

A RESOLUTION OF THE BOARD OF EDUCATION OF PAULDING COUNTY TO REGULATE AND PROVIDE FOR THE CALLING OF AN ELECTION TO DETERMINE THE ISSUANCE OR NON-ISSUANCE OF PAULDING COUNTY SCHOOL DISTRICT GENERAL OBLIGATION BONDS IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$100,000,000 AND THE CONTINUATION OF A ONE PERCENT SALES AND USE TAX; AND FOR OTHER RELATED PURPOSES.

WHEREAS, the Board of Education of Paulding County (the “Board of Education”) acting by, for, and on behalf of the Paulding County School District (the “School District”), a political subdivision of the State of Georgia, has heretofore issued its Paulding County School District Taxable General Obligation Refunding Bond, Series 2022, in the original principal amount of \$60,625,000 (the “Series 2022 Bond”) in accordance with a bond resolution adopted by the Board of Education on February 24, 2022; and

WHEREAS, \$59,870,000 in principal amount of the Series 2022 Bond remains outstanding and unpaid, maturing in the years 2024 through 2033; and

WHEREAS, the Board of Education 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 Paulding County (the “County”), 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 April 1, 2021, and which tax the Board of Education anticipates will cease to be collected on or before March 31, 2026; and

WHEREAS, the Board of Education has determined a need to finance the acquisition, construction and equipping of facilities and equipment throughout the School District, including new school facility construction, strategic additions, improvements, renovations, and/or modifications to existing schools, safety & security enhancements, technology, athletic and physical education facilities, and fine arts initiatives (collectively, the “Projects”); 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 for such purposes (the “Bonds”); and

WHEREAS, the Board of Education has determined that it is in the best interest of the citizens of the School District that an Educational Sales Tax be reimposed in the School District to raise not more than \$197,500,000 for the purposes of (A) paying the principal and interest (during the period the one percent sales and use tax is to be imposed) on the Series 2022 Bond in

a maximum amount of \$39,733,052, and (B) providing funds to finance the Projects directly or through the payment of a portion of the principal of and interest on the Bonds; and

WHEREAS, it is necessary to submit to the qualified voters of the School District the question or whether or not the Bonds should be issued and whether or not the Educational Sales Tax should be continued;

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Paulding County, and it is hereby resolved by authority of the same as follows:

Section 1. Call for Election. There is hereby called an election to be held in all the voting precincts in the County on the 7th day of November, 2023, for the purpose of submitting to the qualified voters of the School District the question set forth in section 2 below.

Section 2. Form of Ballot. The ballots to be used in such election should have written or printed thereon substantially the following:

- () YES Shall \$100,000,000 in maximum aggregate principal amount of Paulding County School District General Obligation Bonds (the
- () NO “Bonds”) be issued for the purposes of providing funds for (i) the acquisition, construction and equipping of facilities and equipment throughout the School District, including new school facility construction, strategic additions, improvements, renovations, and/or modifications to existing schools, safety & security enhancements, technology, athletic and physical education facilities, and fine arts initiatives (the “Projects”); (ii) paying capitalized interest on the Bonds; and (iii) paying the costs of issuing the Bonds; and shall a special one percent sales and use tax for educational purposes be continued in the Paulding County for a period of time not to exceed 20 calendar quarters and for the raising of not more than \$197,500,000 for the purpose of (i) paying the principal and interest (during the period the one percent sales and use tax is to be imposed) on Paulding County School District’s outstanding Taxable General Obligation Refunding Bond, Series 2022 in a maximum amount of \$39,733,052, and (ii) providing funds to finance the Projects directly or through the payment of a portion of the principal of and interest on the Bonds?

Section 3. Authorization of Educational Sales Tax. In order to finance the Projects and pay a portion of the principal and interest on the previously incurred general obligation debt of the School District, there is hereby authorized to be levied and collected within the School District the Educational Sales Tax in the amount of one percent on all sales and uses in the County as provided in the Act. Collection of such tax shall commence upon the expiration of the Existing Tax, as provided in the Act. As required by §§ 48-8-141 and 48-8-111(a) of the Act,

(a) the proceeds of such tax is to be used to:

(i) pay or to be applied toward the costs of the Projects directly or through the payment of a portion of the principal and interest on the Bonds; and

(ii) pay a portion of the principal and interest on the Series 2022 Bond;
and

(b) such sales and use tax is hereby authorized to be imposed for a period of 20 consecutive quarters commencing upon the expiration of the Existing Tax.

