

RESOLUTION

WHEREAS, the Adams 12 Five Star Schools (the “District”), County of Adams and the City and County of Broomfield, and State of Colorado, is a public corporation duly organized and existing under the Constitution and the laws of the State of Colorado; and

WHEREAS, the members of the Board of Education of the District (the “Board”) have been duly elected, chosen and qualified; and

WHEREAS, Article X, Section 20 of the Colorado Constitution (“TABOR”) requires voter approval for any new tax, the creation of any debt and for spending certain moneys above limits established by TABOR; and

WHEREAS, the Board has determined that it is in the interest of the District to provide the voters with the opportunity to decide whether to approve additional capital resources for school district capital projects and improvements as described in Section 4 below, all at a cost estimated at approximately \$220,000,000 (the “Project”); and

WHEREAS, TABOR requires the District to submit ballot issues (as defined in TABOR) to the District’s electors on limited election days before action can be taken on such ballot issues; and

WHEREAS, November 4, 2014, is one of the election dates at which ballot issues may be submitted to the eligible electors of the District pursuant to TABOR; and

WHEREAS, the Clerk and Recorder of Adams County and the City and County of Broomfield (collectively, the “County Clerk”) will conduct the election on November 4, 2014, as a coordinated election (the “election”); and

WHEREAS, it is necessary to submit to the eligible electors of the District, at the election, the proposition of creating general obligation indebtedness in the aggregate principal amount of not to exceed \$220,000,000 to finance the Project and increasing taxes to pay such debt; and

WHEREAS, it is the present intention of the Board that the general obligation indebtedness authorized in the ballot questions set forth below shall be payable from a mill levy that is currently expected to require no increase in the District’s current 2013 debt service mill levy (assessed for collection of taxes in 2014), but which may, if necessary, be increased to pay such general obligation debt; and

WHEREAS, the District will not have held more than one other election on the question of contracting a bonded indebtedness for any purpose within the twelve months immediately preceding the election herein called.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF ADAMS 12 FIVE STAR SCHOOLS, COUNTY OF ADAMS AND THE CITY AND COUNTY OF BROOMFIELD, AND STATE OF COLORADO:

Section 1. All action heretofore taken (not inconsistent with the provisions of this resolution) by the District and the officers thereof, directed towards the election, the Project and the objects and purposes herein stated are, ratified, approved and confirmed. Unless otherwise defined herein, all terms used herein shall have the meanings specified in Section 22-42-101, C.R.S. or Section 1-1-104, C.R.S.

Section 2. The election shall be conducted as a coordinated election in each of the Counties pursuant to TABOR, Article 42 of Title 22, C.R.S., and the Uniform Election Code of 1992, and all laws amendatory thereof and supplemental thereto. The election shall also be conducted by the County Clerk of each of the Counties. The District hereby determines that the election shall be held on November 4, 2014, and that there shall be submitted to the eligible electors of the District the question set forth herein. Because the election will be held as part of the coordinated election, the Board hereby determines that each of the County Clerks shall conduct the election on behalf of the District pursuant to the Uniform Election Code of 1992.

Section 3. The total aggregate principal amount of the indebtedness to be incurred from time to time for the portion of the Project to be acquired pursuant to this resolution shall not exceed the sum of \$220,000,000, and the maximum net effective interest rate to be paid on such indebtedness shall not exceed 6.0%.

Section 4. The Board hereby authorizes and directs the officers of the District to certify on or before September 5, 2014, the following question in substantially the form hereinafter set forth to the County Clerks. Such question shall be submitted to the eligible electors of the District at the election.

BALLOT ISSUE NO. 3[]:

SHALL ADAMS 12 FIVE STAR SCHOOLS DEBT BE INCREASED \$220 MILLION, WITH A REPAYMENT COST OF \$441.8 MILLION, AND SHALL DISTRICT TAXES BE INCREASED \$35.4 MILLION ANNUALLY TO FINANCE CAPITAL IMPROVEMENTS, WHICH CAPITAL IMPROVEMENTS SHALL BE APPROVED BY THE BOARD OF EDUCATION, AND MONITORED BY A CITIZEN OVERSIGHT COMMITTEE, INCLUDING BUT NOT LIMITED TO:

