

November 2017 Bond Project

**EXHIBIT A
Resolution and Election Language**

RESOLUTION

RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA, ON NOVEMBER 7, 2017; PROVIDING FOR THE CONDUCT OF THE ELECTION, SETTING A DEADLINE TO SUBMIT ARGUMENTS "FOR" OR "AGAINST" THE BONDS, THE PRINTING OF BALLOTS, THE CANVASSING OF THE ELECTION AND AUTHORIZING THE DISTRICT'S CHIEF FINANCIAL OFFICER AS THE OFFICER TO COMPLY WITH SECTIONS 103 AND 141 THROUGH 150 OF THE INTERNAL REVENUE CODE.

WHEREAS, it appears that the needs and best interests of Tucson Unified School District No. 1 of Pima County, Arizona (the "*District*"), will be served by the issuance and sale of School Improvement Bonds of said District; and

WHEREAS, the laws of the State of Arizona require that an election be held prior to engaging in certain actions, including the issuance and sale of said bonds; and

WHEREAS, by this resolution the Governing Board of the District (the "*Board*") will (a) order that a special bond election be held in and for this District on November 7, 2017; and (b) order preparation and mailing of the notice, Informational Pamphlet (as hereinafter defined) and sample ballot for the Election (as hereinafter defined); and

WHEREAS, by this resolution the District will publicly declare the last day for receipt of arguments "for" and "against" the bonds for inclusion in the Informational Pamphlet; and

WHEREAS, the District may make expenditures in connection with the proposed projects to be acquired and/or constructed with the proceeds of such proposed bonds; and

WHEREAS, in order to comply with Sections 103 and 141 through 150 of the Internal Revenue Service Code of 1986, as amended, the District may be required, pursuant to Treasury Regulation Section 1.150-2, to declare its intention to reimburse an expenditure with proceeds of the proposed bonds; and

WHEREAS, in order to reimburse the District from proceeds of the Bonds such declaration of intention to reimburse from Bond proceeds for an expenditure made prior to issuance of the Bonds must be made not later than 60 days after the payment of such expenditure; and

WHEREAS, the District shall designate the Chief Financial Officer as the officer to declare such official intent on its behalf;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA, that:

Section 1. Order and Call of Election; Term of the Bonds. A special bond election (the "*Election*") is hereby ordered to be held in and for this District on November 7, 2017 in the manner prescribed in Section 15-491 and Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended ("*A.R.S.*"). The form of ballot for such Election shall be in substantially the form attached to this resolution as *Exhibit A*, which is a part of this resolution and the terms are incorporated into this call of Election by reference thereto and shall be submitted to the electors at the Election. The District Superintendent or Chief Financial Officer is authorized to revise the form of ballot hereto as necessary to comply with all applicable laws. The estimated fiscal year 2017-2018 constitutional debt limit of the District is \$1,029,432,513, the fiscal year 2016-2017 constitutional debt limit of the District is \$986,901,647, the current outstanding general obligation debt of the District is \$161,535,000 and the outstanding general obligation debt of the District after the July 1, 2017 principal payment will be \$148,185,000. The minimum and maximum number of years that any issue or series of bonds may run from their date shall be as follows: bonds of this authorization may mature not earlier than one year (or a portion thereof) from their date or more than 20 years from their date. The Board hereby authorizes the District to cause an Election to authorize the issuance and sale of general obligation bonds in the principal amount not to exceed \$180,000,000. The Bonds shall bear interest of not to exceed twelve percent (12%) per year.

Section 2. Request to County School Superintendent; Informational Pamphlet. The County School Superintendent of Pima County (the "*County School Superintendent*") is hereby requested to cause the preparation and distribution of an informational pamphlet including a sample ballot (collectively, the "*Informational Pamphlet*") for the District pursuant to A.R.S. §§ 15-491, 15-492 and 35-454. The District Superintendent or Chief Financial Officer is hereby directed to mail, or to aid the County School Superintendent's mailing, to each household in the District in which a qualified elector resides, an Informational Pamphlet.

The President, any member of this Board, the District Superintendent or Chief Financial Officer and the District staff are hereby authorized to prepare and deliver or cause to be prepared and delivered to the County School Superintendent, on behalf of the Board, the information necessary or appropriate to complete the Informational Pamphlet.