Section 4. Bond Terms. Assuming that the imposition of the Educational Sales Tax and the issuance of the Bonds is approved by the voters of the School District in the election hereinafter referred to, the School District is hereby authorized to issue the Bonds, in whole or in part, in one or more series, and in the maximum aggregate principal amount of \$100,000,000. The proceeds of the Bonds, if issued, shall be applied by the School District to (a) finance a portion of the Projects, (b) pay capitalized interest on the Bonds through and including August 1, 2025, and (c) pay the costs of issuing the Bonds.

The Bonds shall bear interest from the date the Bonds are to be issued or from such other date as may be designated by the School District prior to the issuance of the Bonds, at a rate or rates to be determined in a supplemental resolution to be adopted by the School District prior to the issuance of the Bonds, which rates shall not exceed 6.50% per annum, payable semiannually on the first days of February and August in each year until paid, commencing on or after August 1, 2024, and the amount of principal to be paid on February 1 in each year during the life of such Bonds shall be as follows:

<u>Year</u>	<u>Amount</u>
2027	\$9,500,000
2028	12,475,000
2029	13,100,000
2030	13,755,000
2031	14,445,000
2032	2,110,000
2033	2,220,000
2034	10,275,000
2035	10,790,000
2036	11,330,000

The Educational Sales Tax proceeds received in any year pursuant to the imposition of such tax shall first be used for paying principal and interest on the Series 2022 Bond and the Bonds for any such year before such proceeds are applied for the purposes authorized above. Proceeds of the Educational Sales Tax not required to be deposited in the separate fund in any year for the payment of principal and interest on the Series 2022 Bond and the Bonds coming due in the current year shall be deposited in a separate trust fund to be maintained by the School District and applied toward funding the Projects to the extent such Projects have not been funded with the proceeds of the Bonds.

Section 5. Manner of Election. The date of such election shall be and is hereby set for November 7, 2023, the polls of each election district of the County shall be open at 7:00 a.m. and close at 7:00 p.m., and the election shall be held by the same persons and under and in accordance with the election laws of the State of Georgia, and the returns of such election shall

be made to the Paulding County Board of Elections and Voter Registration (the “Board of Elections”) who shall count the votes, consolidate the returns and declare the result of said election in the manner required by law.

Section 6. Publication of Notice of Election. The Board of Elections is hereby authorized and requested to publish the notice of said election as required by law in the newspaper in which sheriff’s advertisements for the County are published once after the call of election is made by the Board of Elections and once each week for the five weeks preceding the date of the election and the Notice of Election will be substantially in the form attached hereto and made a part hereof as Exhibit A. Prior to the date of the election authorized herein, there shall be appointed proper election managers and clerks to supervise and hold said election.

Section 7. Property Tax Levy. Should the Bonds be authorized by the requisite number of qualified voters, the Board of Commissioners of Paulding County shall be directed to levy a tax upon all property subject to taxation for general obligation bond purposes within the County sufficient in amount to pay the principal of and interest on the Bonds at their respective maturities to the extent of any deficiency in the Educational Sales Tax proceeds.

Section 8. Notice to Board of Elections. The Secretary of the Board of Education is hereby authorized and directed to deliver a copy of this resolution to the Board of Elections with a request that the Board of Elections call the election.

Section 9. Reimbursement of Expenditures. The Board of Education reasonably expects that, prior to issuance of the Bonds, it may 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 Bonds. Therefore, subject to approval of the voters of the County, the Board of Education hereby declares its official intent to issue the Bonds in the maximum aggregate principal amount of \$100,000,000 and to reimburse original expenditures on the Projects in the maximum principal amount of \$100,000,000 with proceeds from the sale of such Bonds (to the extent permitted by § 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 Board of Education 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 projects are placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

Section 10. Further Authority. The proper officers and agents of the School District hereby are authorized to retain the services of Raymond James & Associates, Inc., as underwriter, and to retain the firm of Gray Pannell & Woodward LLP, 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. These officers and agents, together with the proper officers and agents of the School District, 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 capital outlay projects, and the issuance of general obligation debt as herein provided.

Section 11. Effective Date. This Resolution shall take effect immediately upon its adoption.

(Signatures on Following Page)

This 8th day of August, 2023.

