

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF WALKER COUNTY TO ASSURE COMPLIANCE WITH THE CONSTITUTION OF THE STATE OF GEORGIA BY ASSESSING AND PROVIDING FOR THE COLLECTION OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON GENERAL OBLIGATION SALES TAX BONDS TO BE ISSUED BY THE WALKER COUNTY SCHOOL DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF \$16,500,000, AS AUTHORIZED AT AN ELECTION HELD FOR THAT PURPOSE ON MARCH 16, 2021, PURSUANT TO AND IN CONFORMITY WITH THE CONSTITUTION AND STATUTES OF THE STATE OF GEORGIA, AND FOR OTHER PURPOSES.

WHEREAS, at an election duly called and held on March 16, 2021 (the “**Election**”), in Walker County, constituting the Walker County School District (the “**School District**”), a political subdivision of the State of Georgia, after notice thereof had been given to the qualified voters of the School District for the time and in the manner required by law, a majority of the qualified voters of the School District voting in the Election voted in favor of the imposition in Walker County of a one percent sales and use tax for educational purposes (the “**Educational Sales Tax**”) for a period of time not to exceed 20 consecutive calendar quarters and the issuance of general obligation bonds by the School District, as described in a resolution adopted on December 14, 2020, by the Board of Education of Walker County (the “**Board of Education**”), as the controlling and managing body of the School District, by the terms of which resolution the Election was held; and

WHEREAS, pursuant to the results of the Election and the provisions of a bond resolution adopted on December 7, 2021 (the “**Bond Resolution**”), the Board of Education has authorized the issuance of \$16,500,000 in aggregate principal amount of WALKER COUNTY SCHOOL DISTRICT GENERAL OBLIGATION SALES TAX BONDS, SERIES 2021 (the “**Bonds**”); and

WHEREAS, the Board of Education has determined that the Educational Sales Tax received by the School District in each year will be sufficient to pay fully all principal of and interest on the Bonds coming due in each year; and

WHEREAS, payment of the principal of and interest on the Bonds will be secured by and payable first from the Educational Sales Tax and then, if and to the extent necessary, from *ad valorem* taxes to be levied in the School District; and

WHEREAS, the Bonds shall constitute debt of the School District within the meaning of Article IX, Section V, Paragraph I of the Constitution of the State of Georgia; and

WHEREAS, Article IX, Section V, Paragraph VI of the Constitution of the State of Georgia provides that, at or before the time of incurring bonded indebtedness, provision must be made for the assessment and collection of an annual tax in an amount sufficient to pay the principal of and interest on said debt; and

WHEREAS, the Bonds and the issuance thereof have been confirmed and validated by judgment of the Superior Court of Walker County, Georgia, which judgment has ordered and

adjudged that the Board of Education was and is authorized and empowered to recommend to the Board of Commissioners of Walker County (the “**Board of Commissioners**”) the assessment and collection of a continuing direct annual tax to be levied on all the taxable property located within the boundaries of the School District, which constitutes all of Walker County, exclusive of the corporate limits of the City of Chickamauga, in an amount sufficient to pay the principal of and the interest on the Bonds in accordance with the terms thereof, to the extent the proceeds of the Educational Sales Tax are not sufficient for that purpose; and

WHEREAS, in order to provide for the assessment and collection of a continuing direct annual tax to be levied on all the taxable property subject to taxation for bond purposes located within the boundaries of School District in an amount sufficient to pay the principal of and the interest on the Bonds as the same shall mature and become due, to the extent such principal and interest are not paid from proceeds of the Educational Sales Tax, the Board of Education, by resolution adopted on December 7, 2021, a certified copy of which resolution has been received by the Board of Commissioners, has recommended to the Board of Commissioners that such tax be assessed and collected in the appropriate years, sufficient in amount to produce the sums required to pay the principal of and interest on the Bonds to the extent the proceeds from the Educational Sales Tax received by the School District are not sufficient to make such payments, and that the funds provided by said tax shall be pledged irrevocably to and appropriated for the payment of the principal of and the interest on the Bonds.

