

RESOLUTION OF THE OCONEE COUNTY BOARD OF EDUCATION TO REIMPOSE AND PROVIDE FOR THE LEVY AND COLLECTION OF A SALES AND USE TAX FOR EDUCATIONAL PURPOSES WITHIN THE OCONEE COUNTY SCHOOL DISTRICT, CONDITIONED UPON APPROVAL BY A MAJORITY OF THE QUALIFIED VOTERS RESIDING WITHIN SUCH SCHOOL DISTRICT VOTING IN AN ELECTION THEREON TO BE HELD ON NOVEMBER 8, 2016; TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION DEBT OF THE OCONEE COUNTY SCHOOL DISTRICT; AND FOR OTHER PURPOSES.

WHEREAS, the Oconee County Board of Education (the “**Board of Education**”), acting by, for, and on behalf of the Oconee County School District (the “**School District**”), a political subdivision of the State of Georgia, the boundaries of which comprise all of Oconee County, Georgia (the “**County**”), has considered and evaluated the provisions of Article VIII, Section VI, Paragraph IV of the Constitution of the State of Georgia, and Part 2 of Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated (collectively, the “**Act**”), which authorize a one percent sales and use tax for educational purposes (the “**Educational Sales Tax**”) to be imposed, levied, and collected in the same manner as the special county one percent sales and use tax provided for under Part 1 of Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated; and

WHEREAS, an Educational Sales Tax is currently being collected in the School District, which was approved by a majority of the voters of the School District voting in an election held for such purpose, which tax was imposed beginning January 1, 2013, and which tax the Board of Education anticipates will cease to be collected on or before December 31, 2017; and

WHEREAS, the Board of Education has caused to be made a thorough canvass and study of the outstanding debt of the School District and of the school buildings, equipment and facilities of the School District, and such investigation discloses the necessity for providing for the acquisition, construction and equipping of certain capital outlay projects (collectively, the “**Projects**”) as described in the “Notice of Sales and Use Tax for Educational Purposes Election on November 8, 2016” (the “**Notice**”), attached hereto as Exhibit A; and

WHEREAS, it appears that approximately \$45,000,000 will be necessary to finance the Projects; and

WHEREAS, it is the opinion of the Board of Education that the Educational Sales Tax should continue to be imposed, levied and collected for a period of time not to exceed twenty consecutive calendar quarters (5 years) and for the raising of not more than \$45,000,000 for the above stated purposes, beginning immediately upon the expiration of the Educational Sales Tax currently being collected; and

WHEREAS, the Board of Education recognizes that in order to facilitate the acquisition, construction, and equipping of the Projects as soon as possible, it may be necessary for the Board of Education to issue general obligation debt on behalf of the School District in an amount not to exceed \$24,500,000 for such purposes; and

WHEREAS, the Board of Education desires to provide the voters of the School District with the opportunity to vote pursuant to law in favor of or against the reimposition of the Educational Sales Tax and the issuance of general obligation indebtedness in anticipation of the collection thereof; and

WHEREAS, the Board of Education has determined that and it is hereby declared that during each year in which any payment of principal of or interest on such general obligation debt will come due, the School District will receive from the Educational Sales Tax, authorized by this resolution, net proceeds sufficient to fully satisfy the School District's obligation with respect to the payment of such principal and interest as the same become due and payable.

NOW, THEREFORE, BE IT RESOLVED by the Oconee County Board of Education in a public meeting assembled, and it is hereby resolved by authority of the same that:

1. The Oconee County Board of Education, subject to the assent of a majority of the qualified voters of the School District voting in an election held for such purpose, shall continue to impose the Educational Sales Tax within the School District for the raising of not more than \$45,000,000 to be used to finance the Projects, as the same are described in the "Notice of Sales and Use Tax for Educational Purposes Election on November 8, 2016" (the "**Notice**"), which is attached hereto as Exhibit A and is incorporated herein and made a part hereof by this reference. If the reimposition of the Educational Sales Tax is approved by the voters, such vote shall also constitute approval of the issuance of general obligation debt of the School District in a principal amount not to exceed \$24,500,000 to finance all or a portion of the Projects. Such general obligation debt shall be payable first from the proceeds of the Educational Sales Tax; however, such general obligation debt which is not satisfied from the proceeds of the Educational Sales Tax shall be satisfied from the general funds of the School District or from a direct annual *ad valorem* tax to be levied for such purpose.

