Cherokee County School District

Agenda Request Form

Meeting Date	Agenda Item Number
February 15, 2024	D-2

Title

Resolution and Agreement for Sale of 2024 General Obligation Bonds for Voter-Approved Ed-SPLOST Purposes

Requested Action

School Board Consideration of Superintendent's Recommendation for Adoption of the Bond Resolution and Bond Purchase Agreement Relative to Series 2024 General Obligation Bonds (GO Bonds)

Summary Explanation and Background

At the December 14, 2023 School Board meeting, the Board authorized staff, General Counsel, Financial Advisor, Bond Counsel and Disclosure Counsel to proceed with a public offering of a competitive sale of up to $100,000,000 par amount in General Obligation Bonds, in accordance with voter approval of the Ed-SPLOST Referendum on November 2, 2021.

Staff, along with representatives from the School Board's independent financial advisor, Davenport and Company, will provide the School Board with pertinent information relative to the bond sale, including a review of credit rating agency reports and bond pricing results. The Board is requested to adopt the Series 2024 Bond Resolution and Bond Purchase Agreement.

Proceeds from the sale of these bonds will subsequently be transferred to an escrow account held at Regions Bank in the School District's name and used to pay for ongoing capital outlay projects over the next 18 to 24 months. Projects include, but are not limited to: construction of Cherokee High School replacement facility, construction of classroom addition and drive improvements at Creekland Middle School, construction of auxiliary gym, classroom addition and drive/parking improvements at Creekview High School, improvements to the athletic facilities at Sequoyah High School, construction of classroom addition at Woodstock High School, major repairs/renovations, technology equipment, property acquisition and security upgrades.

Priority Area

Organizational and Operational Effectiveness

Financial Impact

Up to $100,000,000 in Bond Par Amount

Exhibits: (List)

School Board Resolution and Bond Purchase Agreement

Source of Additional Information

Dr. Brian V. Hightower	770.479.1871
Kenneth Owen	770.479.1871

A RESOLUTION OF THE CHEROKEE COUNTY BOARD OF EDUCATION PROVIDING FOR (1) THE ISSUANCE OF $[100,000,000] IN AGGREGATE PRINCIPAL AMOUNT OF ITS GENERAL OBLIGATION BONDS, SERIES 2024; (2) THE PREPARATION OF A TAX DIGEST AND THE RECOMMENDATION TO THE CHEROKEE COUNTY BOARD OF COMMISSIONERS OF THE LEVY OF A TAX SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS; AND (3) OTHER RELATED PURPOSES:

WHEREAS, the Cherokee County School System, a political subdivision of the State of Georgia (the "School System"), embraces all of Cherokee County, Georgia (the "County"); and

WHEREAS, the Cherokee County Board of Education (the "Board of Education") is the body charged with contracting debts and managing the affairs of the School System; and

WHEREAS, at an election duly called and held in the School System on November 2, 2021 after notice thereof had been given of the time of the election (the "Election") in the manner required by law, a majority of the registered voters of the School System voting in said election voted in favor of the issuance of Cherokee County School System general obligation debt in the aggregate principal amount not to exceed $290,000,000 (the "Debt") for the purpose of funding (a) the costs of (i) acquiring, constructing and equipping new school buildings, administration buildings, athletic buildings/facilities and other buildings or facilities useful or desirable in connection therewith, (ii) adding to, renovating, repairing, improving and equipping existing school buildings, administration buildings, athletic buildings/facilities and other buildings and facilities useful or desirable therewith, (iii) acquiring buses and other vehicles, (iv) acquiring, installing and implementing technology improvements, (v) acquiring land for future facilities; and (vi) acquiring any property useful or desirable therefor, both real and personal (the "Projects") and (b) the costs of issuing the Debt; and

WHEREAS, $290,000,000 in aggregate principal of the Debt authorized pursuant to the Election remains unissued; and

WHEREAS, the School System desires to issue $[100,000,000] of authorized, but unissued Debt, in the form of its General Obligation Bonds, Series 2024 (the "Series 2024 Bonds") for the purpose of funding (a) a portion of the Projects and (b) the costs of issuing the Series 2024 Bonds; and

WHEREAS, the Series 2024 Bonds will be payable from an ad valorem property tax levied, without limitation as to rate or amount, upon all taxable property located within the boundaries of the School System subject to taxation for general obligation bond purposes and are also payable from any state appropriation to which the School System may be entitled, which the State of Georgia Board of Education is required to withhold from the School System and transfer to the Paying Agent for the Series 2024 Bonds under certain circumstances; and

WHEREAS, in order to issue the Series 2024 Bonds, the Board of Education is required by Article IX, Section V, Paragraph VI of the Constitution of the State of Georgia to cause the assessment by the Cherokee County Board of Commissioners (the "Board of Commissioners") of an annual tax sufficient in amount to pay the principal of and interest on the Series 2024 Bonds as the same become due; and

WHEREAS, it is also necessary for the School System to award the sale of the Bonds to [Underwriter] (the "Underwriter"); and

WHEREAS, it is also necessary for the School System to authorize the execution, delivery and performance of a Continuing Disclosure Certificate, to be dated the date of issuance and delivery of the Series 2024 Bonds (the "Continuing Disclosure Certificate"), relating to the Series 2024 Bonds; and