NOW, THEREFORE, be it resolved by the Board of Commissioners of Walker County, in meeting assembled, that:

Section 1. Tax Assessment for Payment of Bonds. For the purpose of providing funds for the payment of the principal of and interest on all of the Bonds on the dates on which such principal and interest shall become due and be payable, to the extent such principal and interest are not paid from the proceeds of the Educational Sales Tax, there shall be and hereby is assessed and collected and there hereafter shall be collected in the appropriate years, beginning in the year 2022, a continuing direct annual tax upon all the taxable property within the boundaries of the School District, sufficient in amount to produce the sums required to pay the principal of the Bonds coming due on October 1 and the interest coming due on the Bonds on April 1 and October 1 in each of the years set forth on Exhibit A attached hereto and incorporated herein, through October 1, 2027, to the extent the proceeds from the Educational Sales Tax received by the School District are not sufficient to make such payments.

Section 2. Funds Pledged for Payment of Bonds. The funds provided by said tax shall be and hereby are irrevocably pledged to and appropriated for the payment of the principal of and interest on the Bonds, and provisions to meet the requirements hereof shall be made hereafter in due time and manner in the annual appropriation measure in each year, to the extent such principal and interest are not paid from the proceeds of the Educational Sales Tax, so that all of the Bonds, as to principal and interest, shall be fully paid as the same shall mature and become due.

Section 3. Publication of Tax Rate. The Board of Commissioners, as levying authority, together with the Board of Education, as recommending authority, shall comply with the provisions of O.C.G.A. § 48-5-32, and all other statutory requirements as may exist from

time to time relating to the publication of any reports or notices required prior to establishing millage rates each year for educational purposes, and shall take such other actions as may be required for the assessment and collection of taxes to provide funds in the years and amounts set forth in this resolution, to the extent the proceeds of the Educational Sales Tax received by the School District are not sufficient for that purpose. The Board of Commissioners and the Board of Education shall cause a report to be published in a newspaper of general circulation throughout Walker County at least two weeks prior to the establishment of the millage rates for *ad valorem* taxes for educational purposes during the current calendar year, in accordance with O.C.G.A. § 48-5-32.

Section 4. Compliance with Constitution. This resolution is adopted in order to assure compliance with Article IX, Section V, Paragraph VI of the Constitution of the State of Georgia. The Board of Education has determined that the Educational Sales Tax received by the School District in each year will be sufficient to pay fully all principal of and interest on the Bonds coming due in each year. The Board of Commissioners will take no action to establish a millage levy for the payment of any portion of the principal of and interest on the Bonds from *ad valorem* taxes until the Board of Education certifies to it any millage required for such purposes.

Section 5. Conflicting Provisions Repealed. Any and all resolutions or parts of resolutions, if any, in conflict herewith shall be and the same are repealed by the passage of this resolution.

RESOLUTION APPROVED AND ADOPTED, December 9, 2021.

WALKER COUNTY, GEORGIA

By: 
Chairman
Board of Commissioners

Exhibit A

DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Interest	Semi-Annual P&I	Annual Total P&I
04/01/2022	--	--	\$211,250.00	\$211,250.00	--
10/01/2022	--	--	380,250.00	380,250.00	\$591,500.00
04/01/2023	--	--	380,250.00	380,250.00	--
10/01/2023	\$3,200,000.00	4.00%	380,250.00	3,580,250.00	3,960,500.00
04/01/2024	--	--	316,250.00	316,250.00	--
10/01/2024	3,250,000.00	4.00	316,250.00	3,566,250.00	3,882,500.00
04/01/2025	--	--	251,250.00	251,250.00	--
10/01/2025	3,300,000.00	5.00	251,250.00	3,551,250.00	3,802,500.00
04/01/2026	--	--	168,750.00	168,750.00	--
10/01/2026	3,350,000.00	5.00	168,750.00	3,518,750.00	3,687,500.00
04/01/2027	--	--	85,000.00	85,000.00	--
10/01/2027	3,400,000.00	5.00	85,000.00	3,485,000.00	3,570,000.00
	\$16,500,000.00		\$2,994,500.00	\$19,494,500.00	\$19,494,500.00