- EXTENDING THE USEFUL LIFE OF EXISTING SCHOOL BUILDINGS BY REPAIRING, MAINTAINING AND REPLACING LEAKING ROOFS, LOW-FUNCTIONING HEATING AND COOLING SYSTEMS, AND PLUMBING;
- MODERNIZING, UPDATING, RENOVATING, AND EQUIPPING CLASSROOMS TO PROMOTE THE TEACHING OF SKILLS NECESSARY TO PREPARE STUDENTS TO COMPETE IN THE 21ST CENTURY WORKFORCE;

- UPDATING AND ENHANCING SCHOOL BUILDINGS IN ORDER TO IMPROVE SAFETY AND SECURITY;
- EXPANDING AND EQUIPPING THREE ELEMENTARY SCHOOLS AND CONSTRUCTING AND EQUIPPING TWO NEW SCHOOLS TO ADDRESS GROWTH AND OVERCROWDING;

AND SHALL THE MILL LEVY BE INCREASED IN ANY YEAR, WITHOUT LIMITATION OF RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON SUCH DEBT OR ANY REFUNDING DEBT (OR TO CREATE A RESERVE FOR SUCH PAYMENT), SUCH DEBT TO BE EVIDENCED BY THE ISSUANCE OF GENERAL OBLIGATION BONDS, INSTALLMENT SALES AGREEMENTS, LEASE PURCHASE AGREEMENTS OR OTHER MULTIPLE-FISCAL YEAR FINANCIAL OBLIGATIONS; SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE, FOR A PRICE ABOVE OR BELOW THE PRINCIPAL AMOUNT OF SUCH SERIES, ON TERMS AND CONDITIONS, AND WITH SUCH MATURITIES AS PERMITTED BY LAW AND AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF THE PREMIUM OF NOT TO EXCEED THREE PERCENT; AND SHALL THE DISTRICT'S DEBT LIMIT BE INCREASED FROM AN AMOUNT EQUAL TO 20% OF THE DISTRICT'S ASSESSED VALUE TO AN AMOUNT EQUAL TO 6% OF THE DISTRICT'S ACTUAL VALUE, AS CERTIFIED BY THE COUNTY ASSESSORS OF ADAMS COUNTY AND THE CITY AND COUNTY OF BROOMFIELD; AND SHALL SUCH TAX REVENUES AND THE EARNINGS FROM THE INVESTMENT OF SUCH DEBT PROCEEDS AND TAX REVENUES BE COLLECTED, RETAINED AND SPENT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

Section 5. Frances Mullins is hereby appointed as the designated election official of the District for purposes of performing acts required or permitted by law in connection with the election.

Section 6. If a majority of the votes cast on the questions to authorize general obligation indebtedness and the levy of ad valorem property taxes submitted at the election shall be in favor of incurring general obligation indebtedness and levying ad valorem property taxes as provided in such questions, the District acting through the Board shall be authorized to proceed with the necessary action to incur general obligation indebtedness and levy ad valorem property taxes in accordance with such questions.

Any authority to contract general obligation indebtedness or to levy ad valorem property taxes, if conferred by the results of the election, shall be deemed and considered a continuing authority to contract the general obligation indebtedness and levy the ad valorem taxes so authorized at any one time, or from time to time, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

Section 7. If a majority of the votes cast on the question authorize the issuance of bonds as described in the bond question set forth above, the District intends to issue such bonds in the approximate aggregate principal amount of \$220,000,000 to pay the costs of the Project, including the reimbursement of certain costs incurred by the District prior to the execution and delivery of such bonds, upon terms acceptable to the District, as authorized in a resolution to be hereafter adopted and to take all further action which is necessary or desirable in connection therewith. The officers, employees and agents of the District shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and shall take all action necessary or desirable to finance the Project and to otherwise carry out the transactions contemplated by the resolution. The District shall not use reimbursed moneys for purposes prohibited by Treasury Regulation §1.150-2(h). This resolution is intended to be a declaration of “official intent” to reimburse expenditures within the meaning of Treasury Regulation §1.150-2.

Section 8. Pursuant to Section 1-11-203.5, C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five days after the title of the ballot issue or ballot question is set.

Section 9. The officers of the District are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 10. All orders, bylaws and resolutions, or parts thereof, in conflict with this resolution, are hereby repealed.

Section 11. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

ADOPTED AND APPROVED by the Board of Education at its special meeting of August 27, 2014.