WHEREAS, it is also necessary for the School System to ratify the distribution of the Official Notice of Sale (the "Notice of Sale") and Preliminary Official Statement, dated [February 6, 2024] (the "Preliminary Official Statement"), relating to the Series 2024 Bonds and to authorize the distribution and execution of an Official Statement, dated the date hereof (the "Official Statement"), relating to the Series 2024 Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Cherokee County School System, acting by and through the Board of Education, and IT IS HEREBY RESOLVED by the authority of the same, as follows:

Section 1. Authorization of Series 2024 Bonds; Payment. The Series 2024 Bonds are hereby authorized to be issued. The Series 2024 Bonds shall be designated as "CHEROKEE COUNTY SCHOOL SYSTEM GENERAL OBLIGATION BONDS, SERIES 2024." The Series 2024 Bonds shall be issued in the aggregate principal amount of $[100,000,000]. The Series 2024 Bonds shall be dated as of their date of issuance, shall be issued in the authorized denomination of $5,000, or any integral multiple thereof and shall be numbered R-1 upward. The Series 2024 Bonds shall bear interest from their date of issuance at the rates per annum set forth below (based upon a 360-day year comprised of twelve 30-day months) until paid. The interest on the Series 2024 Bonds shall be paid on [First IP Month] 1 and [Second IP Month] 1 in each year (each an "Interest Payment Date"), commencing [First IPD]. Principal on the Series 2024 Bonds shall mature on [PP Month] 1 in the years and amounts, as follows:

Series 2024 Bonds

Year ([PP Month] 1)	Amount	Rate
	$	%

The principal of and interest on the Series 2024 Bonds shall be payable in the amounts and on the dates set forth in Exhibit A attached hereto and made a part hereof (the "Debt Service"). Before the 15th day of the month next preceding each Interest Payment Date, or if such 15th day of the month next preceding each Interest Payment Date is not a business day, then the immediately preceding business day, the School System shall transfer to the Paying Agent moneys sufficient to pay the principal of or interest coming due on the Series 2024 Bonds on the next succeeding Interest Payment Date. If by noon on the 15th day of the month next preceding each Interest Payment Date, or, if such 15th day of the month next preceding each such Interest Payment Date is not a business day, the immediately preceding business day, there shall not be on deposit with the Paying Agent the amount owed by the School System on such Interest Payment Date, then the Paying Agent shall notify the State Board of Education of the amount of any such deficiency in the Debt Service Fund in the following manner: (a) immediately by telephone at (404) 656-2454 or facsimile transmission at (404) 651-7688, Attention: Facilities Services Director, and (b) in writing by first-class mail or overnight courier to 1670 Twin Towers East, 205 Jesse Hill Jr. Drive, SE, Atlanta, Georgia 30334-5001, Attention: Ms. Sarah Morris, or such other address as may be designated by the State Board of Education for such purpose.

The Series 2024 Bonds shall initially be held in Book-Entry Form (hereinafter defined). As long as the Series 2024 Bonds are held in Book-Entry Form, the principal of and interest on the Series 2024 Bonds shall be payable in the manner set forth in Section 15 of this Resolution. If the Series 2024 Bonds are no longer held in Book-Entry Form, the principal of the Series 2024 Bonds shall be payable upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent. If the Series 2024 Bonds are no longer held in Book-Entry Form, payments of interest on the Series 2024 Bonds shall be made by check or draft payable to the registered owner as shown on the bond registration book kept by the Bond Registrar at the close of business on the fifteenth day of the calendar month next preceding each Interest Payment Date (the "Record Date"), and such payments of interest shall be mailed by first class mail to the registered owner at the address shown on the bond registration book; provided, however, interest on the Series 2024 Bonds shall be paid to any registered owner of more than $1,000,000 in aggregate principal amount of the Series 2024 Bonds by wire transfer to such registered owner if written instructions are given to the Paying Agent prior to the Record Date preceding the Interest Payment Date, and interest shall continue to be so paid until such wire instructions are revoked in writing. Both the principal of and interest on the Series 2024 Bonds shall be payable in lawful money of the United States of America.

Section 2. Preparation of Tax Digest. The Secretary of the Board of Education is hereby directed to ascertain from the tax returns made to the Tax Commissioner of the County, and from the tax returns made to the Commissioner of Revenue of the State of Georgia, the total value of all the property in the School System subject to taxation for general obligation bond purposes, and to prepare a digest of all such property in a book furnished by the Board of Education and kept for that purpose.

Section 3. Recommendation of Tax Levy. The Board of Education hereby recommends and directs that the Board of Commissioners levy an annual ad valorem tax upon all the property of the School System subject to taxation for general obligation bond purposes at such rates as will raise the amounts needed to pay the Debt Service. The Secretary of the Board of Education is hereby directed to provide a certified copy of this resolution to the Board of Commissioners and request that such tax be levied prior to the issuance of the Series 2024 Bonds.

Section 4. Execution of Series 2024 Bonds. The Series 2024 Bonds shall be executed for and on behalf of the School System by the manual or duly authorized reproduced facsimile signature of the Chairman of the Board of Education, and the corporate seal of the Board of Education shall be imprinted or impressed thereon and attested by the manual or duly authorized reproduced facsimile signature of the Secretary of the Board of Education. In case any officer whose signature shall be affixed to the Series 2024 Bonds or who shall have sealed any of the Series 2024 Bonds shall cease to be such officer before the Series 2024 Bonds so signed and sealed shall have been actually delivered, the Series 2024 Bonds, nevertheless, shall be valid obligations of the School System and may be delivered as such notwithstanding the fact that such officer or officers may have ceased to be such officer or officers of the School System when the Series 2024 Bonds shall be actually delivered.