2. The Educational Sales Tax authorized by this resolution shall be collected beginning upon the termination of the Educational Sales Tax currently being collected, and shall cease to be imposed on the earlier of (a) twenty consecutive calendar quarters (5 years) after the tax is imposed or (b) as of the end of the calendar quarter during which the Commissioner of the Georgia Department of Revenue determines that the Educational Sales Tax will have raised revenues sufficient to provide net proceeds to the School District equal to or greater than the amount specified as the maximum amount of net proceeds to be raised by the Educational Sales Tax authorized by this resolution.

3. General obligation debt may be issued in conjunction with the imposition of the Educational Sales Tax authorized by this resolution. The principal amount of the debt to be issued shall not exceed \$24,500,000. The purpose for which the debt is to be issued shall be to pay (a) all or a portion of the cost of the Projects, (b) capitalized interest on such debt, and (c) the costs of issuance of such debt. The maximum rate or rates of interest on such debt shall not exceed five and one-half percent (5.5%) per annum, and the final maturity of such debt shall be no later than calendar year 2023. The principal of such debt shall mature (or be subject to mandatory sinking fund redemption) on the first day of March in the years and amounts as follows:

<u>Year</u>	<u>Principal Amount Maturing</u>
2019	\$500,000
2020	5,600,000
2021	5,850,000
2022	6,100,000
2023	6,450,000

The School District may issue aggregate general obligation debt which is less than \$24,500,000 and reduce the principal amounts maturing which are shown above. The general obligation debt may be issued in one or more series and on one or more dates of issuance as the Board of Education may approve, provided that the aggregate principal amount issued does not exceed \$24,500,000.

4. The maximum cost of the Projects which will be funded with the proceeds of the Educational Sales Tax authorized by this resolution, including interest, and cost of issuance on the general obligation debt to be incurred, shall be \$45,000,000, which costs of Projects shall be the maximum amount of net proceeds to be raised by the Education Sales Tax authorized by this resolution.

To the extent available, the School District may combine available funds from the State of Georgia with proceeds of the Educational Sales Tax authorized by this resolution and the general obligation debt, and any other available funds, to pay the costs of the above described Projects. Plans and specifications for these projects have not been completed and bids or proposals have not been received. Depending upon acquisition and construction costs and available funds, the School District may establish or reestablish priorities and choose which Projects to undertake or not undertake, or to delay until additional funding is available, to the extent that proceeds of the Educational Sales Tax and the general obligation debt, together with other available funds actually received by the School District, are insufficient to complete any of the Projects.

5. The Secretary of the Board of Education is hereby authorized and directed to deliver a certified copy of this resolution to the Oconee County Board of Elections and Registration, as Election Superintendent for the County (the “**Election Superintendent**”).

6. The Election Superintendent is hereby requested to issue the call for the election to be held on November 8, 2016, for the purpose of submitting the question of the reimposition of the Educational Sales Tax to the voters of the School District. Such call shall be issued not less than 90 days prior to the date of said election. The Election Superintendent shall cause the date and purpose of the election to be published once a week for five weeks immediately preceding the date of the election in the official organ of the County and the Notice thereof will be substantially in the form attached hereto and made a part hereof as Exhibit A.

7. All qualified voters desiring to vote in favor of reimposing the Educational Sales Tax shall vote “Yes” and all qualified voters opposed to levying the Educational Sales Tax shall vote “No.” If more than one-half of the votes cast are in favor of reimposing the Educational Sales Tax, then the Educational Sales Tax shall be reimposed as provided by Georgia law. The Election Superintendent shall hold and conduct the election under the same rules and regulations

as govern special elections, and shall canvass the returns, declare the results of the election, and certify the result to the Secretary of State and to the Commissioner of the Department of Revenue of the State of Georgia. The expense of the election shall be paid from funds of the School District.

8. If more than one-half of the votes cast are in favor of reimposition of the Educational Sales Tax, then the authority to issue debt in accordance with Article IX, Section V, Paragraph I of the Constitution of Georgia is given to the School District; otherwise, such debt shall not be issued. If the authority to issue such debt is so approved by the voters, then such debt may be issued without further approval by the voters.

9. If the voters approve the issuance of general obligation debt of the School District, then the proper officers and agents of the School District hereby are authorized to give notice to the District Attorney of the Western Judicial Circuit of Georgia of the results of the election and to seek validation of the debt approved by the voters in accordance with the laws of the State of Georgia. The Chairman or Vice-Chairman of the Board of Education, with the advice of Counsel to the Board of Education, is authorized and directed to acknowledge service of the bond validation petition seeking a ruling on the validity of the said debt and cause to be prepared an answer to be filed in the validation proceedings requesting that said debt of the School District and the security therefor be declared valid in all respects.