The District Superintendent or Chief Financial Officer and the District staff are hereby authorized and directed to cause a copy of the Informational Pamphlet to be submitted to the Arizona Department of Revenue within 30 days after the Election.

Section 3. Conduct of Election; Contracts; Expenditures. The Election may be conducted as a mailed ballot election as provided in A.R.S. § 16-409 or a polling place election as determined by the District Superintendent, Chief Financial Officer or the County Elections Department. The Board is hereby authorized to request the County School Superintendent and County Elections Department to have ballots printed in substantially the form of *Exhibit A* and to deliver them to the election officials to be given to the qualified electors of the District appearing to vote in the Election as provided by law. The Board authorizes all expenditures as may be necessary to order, notice, hold and administer the Election, including but not limited to the cost of the return postage to return the voted mail ballots if the Election is conducted as a mailed ballot election to the officer in charge of the Election, which expenditures

shall be paid from current operating funds. The District Superintendent or Chief Financial Officer is authorized and directed to take all acts, including entering into intergovernmental agreements with the County Recorder (the "*County Recorder*"), the County Elections Department or the County School Superintendent, to carry out the Election. The District Superintendent shall cooperate with the County School Superintendent to ensure proper administration of the Election.

Section 4. Notice of Election. For either a mailed ballot election or a polling place election, notice of the Election is ordered to be given by causing the Informational Pamphlet to be mailed to the residences containing one or more qualified electors of the District within the time period set forth in the applicable sections of the Arizona Revised Statutes.

Section 5. [Reserved.]

Section 6. Public Declaration; Submission of Arguments. This Board hereby declares that the County School Superintendent has set the date of August 11, 2017 at the hour of 5:00 p.m. as the deadline to submit arguments "for" or "against" authorization to issue the bonds. The District Superintendent or Chief Financial Officer is authorized to publish in a newspaper of general circulation within the District a notice stating the deadline for filing with the County School Superintendent of arguments "for" or "against" the bonds, for inclusion in the Informational Pamphlet pertaining to the bonds. A form of the notice requesting arguments "for" or "against", including the deadline for submitting arguments, is attached hereto as *Exhibit C*. The notice requesting arguments shall be published in a newspaper of general circulation in the District four consecutive times if a daily newspaper or once a week for two consecutive weeks if a weekly newspaper. The District Superintendent or Chief Financial Officer is authorized to revise the form of notice hereto as necessary to comply with all applicable laws or any change of date by the County School Superintendent.

Section 7. Early Voting. If the Election is a polling place election early voting will be permitted at the Election in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes.

Section 8. Submission of Ballot. The District Superintendent or Chief Financial Officer is hereby directed to cause, at least 85 days before the Election, the draft ballot to be submitted to the Arizona legislative council for review and approval and shall be guided by said council's ruling.

Section 9. Ballot Replacement Location. The District Superintendent or Chief Financial Officer shall coordinate with the County School Superintendent and County Elections Department to designate a location for purposes of replacing ballots that have been lost, spoiled, destroyed or not received by the elector.

Section 10. Precincts and Polling Places. For purposes of a polling place election which may be held in conjunction with any county, city or special district election of any overlapping jurisdiction, the Board determines that the County election precincts will serve as the District election precincts, including any consolidation of such precincts as determined by the County Elections Department and the District's Superintendent or designee. The location of

each polling place will be determined by the County Elections Department, which will conduct the Election on behalf of the District. The polls will open at 6:00 a.m. and will close at 7:00 p.m. on November 7, 2017.

Section 11. Canvass. The Pima County School Superintendent is requested and authorized to canvass the returns of the Election within 30 days of the Election, as required by A.R.S. § 15-493.

Section 12. Other Actions. The District Superintendent or the Chief Financial Officer is authorized to take all necessary action to facilitate the Election.

Section 13. Reimbursement. The District's Chief Financial Officer is hereby designated as the officer to declare, from time to time, the official intent of the District to reimburse an expenditure with the proceeds of the proposed bonds pursuant to Treasury Regulation Section 1.150-2. Such declaration of official intent shall be signed by the Chief Financial Officer and shall be in substantially the form attached hereto as *Exhibit D* or such other form as may be necessary to comply with the provisions of Treasury Regulation Section 1.150-2. The declaration of intent shall be effective when executed.