Section 5. Bond Forms. The Series 2024 Bonds, the certificate of validation and the provision for registration shall be in substantially the following forms:

(FORM OF SERIES 2024 BOND)

UNITED STATES OF AMERICA
STATE OF GEORGIA

CHEROKEE COUNTY SCHOOL SYSTEM
GENERAL OBLIGATION BONDS, SERIES 2024

No. R- 1 Dated Date: [March 7, 2024] $_____

Maturity Date: [PP Month] 1, 20__ Interest Rate: _____% CUSIP: _____

KNOW ALL MEN BY THESE PRESENTS: That the Cherokee County School System (the "School System"), which embraces all of Cherokee County, Georgia, acting by and through the Cherokee County Board of Education (the "Board of Education"), hereby acknowledges itself to owe, and for value received hereby promises to pay to Cede & Co., as nominee of The Depository Trust Company ("DTC") or registered assigns, in lawful money of the United States of America, the principal sum shown above on the date indicated above, unless redeemed prior thereto as hereinafter provided, and interest hereon at the rate per annum set forth above (computed on the basis of a 360-day year comprised of twelve 30-day months) from the Interest Payment Date (hereinafter defined) next preceding the date of authentication and registration hereof to which interest has previously been paid (unless the date of authentication and registration hereof is prior to the first Interest Payment Date, in which event from the date of original issue, or unless the date of authentication and registration hereof is an Interest Payment Date, in which event from the date of authentication hereof, or unless the date of authentication and registration hereof is after a Record Date (hereinafter defined) and before the next succeeding Interest Payment Date, in which event from such next succeeding Interest Payment Date) until payment of the principal amount hereof. The interest on this bond shall be paid on [First IP Month] 1 and [Second IP Month] 1 in each year (each an "Interest Payment Date"), commencing [First IPD], to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month preceding each Interest Payment Date (each such date a "Record Date"). This bond shall initially be held in book-entry form ("Book-Entry Form"). As long as this bond is held in Book-Entry Form, both principal of and interest on this bond shall be payable in accordance with the rules of DTC or its successor depository (the "Securities Depository"). If this bond is no longer held in Book-Entry Form, the principal of this bond shall be paid upon presentation and surrender hereof at the principal corporate trust office of Regions Bank, as Paying Agent and Bond Registrar, in Atlanta, Georgia. If this bond is no longer held in Book-Entry Form, interest on this bond shall be paid by check or draft, drawn on the Paying Agent, and mailed, by first class mail, postage prepaid, to such person at the address on the books of registry kept by the Bond Registrar; provided, however, in the event that the owner of this bond owns $1,000,000 in aggregate principal amount of bonds, interest shall be paid by wire transfer in accordance with written instructions provided to the Paying Agent prior

to the Record Date preceding the Interest Payment Date, until such instructions are revoked in writing.

This bond is one of a duly authorized issue of like tenor except as to numbers, denominations, interest rates and dates of maturity aggregating in principal amount the sum of $[100,000,000] (the "Series 2024 Bonds"). The proceeds of the sale of the Series 2024 Bonds will be used for the purpose of funding (a) a portion of the costs of (i) acquiring, constructing and equipping new school buildings, administration buildings, athletic buildings/facilities and other buildings or facilities useful or desirable in connection therewith, (ii) adding to, renovating, repairing, improving and equipping existing school buildings, administration buildings, athletic buildings/facilities and other buildings and facilities useful or desirable therewith, (iii) acquiring buses and other vehicles, (iv) acquiring, installing and implementing technology improvements, (v) acquiring land for future facilities; and (vi) acquiring any property useful or desirable therefor, both real and personal (the "Projects") and (b) the costs of issuing the Series 2024 Bonds. This bond is authorized by the Constitution and laws of the State of Georgia and by a resolution of the Board of Education duly adopted on [February 15, 2024] (the "Bond Resolution").

The Series 2024 Bonds are being issued in Book-Entry Form, with actual Series 2024 Bonds immobilized at the Securities Depository. Actual Series 2024 Bonds are not available for distribution to the beneficial owners thereof, except under the limited circumstances set forth in the Bond Resolution. The principal, redemption premium (if any) and interest on the Series 2024 Bonds are payable by the Paying Agent to the Securities Depository. Transfer of principal, redemption premium (if any) and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository; transfers of principal, redemption premium (if any) and interest to beneficial owners by participants of the Securities Depository will be the responsibility of such participants. Notices will be sent by the Paying Agent to the Securities Depository. The sending of notices to beneficial owners by participants of the Securities Depository will be the responsibility of such participants and other nominees of beneficial owners. The School System and the Paying Agent are not responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants.

As long as the Series 2024 Bonds are held in Book Entry Form, this bond may be registered as transferred and exchanged in accordance with the rules of DTC. If the Series 2024 Bonds are no longer held in Book-Entry Form, this bond may be registered as transferred only upon the registration books kept for that purpose at the designated corporate trust office of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered bond, in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor. In addition, if the Series 2024 Bonds are no longer held in Book-Entry Form, this bond may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the designated corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2024 Bonds of the same maturity and

in any authorized denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Resolution. The Bond Registrar is not required to transfer or exchange this bond after notice of redemption has been given or for fifteen days prior to the giving of such notice.

The person in whose name this bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of or on account of either principal or interest made to such registered holder shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid.