10. Excess proceeds of the Educational Sales Tax received by the School District which remain following expenditure of proceeds for authorized projects or purposes for education as described in the Notice shall be used solely for the purpose of reducing any indebtedness of the School District. In the event there is no indebtedness, such excess proceeds shall be used for the purpose of reducing the millage rate of the School District in an amount equivalent to the amount of such excess proceeds.

11. Should general obligation debt of the School District be issued, the Board of Commissioners of Oconee County shall be directed to levy a tax upon all property subject to taxation for general obligation bond purposes within the School District sufficient in amount to pay the principal of and interest on said general obligation debt to the extent of any deficiency in the proceeds from the Educational Sales Tax authorized by this resolution.

12. If general obligation debt of the School District is to be issued, the Board of Education reasonably expects that, prior to issuance of such debt, it will be necessary to expend funds on the acquisition, construction, and equipping of the Projects and wishes to be reimbursed for such expenditures from proceeds from the sale of such general obligation debt. Therefore, subject to approval of the voters of the School District, the Board of Education hereby declares its official intent to issue general obligation debt in the principal amount not to exceed \$24,500,000 and to reimburse original expenditures on the Projects in the maximum principal amount of \$24,500,000 with proceeds from the sale of such debt (to the extent permitted by Section 1.150-2 of the Treasury Regulations). The School District will pay original expenditures on the Projects from a construction or other account maintained by the School District. The School District shall make its reimbursement allocations not later than 18 months after the later of (i) the date the original expenditure is paid or (ii) the date Projects are placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

13. The proper officers and agents of the School District are hereby authorized to retain the services of Raymond James & Associates, Inc., Atlanta, Georgia, to provide placement agent or underwriting services and the firm of Gray Pannell & Woodward LLP, Atlanta, Georgia, as bond counsel with regard to the proper issuance of the general obligation indebtedness authorized hereby and as disclosure counsel with regard to a public offering, if any, with regard to said general obligation indebtedness, and such officers and agents are further authorized to take any and all further actions as may be required in connection with the calling and holding of the special election, reimposition of the Educational Sales Tax, expenditure of Educational Sales Tax proceeds for the acquisition, construction, and equipping of the Projects, and the issuance of general obligation debt as herein provided.

14. All resolutions or parts of resolutions, if any, in conflict herewith, shall be and the same are hereby repealed.

ADOPTED, this 25th day of July, 2016.

OCONEE COUNTY BOARD OF
EDUCATION

By: _____
Chairman, Oconee County Board of
Education

(SEAL)

ATTEST:

By: _____
Secretary, Oconee County Board of Education

EXHIBIT A

NOTICE OF SALES AND USE TAX FOR EDUCATIONAL PURPOSES
ELECTION ON NOVEMBER 8, 2016

Pursuant to a resolution adopted by the Oconee County Board of Education (the “**Board of Education**”), the managing and controlling body of the Oconee County School District (the “**School District**”), on July 25, 2016, and a call of election issued by the Oconee County Board of Elections and Registration, as Election Superintendent, notice is hereby given as follows:

1. On November 8, 2016, an election will be held in the School District to submit to the qualified voters of the School District the following question:

RENEWAL OF 1% EDUCATIONAL SALES TAX

- () YES
- () NO
- Shall a one percent sales and use tax for educational purposes be imposed, levied and collected in the Oconee County School District (the “School District”) for a period of time not to exceed twenty consecutive calendar quarters (5 years), beginning immediately upon the expiration of the one percent sales and use tax for educational purposes currently being collected, and for the raising of not more than \$45,000,000, for the purposes of acquiring, constructing and equipping the following capital outlay projects: (a) new schools, administrative and service facilities and or additions to, renovations of, repairs to, improvements to, and equipment for existing educational, administrative and services buildings, properties, and facilities of the School District, including, without limitation, athletic facilities, transportation facilities, and educational facilities; (b) heating and air systems; (c) technology to be used at educational and administrative facilities, including, but not limited to, classroom technology infrastructure, computers, laptops, tablets and mobile devices for students and staff, servers, wiring, wireless antennas, displays and other technology upgrades with necessary hardware, software, and programs; (d) real and personal property, including, but not limited to, improved or unimproved land and existing buildings for future school or administrative and services facility sites, and other furniture, fixtures and equipment; (e) school buses (including installment payments); and (f) capitalized expenses incident thereto (including, but not limited to, the payment of implementation, administrative and management expenses, any capitalized interest, and reimbursements for expenditures for needs assessment for facilities); all in accordance with the facilities plans of the School District, as the same may be revised in accordance with the needs of the School District?

