service on the Notes.

Section 8. This Board establishes, and covenants that it will maintain until the debt service on the Notes is paid, the CTRNs Account as a separate account as part of the Bond Retirement Fund. The Treasurer shall credit to that separate account that portion of each distribution to the Board of those anticipated current tax revenues (whether or not that portion is evidenced by or included in a separate warrant), calculated in accordance with Section 7, needed to ensure payment of the debt service to their stated maturity on the Notes. So long as any portion of the principal of or interest on the Notes is unpaid, the moneys credited to that separate account shall be used and are pledged solely for the purpose of paying that principal and interest. Should accumulated amounts credited to this account produce an amount less than the amount needed to make timely payment of debt service on the Notes, the full amount needed to make up any such deficiency shall be paid by the Treasurer into the Bond Retirement Fund and credited to that separate account from the latest distribution or distributions to the School District of those anticipated current tax revenues received prior to the stated maturity date of the Notes. Upon payment of all debt charges due on the Notes, any amounts remaining in the CTRNs Account of the Bond Retirement Fund may be returned to the General Fund as reimbursement for tax revenues advanced to the account to pay those debt charges.

Section 9. The Treasurer is directed to forward a certified copy of this Resolution and a signed copy of the Certificate of Award to the Summit County Fiscal Officer.

Section 10. It is determined that all acts and conditions necessary to be done or to exist precedent to and in the issuing of the Notes in order to make them legal, valid and binding special obligations of the School District have been performed and exist, or will at the time of delivery of the Notes have been performed and exist, in regular and due form as required by law; and that the amount of indebtedness to be incurred by the issuance of the Notes does not exceed any limitation of indebtedness as fixed by law or the amount of borrowing permitted by Section 133.10 of the Revised Code.

Section 11. The legal services of the law firm of Squire Patton Boggs (US) LLP, as bond counsel, be and are hereby retained. Those legal services shall be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the authorization, sale and issuance of the Notes and rendering at delivery a related legal opinion. In providing those legal services, as an independent contractor and in an attorney-client relationship, that firm shall not exercise any administrative discretion on behalf of this Board in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State, any county or municipal corporation or of the School District, or the execution of public trusts. For those legal services that firm shall be paid just and reasonable compensation and shall be reimbursed for actual out-of-pocket expenses incurred in providing those legal services. The Treasurer is authorized and directed to make appropriate certification as to the availability of funds for those fees and any reimbursement and to issue an appropriate order for their timely payment as written statements are submitted by that firm.

Section 12. It is found and determined that all formal actions of this Board and any of its committees concerning and relating to the adoption of this Resolution were adopted in an open meeting, and that all deliberations of this Board and of any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with the law.

Section 13. This Resolution shall be in full force and effect from and immediately upon its adoption.