

RESOLUTION OF THE BOARD OF EDUCATION OF GILMER COUNTY TO REIMPOSE, LEVY, AND COLLECT A SALES AND USE TAX FOR EDUCATIONAL PURPOSES WITHIN THE GILMER COUNTY SCHOOL DISTRICT, CONDITIONED UPON APPROVAL BY A MAJORITY OF THE QUALIFIED VOTERS RESIDING WITHIN GILMER COUNTY VOTING IN AN ELECTION THEREON TO BE HELD MARCH 17, 2015; TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION DEBT OF THE GILMER COUNTY SCHOOL DISTRICT; AND FOR OTHER PURPOSES.

WHEREAS, the Board of Education of Gilmer County (the “**Board of Education**”), acting by, for, and on behalf of the Gilmer County School District (the “**School District**”), 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 Gilmer County (the “**County**”), which was approved by a majority of the voters of the County voting in an election held for such purpose on March 17, 2009, which began being collected on October 1, 2010 for a period of time not to exceed five years, and which tax the Board of Education anticipates will cease to be collected on September 30, 2015; and

WHEREAS, the Board of Education has determined that it is in the best interest of the citizens of the County that an Educational Sales Tax continue to be imposed in the County, the boundaries of which comprise the School District, for the purposes described in this resolution, beginning upon the termination of the Educational Sales Tax presently in effect; and

WHEREAS, the Board of Education recognizes that in order to facilitate the acquisition, construction, and equipping of the capital outlay projects described in this resolution as soon as possible, it may be necessary for the Board of Education to issue general obligation debt on behalf of the School District 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 imposition 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 capitalized interest on such general obligation debt and 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 on a current basis.

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

1. The 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 impose an Educational Sales Tax within the County for a period of time not to exceed 20 calendar quarters for the raising of not more than \$25,000,000 for the financing of the acquisition, construction, and equipping of the capital outlay projects which are described in the “Notice of Sales and Use Tax for Educational Purposes Election on March 17, 2015” (the “**Notice**”), which is attached hereto as Exhibit A and is incorporated herein and made a part hereof by this reference. If imposition 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 \$12,500,000 for the capital outlay projects described in the Notice. 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.

2. The Educational Sales Tax shall be collected beginning October 1, 2015 or the beginning of the calendar quarter following the termination of the Educational Sales Tax presently in effect, and shall cease to be imposed on the earlier of (a) 20 calendar quarters 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. The principal amount of the debt to be issued shall not exceed \$12,500,000. The purpose for which the debt is to be issued shall be to pay all or a portion of the cost of the capital outlay projects described herein, which may include capitalized interest. The maximum rate or rates of interest on such debt shall not exceed six percent (6.0%) per annum. The maximum amount of principal to be paid in each year during the life of the debt shall be as follows:

<u>Year</u>	<u>Principal Amount Maturing</u>
Year 1	\$2,370,000
Year 2	2,415,000
Year 3	2,490,000
Year 4	2,560,000
Year 5	2,665,000

4. The estimated cost of the capital outlay projects which will be funded with proceeds of the Educational Sales Tax received from this sales tax election will be \$25,000,000,

including interest and cost of issuance on the general obligation debt to be incurred, which cost shall be the maximum amount of net proceeds to be raised by the Educational Sales Tax.

5. The Judge of Probate Court of Gilmer County, as Election Superintendent for the County, shall be delivered a copy of this resolution and is requested to issue the call for the election to be held on March 17, 2015, for the purpose of submitting the question of the imposition of an Educational Sales Tax to the voters of the School District. Such call shall be issued not less than 30 days prior to the date of said election. The Judge of Probate Court of Gilmer County, as 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.

6. All qualified voters desiring to vote in favor of imposing 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 the Educational Sales Tax shall be imposed as provided by Georgia law. The Judge of Probate Court of Gilmer County shall hold and conduct the election under the same rules and regulations as govern special elections. The Judge of Probate Court of Gilmer County shall canvass the returns, declare the results of the election, and certify the results 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.

7. If more than one-half of the votes cast are in favor of imposition 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.

8. 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.

9. Should general obligation debt of the School District be issued, the Board of Commissioners of Gilmer 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.

10. The Secretary of the Board of Education is hereby authorized and directed to deliver a certified copy of this resolution to the Judge of Probate Court of Gilmer County.

11. (a) 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 capital outlay projects described in the Notice 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 Gilmer County, the Board of Education hereby declares its official intent to issue general obligation debt in the principal amount not to exceed \$12,500,000 and to reimburse original expenditures on the capital outlay projects in the maximum principal amount of \$12,500,000 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 capital outlay projects from a construction or other account maintained by the School District.

(b) 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 the capital outlay projects are placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

12. The proper officers and agents of the School District are hereby authorized to retain the services of the law firm of Gray Pannell & Woodward LLP, Savannah, Georgia, as bond counsel, and Raymond James & Associates, Inc., as underwriter, with regard to the proper issuance of the general obligation indebtedness authorized hereby, 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, imposition of the Educational Sales Tax, expenditure of Educational Sales Tax proceeds for the acquisition, construction, and equipping of the capital outlay projects, and the issuance of general obligation debt as herein provided.

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

ADOPTED, this November 20, 2014.