The Series 2024 Bonds maturing on [PP Month] 1, 20__ and thereafter are subject to optional redemption prior to their maturity, in whole or in part at any time, not earlier than [PP Month] 1, 20__ in any order of maturities selected by the School System, at a redemption price equal to 100% of the principal amount of the Series 2024 Bonds being redeemed, plus accrued interest to the redemption date.

The Series 2024 Bonds maturing on [PP Month] 1, 20__ are subject to mandatory sinking fund redemption prior to their maturity at a redemption price equal to 100% of the principal amount thereof being redeemed, plus accrued interest to the redemption date, on June 1 of the following years and in the following amounts (the [PP Month] 1, 20__ amount to be paid rather than redeemed):

Year	Amount

At its option, to be exercised on or before the 45th day next preceding such scheduled maturity redemption date, the School System, may (a) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2024 Bonds subject to scheduled mandatory redemption which are delivered to the Paying Agent for cancellation and not theretofore applied as a credit against a scheduled mandatory redemption obligation or (b) receive a credit with respect to its scheduled mandatory redemption obligation for any Series 2024 Bonds which prior to said date have been redeemed (otherwise than through scheduled mandatory redemption) and canceled by the Paying Agent and not theretofore applied as a credit against said scheduled mandatory redemption obligation. Each Series 2024 Bond so delivered or previously redeemed shall be credited by the Paying Agent, at the principal amount thereof, to the obligation of the School System on such scheduled mandatory redemption date and the principal amount of the Series 2024 Bonds to be redeemed by operation of such scheduled mandatory redemption on such date shall be accordingly reduced.

Notice of any redemption of the Series 2024 Bonds, identifying the Series 2024 Bonds (or any portion of the respective principal sums thereof) to be redeemed, will be given by the Paying Agent not less than 30 nor more than 60 days prior to the redemption date (a) in accordance with the rules of the Securities Depository as long as the Series 2024 Bonds are held in Book-Entry Form and (b) by first class mail, postage prepaid, to all registered owners of the

Series 2024 Bonds to be redeemed if the Series 2024 Bonds are no longer held in Book-Entry Form. Failure to give appropriate notice of any redemption by mail or any defect in the notice will not affect the validity of the proceedings for the redemption of any Series 2024 Bond for which proper notice was given.

If at the time of mailing of notice of redemption there have not been deposited with the Paying Agent moneys sufficient to redeem all Series 2024 Bonds called for redemption, such notice will state that it is conditional upon the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the date established for redemption, and such notice will be of no effect unless such moneys are so deposited.

If less than all of the Series 2024 Bonds of a maturity are to be called for redemption, then Series 2024 Bonds within each maturity so called for redemption shall be selected (a) in the manner designated by the Securities Depository when the Series 2024 Bonds are held in Book-Entry Form and (b) by lot when the Series 2024 Bonds are not held in Book-Entry Form.

It is further certified and recited, that all acts, conditions and things required by the Constitution or statutes of the State of Georgia to exist, be performed or happen pursuant to and in the issuance of this bond, exist, have been performed and have happened in due and regular form as required by law, that provision has been made for the collection, if necessary, of a direct annual tax, unlimited as to rate or amount, on all property subject to taxation for school bond purposes located in the School System, sufficient to pay the principal of, and the interest on, this bond, in accordance with its terms, and that the total indebtedness of the School System, including this bond, does not exceed any limitation prescribed by said Constitution or statutes; and that the School System has irrevocably authorized and directed the State of Georgia Board of Education to withhold from the School System sufficient moneys from any state appropriation to which the School System may be entitled and to apply so much as shall be necessary to the payment of the principal of and interest on this bond.

This bond shall not be entitled to any benefit under the Bond Resolution and shall not become valid or obligatory for any purpose until it shall have been authenticated by execution by the Bond Registrar by manual signature of the authentication certificate hereon endorsed.

IN WITNESS WHEREOF, the CHEROKEE COUNTY SCHOOL SYSTEM, acting by and through the CHEROKEE COUNTY BOARD OF EDUCATION, has caused this bond to be executed by the duly authorized manual or facsimile signature of the Chairman of the Board of Education and its corporate seal to be impressed or imprinted hereon and attested by the duly authorized manual or facsimile signature of the Secretary of the Board of Education.

CHEROKEE COUNTY SCHOOL SYSTEM

(SEAL)

By:_____
Chairman, Cherokee County Board of Education

Attest:

_____
Secretary, Board of Education
of Cherokee County

* * * * *

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2024 Bonds described in the within mentioned authorizing resolution of the Cherokee County Board of Education, adopted on [February 15, 2024], and is hereby authenticated as of the date of its execution as stated in this bond.

REGIONS BANK, Atlanta, Georgia,
as Bond Registrar

By:_____
Authorized Signatory

Date of Authentication: [March 7, 2024]

* * * * *

VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF CHEROKEE

The undersigned Clerk of the Superior Court of Cherokee County, State of Georgia, DOES HEREBY CERTIFY that this bond was confirmed and validated by judgment of the Superior Court of Cherokee County, Georgia, on the 20th day of December, 2021, and that no intervention, objection or appeal has been successfully prosecuted or is currently outstanding therefrom.

WITNESS my manual or facsimile signature and the seal of the Superior Court of Cherokee County, Georgia.

_____

Clerk, Superior Court
Cherokee County, Georgia

(SEAL)

* * * * *

ASSIGNMENT FOR TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY
OR OTHER IDENTIFYING NUMBER
OF ASSIGNEE

_____

_____

_____

_____

_____

the within Bond of the CHEROKEE COUNTY SCHOOL SYSTEM and does hereby constitute and appoint _____ attorney to transfer the said Bond on the books of the Bond Registrar, with full power of substitution in the premise.