Section 14. Ratification. All actions of the members of the Board, officers, employees and agents of the District which are in conformity with the purposes and intent of this resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed, authorized and approved.

PASSED AND ADOPTED on June 13, 2017.

President, Governing Board

EXHIBITS A – Sample Ballot
 B – Call of Special Bond Election (Mailed Ballot Election)
 C – Request for Arguments
 D – Declaration of Official Intent

EXHIBIT A

SAMPLE BALLOT

FOR SPECIAL BOND ELECTION TO BE HELD IN TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA, ON NOVEMBER 7, 2017.

QUESTION NO. _

Shall Tucson Unified School District No. 1 of Pima County, Arizona, be allowed to issue and sell general obligation bonds in the principal amount of not to exceed \$180,000,000 to provide money for the following purposes:

- Constructing school buildings;
- Renovating school buildings;
- Purchasing pupil transportation vehicles;
- Acquiring by purchase or lease school lots;
- Improving school grounds, including adjacent ways thereto;
- Supplying school buildings with furniture, equipment and technology;
- Liquidating indebtedness incurred for the purposes set forth herein;
- Providing all utilities and other capital items necessary for the construction and renovation of school buildings and for improving school grounds;
- Paying all architectural, design, engineering, project and construction management and other costs incurred in connection with the purposes set forth above; and
- Paying all legal, financial and other costs in connection with issuance of the bonds?

The bonds will bear interest at rates not exceeding 12% per year. Interest may be evidenced by separate certificates and will be paid on January 1 and July 1 each year until the bonds mature. The bonds, and any bonds issued to refund the District's bonds, may be sold at prices that include premiums not greater than permitted by law. The bonds may be refunded by the issuance of refunding bonds of a weighted average maturity of less than 75% of the weighted average maturity of the bonds being refunded. Bonds will be in the denominations of \$5,000 each or in multiples of \$5,000 and will mature on the first day of July in years determined by the District's governing board. The bonds shall mature over a period of not (i) less than 1 year (or a portion thereof) or (ii) more than 20 years from the date of their issuance. The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds.

The capital improvements that are proposed to be funded through this bond issuance are to exceed the State standards and are in addition to monies provided by the State. Tucson Unified School District is proposing to issue Class B general obligation bonds totaling \$180,000,000 to fund capital improvements over and above those funded by the State. Under the Students FIRST capital funding system, Tucson Unified School District is entitled to State monies for new construction and renovation of school buildings in accordance with State law.

A "YES" VOTE SHALL AUTHORIZE THE TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA GOVERNING BODY TO ISSUE AND SELL \$180,000,000 OF SCHOOL IMPROVEMENT BONDS OF THE DISTRICT TO BE REPAID WITH SECONDARY PROPERTY TAXES.

A "NO" VOTE SHALL NOT AUTHORIZE THE TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA GOVERNING BODY TO ISSUE AND SELL SUCH BONDS OF THE DISTRICT.

BOND APPROVAL, YES	<input type="checkbox"/>
BOND APPROVAL, NO	<input type="checkbox"/>

[At the discretion of the County elections department, the question set forth above may be presented on the actual ballot in summary form, reading substantially as follows:]

A "yes" vote shall authorize the Tucson Unified School District Governing Board to issue and sell \$180,000,000 of school improvement bonds of the District.

A "no" vote shall not authorize the Tucson Unified School District Governing Board to issue and sell such school improvement bonds of the District.

EXHIBIT B

CALL OF SPECIAL BOND ELECTION

(MAILED BALLOT ELECTION)

TO THE QUALIFIED ELECTORS OF TUCSON UNIFIED SCHOOL DISTRICT NO. 1 OF PIMA COUNTY, ARIZONA:

A special bond election will be held in Tucson Unified School District No. 1 of Pima County, Arizona (the "District"), on November 7, 2017 ("Election Day"). The purpose of the election is to permit the qualified electors of the District to vote on authorizing the District to issue and sell not to exceed \$180,000,000 principal amount of school improvement bonds of the District. The estimated average annual tax rate for the proposed bond authorization is \$0.38 per \$100 of net assessed valuation used for secondary property tax purposes.