BOARD OF EDUCATION
OF PAULDING COUNTY

By: _____
Chairman

(S E A L)

Attest: _____
Secretary

(Signature Page to Resolution)

Exhibit A

NOTICE OF ELECTION
TO THE QUALIFIED VOTERS OF
PAULDING COUNTY SCHOOL DISTRICT, GEORGIA

Pursuant to a resolution adopted by the Board of Education of Paulding County (the “Board of Education”), the managing and controlling body of the Paulding County School District (the “School District”), on November 7, 2023, and a call of election issued by the Paulding County Board of Elections and Voter Registration, as Election Superintendent, NOTICE IS HEREBY GIVEN as follows:

On the 7th day of November, 2023, an election will be held at the regular polling places in all the election districts of the School District, which embraces all of Paulding County (the “County”), at which time there will be submitted to the qualified voters of the County for their determination the question of whether a sales and use tax of one percent for educational purposes shall be imposed on all sales and uses in the County for a period of time not to exceed 20 calendar quarters, commencing upon the expiration of the existing special one percent sales and use tax to raise not more than \$197,500,000, the proceeds of such tax is to be used for the purposes of providing funds to pay or to be applied toward (a) the payment of a portion of the principal and interest on the Bonds (as defined below); (b) the payment of a portion of the principal and interest on the School District’s outstanding Taxable General Obligation Bond, Series 2022; and (c) the cost of acquiring, constructing and equipping facilities and equipment throughout the School District, including new school facility construction, strategic additions, improvements, renovations, and/or modifications to existing schools, safety & security enhancements, technology, athletic and physical education facilities, and fine arts initiatives (collectively, the “Projects”), to the extent such Projects have not been funded with the proceeds of the Bonds; and

If the imposition of such tax is approved by the voters, such vote shall also constitute approval of the issuance of general obligation bonds of the School District in the principal amount of \$100,000,000 (the “Bonds”), the proceeds of the Bonds, if issued, to be applied by the School District to fund all or a portions of the above-described Projects, including capitalized interest through and including August 1, 2025.

The Bonds, if so authorized, may be issued by the School District in whole or in part, in one or more series, and in the maximum aggregate principal amount of \$100,000,000. The Bonds, if issued, shall bear interest from the date the Bonds are to be issued or from such other date as may be designated by the School District prior to the issuance of the Bonds, at a rate or rates not to exceed 6.50% per annum, payable semiannually on the first days of February and August in each year, commencing on or after August 1, 2024, and the amount of principal to be paid on February 1 in each year during the life of such debt shall be as follows:

<u>Year</u>	<u>Amount</u>
2027	\$9,500,000
2028	12,475,000
2029	13,100,000

2030	13,755,000
2031	14,445,000
2032	2,110,000
2033	2,220,000
2034	10,275,000
2035	10,790,000
2036	11,330,000

The principal and interest on the Bonds are expected to be paid from proceeds of the sales and use tax and shall be payable in lawful money of the United States of America at a paying agent bank which will be designated by the Board of Education prior to the issuance of the Bonds.

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 the proceeds of the Bonds.

The ballots to be used at such election shall have written or printed thereon substantially the following:

- () YES Shall \$100,000,000 in maximum aggregate principal amount of Paulding County School District General Obligation Bonds (the “Bonds”) be issued for the purposes of providing funds for (i) the acquisition, construction and equipping of facilities and equipment throughout the School District, including new school facility construction, strategic additions, improvements, renovations, and/or modifications to existing schools, safety & security enhancements, technology, athletic and physical education facilities, and fine arts initiatives (the “Projects”); (ii) paying capitalized interest on the Bonds; and (iii) paying the costs of issuing the Bonds; and shall a special one percent sales and use tax for educational purposes be continued in the Paulding County for a period of time not to exceed 20 calendar quarters and for the raising of not more than \$197,500,000 for the purpose of (i) paying the principal and interest (during the period the one percent sales and use tax is to be imposed) on Paulding County School District’s outstanding Taxable General Obligation Refunding Bond, Series 2022 in a maximum amount of \$39,733,052, and (ii) providing funds to finance the Projects directly or through the payment of a portion of the principal of and interest on the Bonds?
- () NO

The several places for holding said election shall be at the regular and established voting precincts of the election districts of the County, and the polls will be open from 7:00 a.m. to 7:00 p.m. on the date fixed for the election.

The last day to register to vote in this election shall be October 10, 2023 through 5:00 p.m.

Those residents of the County qualified to vote at such election shall be determined in all respects in accordance with the election laws of the State of Georgia.

This notice is given pursuant to resolutions of the Board of Education and the Paulding County Board of Elections and Voter Registration.

Chairman, Board of Education of the Paulding
County

Chair, Paulding County Board of Elections and
Voter Registration

[To be published on or before August ____, 2023 and on October 5, October 12, October 19,
October 26, November 2, 2023.]

SECRETARY'S CERTIFICATE

Now comes the undersigned Secretary of the Board of Education of Paulding 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 a meeting assembled on August 8, 2023, the original of which resolution has been entered in the official records of the Board of Education of Paulding County 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 Paulding County