Date:

In the presence of:_____

_____
Bondholder

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Notice: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

* * * * *

DTC FAST RIDER

Each such certificate shall remain in the Paying Agent's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Paying Agent and DTC - FAST Agreement.

(End of Series 2024 Bond Form)

Section 6. Delivery of Series 2024 Bonds; Application of Proceeds.

(a) In accordance with the rules of the Securities Depository (hereinafter defined), there shall be delivered to the Paying Agent one Bond for each maturity registered in the name of Cede & Co. Such Bonds shall be held by the Paying Agent on behalf of the Securities Depository.

(b) The proceeds of the sale of the Series 2024 Bonds shall be applied as follows:

(i) the Underwriter shall retain its underwriting discount for the Series 2024 Bonds; and

(ii) the balance shall be wired to the Construction Fund Custodian and deposited into the Construction Fund (as defined in Section 7 hereof).

(c) Notwithstanding the foregoing, if the Chairman of the Board of Education shall determine that a different application of funds is required to carry out the intent of this Resolution, the different application of funds may be provided for in the authentication order to be delivered at the time of issuance of the Series 2024 Bonds.

Section 7. Construction Fund. There is hereby authorized and directed to be created a special trust fund designated "Cherokee County School System Construction Fund – Series 2024" (the "Construction Fund"). Such moneys as are deposited in the Construction Fund shall be held separate and apart from all other funds by Regions Bank, Atlanta, Georgia, as the Construction Fund Custodian and withdrawn only in accordance with the provisions and restrictions set forth in Section 8 hereof and said Custodian shall comply with all provisions set forth in said Section.

Section 8. Use of Proceeds in Construction Fund. Proceeds from the sale of the Series 2024 Bonds deposited in the Construction Fund may be invested, at the direction of the School System, by the Construction Fund Custodian in the following investments (collectively, the "Permitted Investments"):

(a) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated, as amended;

(b) bonds or obligations of the State of Georgia, or of other counties, municipal corporations, and political subdivisions of the State of Georgia;

(c) bonds or other obligations of the United States or of subsidiary corporations of the United States government which are fully guaranteed by such government;

(d) obligations of and obligations guaranteed by agencies or instrumentalities of the United States government, including those issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such

obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(e) bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States government;

(f) certificates of deposit of national or state banks located within the State of Georgia which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan or savings and loan associations located within the State of Georgia which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any of the proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State of Georgia or with a trust office within the state, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State of Georgia or other states or of any county or municipal corporation in the State of Georgia, obligations of the United States or subsidiary corporations referred to in paragraph (c) above, obligations of the agencies and instrumentalities of the United States government referred to in paragraph (d) above, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities referred to in paragraph (e) above;

(g) securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(i) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referred to in paragraphs (c) and (d) above and repurchase agreements fully collateralized by any such obligations;

(ii) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(iii) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(iv) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State of Georgia; and

(h) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least $50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least $50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys.

At maturity or upon the sale of such investments, all proceeds received therefrom, including accrued interest and premium, if any, shall be immediately deposited by the Construction Fund Custodian in the Construction Fund and shall be disposed of in the manner and for the purposes hereinafter provided. Withdrawals from the Construction Fund may be made for the purpose of paying the cost of the Projects and the costs of issuing the Series 2024 Bonds. Without intending thereby to limit or to restrict or to extend any proper definition of such costs as may now or hereinafter be permitted by applicable law, such costs shall include:

(a) The cost of indemnity and fidelity bonds either to secure deposits in the Construction Fund or to insure the faithful completion of any contract pertaining to the Projects;

(b) Any taxes or any charges lawfully levied or assessed against the Projects;

(c) Fees and expenses of engineers for engineering studies, surveys and estimates, and the preparation of plans and supervising the acquisition, construction and installation of the Projects;

(d) Payments made for labor, contractors, builders and materialmen in connection with the Projects and payment for machinery and equipment and for the restoration of property damaged or destroyed in connection therewith and the repayment of advances made to it for the purpose of paying any of the aforementioned costs;

(e) The cost of acquiring by purchase, and the amount of any award or final judgment in any proceeding to acquire by condemnation, lands and rights-of-way necessary for the Projects and appurtenances in connection therewith, and options and payment thereon, and any easements or rights-of-way or any damages incident to or resulting from the acquisition, construction, expansion and improvement of the Projects;

(f) All other items or expenses not elsewhere in this Section specified incident to the Projects; and

(g) Costs incident to the issuance of the Series 2024 Bonds.

All payments from the Construction Fund for costs of the Projects and costs of issuance shall be made upon requisitions signed by an officer (or officers) of the School System properly authorized and designated to sign on the School System's behalf for this purpose. Before the Construction Fund Custodian makes any such payments, there shall be filed with the Construction Fund Custodian:

(a) A requisition for such payment stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due; and

(b) A certificate attached to the requisition and certifying:

(i) That an obligation in the stated amount has been incurred by the School System, and that the same is a proper charge against the Construction Fund and has not been paid or the subject of another requisition, and stating that the bill, invoice or statement of account for such obligation, or a copy thereof is on file in the office of the School System;

(ii) That such officer (or officers) has (have) no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, or conditional sales contracts which should be satisfied or discharged before such payment is made;

(iii) That such requisition contains no item representing payment on account, or any retained percentages which the School System is, at the date of such certificate, entitled to retain;

(iv) That insofar as such obligation was incurred for work, material, supplies or equipment in connection with the Projects, such work was actually performed, or such material, supplies or equipment was actually installed in or about the construction site or delivered at the site of the work for that purpose; and

(v) That if such obligation is being paid with the proceeds of the Series 2024 Bonds, such obligation was incurred for a capital expenditure or a cost of issuing the Series 2024 Bonds.

