

06/15/92

OHIO TURNPIKE COMMISSION

Resolution Authorizing Declarations of Official
Intent with Respect to Reimbursements
from Note and Bond Proceeds of Temporary Advances
Made from Capital Expenditures, and Related Matters

WHEREAS, Treasury Regulations Section 1.103-18 prescribes conditions under which proceeds of bonds, notes or other obligations (Bonds) will be deemed "spent" for purposes of Sections 103 and 141 to 150 of the Internal Revenue Code of 1986 (Code) when used to reimburse advances made for capital expenditures paid before the issuance of such obligations, so that upon reimbursement the proceeds so used will not further be subject to requirements or restrictions under those sections of the Code; and

WHEREAS, certain provisions of those Regulations require that there be a Declaration of Official Intent preceding a capital expenditure expected to be reimbursed from proceeds of such obligations, and that the reimbursement through allocation on the books or records occur within the later of one year after the day the expenditure is paid or one year after the day the property is placed in service; and

WHEREAS, the Commission wishes to take steps for compliance with those Regulations;

NOW, THEREFORE, BE IT RESOLVED BY THE OHIO TURNPIKE COMMISSION AS FOLLOWS:

Section 1. Definitions. The following definitions apply to the terms used herein:

"Authorized Officer" means the Chairman of the Commission or any person designated for the purpose by the Chairman.

"Bonds" means and includes bonds, notes and other obligations included in the meaning of "bonds" under Section 150 of the Code.

"Declaration of Official Intent" means a declaration of intent, in the manner contemplated in the Reimbursement Regulations, that expenditures are reasonably expected to be reimbursed from the proceeds of Reimbursement Bonds to be issued after the expenditure is paid.

"Public Record" means "public record" as defined in Section 149.43 of the Revised Code.

"Reimbursement" or "reimburse" means the restoration to the Commission of money temporarily advanced from its other funds and spent for capital expenditures (including any issuance costs) before the issuance of the Reimbursement Bonds. "Reimbursement" or "reimburse" does not include the refunding or retiring of Bonds previously issued and sold to, or borrowings from, unrelated entities (entities not in the same "controlled group", within the meaning of the Reimbursement Regulations).

"Reimbursement Bonds" means any issue of Bonds all or part of the proceeds of which are to be used for reimbursement of capital expenditures paid before issuance of the Bonds.

"Reimbursement Regulations" means Treasury Regulations Section 1.103-18 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as at the time applicable, prescribing conditions under which the proceeds of Reimbursement Bonds when allocated or applied to a reimbursement will be treated as "spent" for all or any purposes of Section 103 and 141 to 150 of the Code.

Section 2. Authorization and Requirement of Declarations of Official Intent: Each Authorized Officer is authorized to prepare and sign, and include in the Public Records, Declarations of Official Intent with respect to capital expenditures (including any costs of issuance of the Reimbursement Bonds) to be made from money temporarily available and which are reasonably expected to be reimbursed (in accordance with applicable Commission authorizations, policies and practices) from the proceeds of Reimbursement Bonds, to make appropriate reimbursement and timely allocations from the proceeds of the Reimbursement Bonds to reimburse such prior capital expenditures, and to take any other actions as may be appropriate, all at the times and in the manner required under the Reimbursement Regulations to satisfy the requirements for proceeds used for reimbursement to be treated as "spent" for purposes of Sections 103 and 141 to 150 of the Code. No advance from any fund or account or order for payment may be made for expenditures (other than "preliminary expenditures" within the meaning of Treasury Regulations Section 1.103-18(i) (2) (ii) that are to be reimbursed subsequently from proceeds of Reimbursement Bonds unless a Declaration of Official Intent with respect thereto is first made.

Section 3. Public Inspection of Declarations. Each Declaration of Official Intent shall be treated as a Public Record and made available for reasonable public inspection not later than 30 days after the date of the Declaration of Official Intent, and shall be available for reasonable public inspection continuously during normal business hours on every business day to and including the date of issuance of the Reimbursement Bonds.

(Resolution No. 21- 1992 adopted June 15, 1992)