If imposition of the tax is approved by the voters, such vote shall also constitute approval of the issuance of general obligation debt of the

Oconee County School District in the principal amount of \$24,500,000 for the above purpose and the costs of issuance of such debt.

2. All qualified voters desiring to vote in favor of imposing the one percent sales and use tax for educational purposes (the “**Educational Sales Tax**”) shall vote “Yes” and all qualified voters opposed to levying the Educational Sales Tax shall vote “No.” If more than one-half of the votes cast are in favor of imposing the Educational Sales Tax then such tax shall be imposed beginning upon the termination of the Educational Sales Tax currently being collected and shall cease to be imposed on the earlier of (a) twenty consecutive calendar quarters (5 years) after the tax is imposed or (b) as of the end of the calendar quarter during which the Commissioner of the Georgia Department of Revenue determines that the Educational Sales Tax will have raised revenues sufficient to provide to the net proceeds equal to or greater than the amount specified as the maximum amount of net proceeds to be raised by the Educational Sales Tax.

3. If the Educational Sales Tax is approved by the voters on November 8, 2016, the maximum cost of the capital outlay projects as described in the above ballot question (the “**Projects**”) to be funded with the proceeds of the Educational Sales Tax, including interest, and cost of issuance on the general obligation debt to be incurred, shall be \$45,000,000.

To the extent available, the School District may combine available funds from the State of Georgia with proceeds of the Educational Sales Tax and the general obligation debt, and any other available funds, to pay the costs of the above described Projects. Plans and specifications for these projects have not been completed and bids or proposals have not been received. Depending upon acquisition and construction costs and available funds, the School District may establish or reestablish priorities and choose which Projects to undertake or not undertake, or to delay until additional funding is available, to the extent that proceeds of the Educational Sales Tax and the general obligation debt, together with other available funds actually received by the School District, are insufficient to complete any of the Projects.

4. If such Educational Sales Tax is to be imposed, the Board of Education may issue general obligation debt on behalf of the School District, in an aggregate principal amount not to exceed \$24,500,000. The proceeds from such general obligation debt, if issued, shall be used to fund all or a portion of the Projects and to pay capitalized interest on the general obligation debt and the costs of issuance of such general obligation debt. The maximum rate or rates of interest on such debt shall not exceed five and one-half percent (5.5%) per annum, and the final year of maturity of such debt shall not be later than calendar year 2023. The principal of such debt shall mature (or be subject to mandatory sinking fund redemption) on the first day of March in the years and amounts as follows:

<u>Year</u>	<u>Principal Amount Maturing</u>
2019	\$500,000
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2021	5,850,000
2022	6,100,000
2023	6,450,000

The Board of Education may issue aggregate general obligation debt which is less than \$24,500,000 and reduce the principal amounts maturing in each year which are shown above. The general obligation debt may be issued in one or more series and on one or more dates of issuance as the Board of Education may approve, provided that the aggregate principal amount issued does not exceed \$24,500,000.

5. Reference is hereby made to the Official Code of Georgia Annotated § 36-82-1(d) which provides in part that any brochures, listings, or other advertisements issued by the Board of Education or by any other person, firm, corporation or association with the knowledge and consent of the Board of Education shall be deemed to be a statement of intention of the Board of Education concerning the use of bond funds.

6. The last day to register to vote in the election is Tuesday, October 11, 2016, or as otherwise provided by law. Anyone desiring to register may do so by applying in person at the voter registration office located at the Courthouse in Oconee County, Georgia, or by any other method authorized by the Georgia Election Code.

7. The election will be held on Tuesday, November 8, 2016. The polls will be open from 7:00 a.m. until 7:00 p.m.

This 26th day of July, 2016.

Chairman, Oconee County Board of Elections
and Registration

Chairman, Oconee County Board of
Education

* * *

[To be published on or before August 4, 2016 (not less than 90 days prior to the election) and on October 6, October 13, October 20, October 27, and November 3, 2016.]

SECRETARY'S CERTIFICATE

Now comes the undersigned Secretary of the Oconee County Board of Education, keeper of the records and seal thereof, and certifies that the foregoing is a true and correct copy of a resolution approved and adopted by said Board of Education in a meeting assembled on July 25, 2016, the original of which resolution has been entered in the official records of the Oconee County Board of Education under my supervision and is in my official possession, custody, and control.

I further certify that the meeting was held in conformity with the requirements of Title 50, Chapter 14 of the Official Code of Georgia Annotated.

(S E A L)

Secretary, Oconee County Board of
Education