Withdrawals for investment purposes only (including authorized deposits with other banks) may be made by the Construction Fund Custodian to comply with written directions from an officer (or officers) of the School System without any requisition other than said direction.

Section 9. Authentication of Series 2024 Bonds. Only such Series 2024 Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinabove set forth duly executed by the Bond Registrar shall be deemed to be validly issued hereunder. No

Series 2024 Bonds shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been executed by the Bond Registrar, and such executed certificate of the Bond Registrar upon any such Series 2024 Bond shall be conclusive evidence that such Series 2024 Bond has been authenticated and delivered hereunder. Said certificate of authentication on any Series 2024 Bond shall be deemed to have been executed by the Bond Registrar, but it shall not be necessary that the same authorized signatory sign the certificate of authentication on all of the Series 2024 Bonds.

Section 10. Transfer and Exchange of Series 2024 Bonds. The Bond Registrar shall cause books for the registration of transfer of the Series 2024 Bonds to be kept. As long as the Series 2024 Bonds are held in Book-Entry Form, the Series 2024 Bonds may be registered as transferred or exchanged in the manner set forth in Section 15 of this Resolution. If the Series 2024 Bonds are no longer held in Book-Entry Form, the Series 2024 Bonds may be registered as transferred on the books of registration by the registered owner thereof in person or by his duly authorized attorney, upon surrender thereof, together with a written instrument of transfer executed by the owner or his duly authorized attorney. Upon surrender for registration of transfer of any Series 2024 Bond at the principal corporate office of the Bond Registrar, the School System shall execute, and the Bond Registrar shall authenticate and deliver in the name of the transferee or transferees, a new Series 2024 Bond or Series 2024 Bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations ($5,000 or integral multiples thereof), numbered consecutively in order of issuance according to the records of the Bond Registrar.

If the Series 2024 Bonds are no longer held in Book-Entry Form, the Series 2024 Bonds may be exchanged at the principal corporate office of the Bond Registrar for an equal aggregate principal amount of Series 2024 Bonds of the same maturity, interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The School System shall execute, and the Bond Registrar shall authenticate and deliver, Series 2024 Bonds which the Bondholder making such exchange is entitled to receive, bearing numbers not contemporaneously then outstanding.

Such transfers of registration or exchanges of Series 2024 Bonds shall be without charge to the owner of such Series 2024 Bonds, but any tax or other governmental charge, required to be paid with respect to the same shall be paid by the owner of the Series 2024 Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege. The Bond Registrar is not required to transfer or exchange any Series 2024 Bond after notice of redemption has been given or for fifteen days prior to the giving of such notice.

All Series 2024 Bonds surrendered upon any transfer provided for in this Resolution shall be promptly canceled by the Bond Registrar and shall not be reissued. Upon request of the School System a certificate evidencing such cancellation shall be furnished by the Bond Registrar to the School System.

Section 11. Registered Owners. The person in whose name any Series 2024 Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest shall be made only to or upon the order of

the registered owner thereof or his duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2024 Bond to the extent of the sum or sums so paid.

Section 12. Continuing Request. The inclusion of the foregoing provisions shall constitute (a) a continuing request from the School System to the Clerk of the Superior Court of Cherokee County, unless her signature shall occur by facsimile, to execute the certificate of validation on any replacement Series 2024 Bonds issued pursuant hereto, and (b) the appointment of the Bond Registrar as agent for the School System to do any and all things necessary to affect any replacement, exchange or registration of transfer.

Section 13. Mutilated or Destroyed Series 2024 Bonds. In case any Series 2024 Bond shall become mutilated or be destroyed or lost, the Board of Education, on behalf of the School System, may cause to be executed, authenticated and delivered a new Series 2024 Bond of like date and tenor in exchange or substitution for any such Series 2024 Bond upon, in the case of mutilated Series 2024 Bonds, surrender of such Series 2024 Bonds, or in the case of destroyed or lost Series 2024 Bonds, the owners filing with the School System, the Paying Agent and the Bond Registrar evidence satisfactory to them that such Series 2024 Bond was destroyed or lost and providing indemnity satisfactory to them. If any such Series 2024 Bond shall have matured, instead of issuing a new Series 2024 Bond, the School System may pay the same.

Section 14. Redemption. The Series 2024 Bonds shall be subject to redemption as more fully described in the form of the Series 2024 Bonds.

Section 15. Book-Entry System.

(a) Upon the initial issuance, the ownership of each Series 2024 Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company (the "Securities Depository"), and ownership thereof shall be maintained in book-entry form ("Book-Entry Form") by the Securities Depository for the account of the participants thereof. Beneficial owners will not receive Series 2024 Bonds from the Paying Agent evidencing their ownership interests. Except as provided in subsection (c) of this Section 15, the Series 2024 Bonds may be transferred, in whole but not in part, only to the Securities Depository, or to a successor Securities Depository selected or approved by the School System or to a nominee of such successor Securities Depository.