The election will be a mailed ballot only election. No polling places will be provided. Ballots will be mailed to qualified electors residing within the District no earlier than 26 days prior to the election and no later than 15 days before the election.

The last day to register to vote in order to be eligible to vote in this election is Monday, October 9, 2017.

Any qualified elector is eligible for early voting. Early voting materials may be obtained by contacting the Pima County Elections Department, 6550 S. Country Club Road, Tucson, AZ 85756; telephone: (520) 724-6830. For more information about the foregoing, please review A.R.S. §§ 15-491 and 35-454, or contact the Tucson Unified School District, 1010 E. 10th Street, Tucson, AZ 85719, telephone: (520) 225-6060.

[Publish once a week for two consecutive weeks during any two of the six weeks preceding 90 days before the Election.]

EXHIBIT C

**REQUEST FOR ARGUMENTS
"FOR" OR "AGAINST" THE SPECIAL BOND ELECTION
TUCSON UNIFIED SCHOOL DISTRICT NO. 1**

Tucson Unified School District No. 1 of Pima County, Arizona (the "District"), will hold a special bond election on Tuesday, November 7, 2017. The District seeks authorization to issue bonds in the principal amount not to exceed \$180,000,000. The estimated average annual tax rate for the proposed bond authorization is \$0.38 per \$100 of net assessed valuation used for secondary property tax purposes. The Pima County School Superintendent will be preparing an informational pamphlet that will be mailed to households containing one or more registered electors within the District. Any persons wishing to submit an argument "for" or "against" the bond question (not to exceed 200 words) may do so by mail or hand delivery of the argument to the Pima County School Superintendent's office, 200 N. Stone Avenue, Tucson, AZ 85701; telephone: (520) 724-8451.

To be included in the informational pamphlet, such argument must be received in the office of the Pima County School Superintendent on or before 5:00 p.m., August 11, 2017. Such argument must be signed and should include the name of the school district, the author's name, address and telephone number. The last day to register to vote in order to be eligible to vote in this election is Monday, October 9, 2017. For more information concerning the election, please contact Tucson Unified School District, 1010 E. 10th Street, Tucson, AZ 85719, telephone: (520) 225-6060.

[Publish four consecutive times in a daily newspaper or two consecutive weeks in a weekly newspaper in a newspaper having a general circulation within the District.]

EXHIBIT D

DECLARATION OF OFFICIAL INTENT UNDER TREASURY REGULATION SECTION
1.150-2 TO REIMBURSE AN EXPENDITURE WITH PROCEEDS OF TAX-EXEMPT
BONDS

The undersigned is the Chief Financial Officer of the Tucson Unified School District No. 1 of Pima County, Arizona (the "*District*"), and has been designated by the Governing Board of the District to declare official intent on behalf of the District with respect to the reimbursement of expenditures with proceeds of tax-exempt obligations proposed to be issued in connection with the District's special bond election [to be] held on November 7, 2017.

Section 1. Declaration of Official Intent. The undersigned hereby declares under Treasury Regulation Section 1.150-2 the official intent of the District to reimburse the capital expenditures made in connection with the Project described in Section 3 hereof with the proceeds of tax-exempt obligations.

Section 2. Timeliness of Declaration. This declaration is being made not later than sixty (60) days after payment of the expenditure(s) to be reimbursed.

Section 3. Project Description. The Project for which the above expenditures were made is described as the construction and acquisition of _____ and all appurtenances related thereto (the "*Project*").

Section 4. Maximum Principal Amount. The maximum principal amount of obligations expected to be issued for the Project is \$ _____.

Section 5. Reasonable Expectation to Reimburse. This Declaration as of its date is consistent with the budgetary and financial circumstances of the District and the District reasonably expects to reimburse the expenditures described in Section 3 with proceeds of tax-exempt bonds of the District.

Dated: _____, 20__.

Karla Soto, Chief Financial Officer, Tucson Unified
School District No. 1 of Pima County, Arizona