BOARD OF EDUCATION OF
GILMER COUNTY

By: _____
Chairman

NOTICE OF SALES AND USE TAX FOR EDUCATIONAL PURPOSES
ELECTION ON MARCH 17, 2015

Pursuant to a resolution adopted by the Board of Education of Gilmer County (the “Board of Education”), the managing and controlling body of the Gilmer County School District (the “School District”), on November ~~—, 20~~, 2014, and a call of election issued by the Judge of Probate Court of Gilmer County, as Election Superintendent, notice is hereby given as follows:

1. On March 17, 2015, an election will be held in Gilmer County to submit to the qualified voters of Gilmer County the following question:

- () YES Shall a one percent sales and use tax for educational purposes be imposed in the Gilmer County School District for a period of time not to exceed twenty (20) consecutive calendar quarters and for the raising of not more than \$25,000,000 for the purpose of acquiring, constructing, and equipping the following capital outlay projects: (a) technology to be used to support all facilities for teaching and learning at all facilities, including computers, laptops, tablets, mobile devices, servers, wiring, wireless antennas, and other technology upgrades with necessary hardware, software, and programs; (b) the purchase of new school buses, fleet maintenance vehicles, and equipment; (c) renovations and improvements at Gilmer High School in the student common areas, restrooms, classrooms, media center, and other areas; (d) an agricultural complex including a show barn, a new cannery and other agricultural related support facilities and equipment; (e) athletic facilities renovations and improvements including a new track, turf fields, a practice field for band, athletics, and extracurricular activities, bleachers, and stadium improvements and equipment; and (f) acquisition, construction, and equipping of real and personal property, site improvements, safety and security equipment, renovations, additions and improvements to facilities; ~~all such capital outlay projects and upgrades;~~ 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?
- () NO

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 Gilmer County School District in the principal amount ~~of not to exceed~~ \$12,500,000 for the above capital outlay purposes and for the payment of capitalized interest.

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 presently in effect, and shall cease to be imposed on the earlier of (a) 20 calendar quarters after the tax is imposed (five years) 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. The specific projects which the Board of Education currently expects to fund from general obligation debt and proceeds of the Educational Sales Tax are as follows:

(a) technology to be used to support all facilities for teaching and learning at all facilities, including computers, laptops, tablets, mobile devices, servers, wiring, wireless antennas, and other technology upgrades in accordance with the facility plans of the School District with necessary hardware, software, and programs;

(b) the purchase of new school buses, fleet maintenance vehicles, and equipment;

(c) renovations and improvements at Gilmer High School in the student common areas, restrooms, classrooms, media center, and other areas;

(d) an agricultural complex including a show barn, a new cannery and other agricultural related support facilities and equipment as ~~the need~~plans may be revised in accordance with the needs of the School District;

(e) athletic facilities renovations and improvements including a new track, turf fields, a practice field for band, athletics, and extracurricular activities, bleachers, and stadium improvements and equipment 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; and

(f) acquisition, construction, and equipping of real and personal property, site improvements, safety and security equipment, renovations, additions and improvements to facilities, and upgrades 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.

4. The estimated cost of the capital outlay projects to be funded with Educational Sales Tax proceeds, including interest, capitalized interest and cost of issuance on the general obligation debt to be incurred, is \$25,000,000, which will constitute the maximum amount of net proceeds of the Educational Sales Tax to be received by the School District.

5. To the extent available, the School District may combine available funds from the State of Georgia with proceeds from the Educational Sales Tax and the general obligation debt, and any other available funds, to pay the costs of the capital outlay projects. Plans and specifications for these projects have not been completed and bids have not been received. Depending upon acquisition and construction costs and available funds, the School District may establish or reestablish priorities and choose which capital outlay 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 capital outlay projects.

6. 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 \$12,500,000. The proceeds from such general obligation debt, if issued, shall be used to fund all or a portion of the capital outlay projects described in this Notice. The maximum rate or rates of interest on such debt shall not exceed six percent (6.0%) per annum. The maximum amount of principal to be paid in each year during the life of the debt shall be as follows:

<u>Year</u>	<u>Principal Amount Maturing</u>
Year 1	\$2,370,000
Year 2	2,415,000
Year 3	2,490,000
Year 4	2,560,000
Year 5	2,665,000

The Board of Education may issue aggregate general obligation debt which is less than \$12,500,000 and reduce the principal amounts maturing in each year which are shown above.

7. 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.

8. The last day to register to vote in the election is Monday, February 16, 2015. Anyone desiring to register may do so by applying in person at the voter registration office located at 92 Sand Street, Gilmer County, Ellijay, Georgia 30540, or by any other method authorized by the Georgia Election Code.

9. The election will be held on Tuesday, March 17, 2015. The polls will be open from 7:00 a.m. until 7:00 p.m.

This November ____, 2014.

 Judge of Probate Court of Gilmer
 County, as Election Superintendent

To be published February ___, ___, 12, 19, and ___, 26, and March ___5 and ___, 12, 2015.

SECRETARY'S CERTIFICATE

Now comes the undersigned Secretary of the Board of Education of Gilmer County, 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 meeting assembled on November ~~11~~20, 2014, the original of which resolution has been entered in the official records of said 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
Board of Education of Gilmer County

ORDER

STATE OF GEORGIA
COUNTY OF GILMER

The undersigned Judge of Probate Court of Gilmer County, Georgia, as Election Superintendent for Gilmer County, having been furnished with a certified copy of the resolution of the Board of Education of Gilmer County, adopted on November ~~___~~20, 2014, requesting the undersigned to call an election on March 17, 2015, relative to the reimposition of a sales and use tax for educational purposes and issuance of the general obligation debt described in said resolution, does hereby call said election on March 17, 2015, and orders and directs that the form of election notice contained in said resolution and required by law to be published in connection with the election and the issuance of said general obligation debt be published as provided by law.

This November ____, 2014.

By: _____
Judge of Probate Court of Gilmer County,
as Election Superintendent

(S E A L)