(b) With respect to Series 2024 Bonds registered in the name of the Securities Depository, the School System, the Paying Agent and the Bond Registrar shall have no responsibility or obligation to any participant or beneficial owner. Without limiting the foregoing, neither the School System, the Paying Agent, the Bond Registrar nor their respective affiliates shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository or any participant with respect to any beneficial ownership interest in the Series 2024 Bonds;

(ii) the delivery to any participant, any beneficial owner or any other person, other than the Securities Depository, of any notice with respect to the Series 2024 Bonds; or

(iii) the payment to any participant, any beneficial owner or any other person, other than the Securities Depository, of any amount with respect to the principal, premium, if any, or interest on the Series 2024 Bonds.

So long as the Series 2024 Bonds are registered in Book-Entry Form, the School System, the Bond Registrar and the Paying Agent may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of the Series 2024 Bonds for all purposes whatsoever, including without limitation:

(i) the payment of principal of, premium, if any, and interest on the Series 2024 Bonds;

(ii) giving notices of redemption and other matters with respect to the Series 2024 Bonds;

(iii) registering transfers with respect to the Series 2024 Bonds;

(iv) the selection of Series 2024 Bonds for redemption; and

(v) voting and obtaining consents under this Resolution.

So long as the Series 2024 Bonds are registered in Book-Entry Form, the Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2024 Bonds only to the Securities Depository as shown in the bond register, and all such payments shall be valid and effective to fully discharge the School System's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2024 Bonds to the extent so paid.

(c) If at any time (i) the School System determines that the Securities Depository is incapable of discharging its responsibilities described herein, (ii) if the Securities Depository notifies the School System that it is unwilling or unable to continue as Securities Depository with respect to the Series 2024 Bonds, or (iii) if the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation and a successor securities depository is not appointed by the School System within 90 days after the School System receives notice or becomes aware of such condition, as the case may be, then this Section 15 shall no longer be applicable and the School System shall execute and the Bond Registrar shall authenticate and deliver bonds representing the Series 2024 Bonds to the owners of the Series 2024 Bonds. Series 2024 Bonds issued pursuant to this subsection (c) shall be registered in such names and authorized denominations as the Securities Depository, pursuant to instructions from the participant or otherwise, shall instruct the Bond Registrar. Upon exchange, the Bond Registrar shall deliver such bonds representing the Series 2024 Bonds to the persons in whose names such Series 2024 Bonds are so registered on the business day immediately preceding the date of such exchange.

Section 16. Designation of Paying Agent. Regions Bank, Atlanta, Georgia is hereby designated to act as Authenticating Agent, Bond Registrar and Paying Agent with respect to the Series 2024 Bonds.

Section 17. State Intercept. The Secretary of the Board of Education is hereby authorized to notify the State Board of Education of the proposed issuance of the Series 2024 Bonds, and the State Board of Education is hereby authorized and directed to withhold from the School System sufficient moneys from any State appropriation to which the School System may be entitled, and apply so much as shall be necessary to the payment of the principal and interest on the Series 2024 Bonds then due, pursuant to notification by the Paying Agent that the School System will not be able to effect the punctual payment of the principal of or interest on the Series 2024 Bonds in the manner set forth herein, such notice to be in substantially the form attached hereto as Exhibit B which by this reference is incorporated herein and made a part hereof.

Section 18. Payments Due on Saturday, Sunday or Holiday. If a payment on the Series 2024 Bonds is due on a Saturday, Sunday or any day that the principal corporate trust office of the Paying Agent is authorized or required by law to remain closed, such payment shall be made on the next succeeding business day with the same force and effect as if such payment had been made on the original due date.

Section 19. Financial Covenants. The School System hereby covenants and agrees, to the extent allowed by applicable law, that, so long as any of the Series 2024 Bonds are outstanding, it will not incur any additional debt or obligation of the School System payable from the State of Georgia appropriation to which the School System may be entitled unless the amount of any appropriation to which the School System has been entitled for a period of twelve (12) consecutive months immediately preceding the adoption of the proceedings authorizing the issuance of such additional debt or obligation has been equal to at least 2.0 times the maximum annual debt service requirement for any succeeding year on the Series 2024 Bonds and any other outstanding debt or obligation then outstanding payable from such appropriation and on the additional debt or obligation proposed to be issued.

The School System hereby certifies that it will comply with the foregoing covenant upon the issuance of the Series 2024 Bonds.

Section 20. Tax Covenants and Representations. The Series 2024 Bonds are being issued by the School System in compliance with the conditions necessary for the interest income on the Series 2024 Bonds to be exempt from federal income taxation pursuant to the provisions of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code") relating to obligations of the State or political subdivisions thereof. It is the intention of the School System that the interest on the Series 2024 Bonds be and remain excludable from gross income for federal income tax purposes, and, to that end, the School System hereby covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the tax-exempt status of the interest on the Series 2024 Bonds under Section 103 of the Code.

Section 21. Sale of Series 2024 Bonds. The Board of Education approves the sale of the Series 2024 Bonds to the Underwriter for a purchase price of [Purchase Price] (equal to par less underwriter's discount of $[UW Discount] plus [net] original premium of $[Premium]).

Section 22. Authorization of Notice of Sale, Preliminary Official Statement and Official Statements; Deemed Final; and Continuing Disclosure Certificate. The distribution of the Notice of Sale and Preliminary Official Statement is ratified and approved. The execution and distribution of the Official Statement are authorized and approved. The Official Statement shall be executed by the Chairman of the Board of Education. The Official Statement shall be substantially the same form as the Preliminary Official Statement presented at this meeting and on file with the Secretary of the Board of Education, with such changes, insertions or omissions as may be approved by the person executing the same. The School System hereby deems the Preliminary Official Statement final, except for "Permitted Omissions," as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the underwriter or bond insurer and other terms of the Series 2024 Bonds and any underlying obligations depending on such matters, all with respect to the Series 2024 Bonds and any underlying obligations. The execution and delivery of the certificate deeming the Preliminary Official Statement final as required by the Rule are ratified and approved. The execution and delivery of the Continuing Disclosure Certificate are authorized and approved. The Continuing Disclosure Certificate shall be executed by the Chairman of the Board of Education and the Secretary may attest the same and the seal of the School System may be impressed on the Continuing Disclosure Certificate. The Continuing Disclosure Certificate shall be substantially in the form attached to the Preliminary Official Statement, with such changes, insertions or omissions as may be approved by the person executing the same. The School System hereby covenants and agrees that it shall, to the extent allowed by applicable law, comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the School System to comply with the Continuing Disclosure Certificate shall not be considered a default hereunder. It is expressly provided, however, that any beneficial owner of the Series 2024 Bonds may take such action, to the extent and in such manner as may be allowed by applicable law, as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the School System to comply with its obligations under the Continuing Disclosure Certificate.

Section 23. Approval of Prior Actions; General Authority. All actions taken by the Board of Education, any officer of the Board of Education, any officer of the School System or any agent or employee of the School System relating to the authorization and issuance of the Series 2024 Bonds, including, but not limited to, actions taken in connection with the validation of the Series 2024 Bonds, be and the same are hereby ratified, approved and confirmed.

The proper officers, agents and employees of the Board of Education and the School System are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary or desirable in connection with

the issuance of the Series 2024 Bonds and the execution, delivery and performance of the documents and agreements authorized by this Resolution.

In the event that the Chairman is unavailable or unwilling to sign the Series 2024 Bonds or the other documents authorized herein, the Vice-Chairman is hereby authorized and directed to sign the Series 2024 Bonds and the other documents authorized herein.

Section 24. Repeal of Conflicting Resolutions. All resolutions, or parts thereof, that conflict with this Resolution are hereby repealed.

Section 25. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED on [February 15, 2024].

CHEROKEE COUNTY BOARD OF EDUCATION

(SEAL)

By:_____
Chairman, Cherokee County Board of Education

Attest:

_____
Secretary, Cherokee County Board of Education

EXHIBIT A

DEBT SERVICE SCHEDULE

Date	Principal	Interest	Total

[February 15, 2024]

Mr. Pat Schofill
c/o Ms. Sarah Morris
Georgia Department of Education
1670 Twin Towers East
205 Jesse Hill Jr. Drive
Atlanta, GA 30334

Re: $[100,000,000] Cherokee County School System General Obligation Bonds, Series 2024

To the Addressee:

Pursuant to Sections 20-2-170 and 20-2-480 of the Official Code of Georgia Annotated, you are hereby notified of action taken by the Cherokee County School System pursuant to the resolution of its Board of Education adopted [February 15, 2024] (the "Resolution"), a copy of which is attached hereto as Exhibit 1, authorizing and directing you to withhold moneys from any State appropriation to which the School System may be entitled and to apply so much thereof as shall be necessary to the payment of the principal of and interest on the captioned bonds (collectively, the "Series 2024 Bonds"). Notification to you of the necessity to make such withholding and application may be given to you by the Paying Agent for the Series 2024 Bonds, Regions Bank, 1180 West Peachtree Street, Suite 1200, Atlanta, Georgia 30309, Attn: Corporate Trust Services, or any successor thereto.

As required by Section 20-2-480(b) of the Official Code of Georgia Annotated, you are further informed as follows with respect to the Series 2024 Bonds:

(1) The proposed date of issuance of the bonded indebtedness is [March 7, 2024].

(2) A schedule of the principal and interest payment amounts and dates of the Series 2024 Bonds is attached as Exhibit A to the Resolution.

(3) The Paying Agent for the Series 2024 Bonds is Regions Bank, Atlanta, Georgia.

Two copies of this authorization and direction are being sent to you and I ask that you indicate your receipt and acceptance on one of the copies and return it to me at your earliest convenience.

Notices directing you to withhold funds shall be sent by facsimile to the attention of the Facilities Services Director at (404) 651-7688 at least 15 days prior to any interest or principal payment date. A hard copy of the notice shall be sent to the State Superintendent of

Schools with a copy to the Facilities Services Director. You should remit funds to the Paying Agent at least two days prior to any interest or principal payment date.

Yours very truly,

CHEROKEE COUNTY SCHOOL SYSTEM

By:_____
Secretary, Cherokee County Board of Education

(SEAL)

Receipt of the foregoing authorization and direction by the Cherokee County School System is hereby acknowledged and accepted, this _____ day of _____, 2024.

STATE BOARD OF EDUCATION

By:_____

Exhibit 1

BOND RESOLUTION

SECRETARY'S CERTIFICATE

STATE OF GEORGIA

COUNTY OF CHEROKEE

The undersigned, Secretary of the Cherokee County Board of Education, DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted by the Cherokee County Board of Education, in a meeting duly assembled and open to the public at which a quorum was present, on [February 15, 2024], relating to the sale and form of the $[100,000,000] Cherokee County School System General Obligation Bonds, Series 2024, the original of which has been duly recorded in the Minute Book of said Board of Education, which is in my custody and control.

GIVEN on [February 15, 2024].

_____

Secretary, Cherokee County Board of Education

(SEAL)