

A RESOLUTION OF THE HABERSHAM COUNTY BOARD OF COMMISSIONERS TO REGULATE AND PROVIDE FOR THE CALLING OF AN ELECTION TO DETERMINE THE ISSUANCE OR NON-ISSUANCE OF HABERSHAM COUNTY GENERAL OBLIGATION BONDS AND THE CONTINUATION OF A ONE PERCENT SALES AND USE TAX; AND FOR OTHER PURPOSES.

WHEREAS, the Habersham County Board of Commissioners (the “Board of Commissioners”), the body charged with managing the affairs of Habersham County, Georgia (the “County”), has caused a thorough study to be made of the need for a new jail (the “Jail”), and such investigation discloses the urgent need for such Jail; and

WHEREAS, the Board of Commissioners has determined that the most feasible plan for financing the Jail is for the County to issue up to \$52,000,000 in aggregate principal amount of its general obligation bonds (the “Bonds”); and

WHEREAS, Part 1 of Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated (the “Sales and Use Tax Act”) authorizes the continuation of a one percent sales and use tax (the “Sales and Use Tax”) for the purpose of financing certain capital outlay projects and retiring certain general obligation debt; and

WHEREAS, the Board of Commissioners and the Mayors and City Councils of the City of Alto, Georgia (“Alto”), the City of Baldwin, Georgia (“Baldwin”), the City of Clarksville, Georgia (“Clarksville”), the City of Cornelia, Georgia (“Cornelia”), the City of Demorest, Georgia (“Demorest”), the City of Mount Airy, Georgia (“Mount Airy”) and the City of Tallulah Falls, Georgia (“Tallulah Falls” and together with the other cities (the “Cities”) have determined that it is in the best interest of the citizens of Habersham County, Georgia (the “County”) and the Cities that the Sales and Use Tax be continued in the County to raise approximately \$75,937,510 for the purpose of funding (a) (i) the payment of the debt service on the Bonds during the term of the Sales and Use Tax (the “Debt Service”) and (ii) certain capital outlay projects of the County (the “County Projects”) and (b) certain capital outlay projects of Cities (the “City Projects” and together with the County Projects, the “Projects”); and

WHEREAS, the Board of Commissioners delivered or mailed a written notice (the “Notice”) to the mayor or chief elected officer in each qualified municipality located within the County regarding the imposition of the Sales and Use Tax; and

WHEREAS, the Notice contained the date, time, place and purpose of a meeting at which the Board of Commissioners and the governing authorities of each qualified municipality met and discussed the possible projects for inclusion in the referendum, including municipally owned or operated projects; and

WHEREAS, the Notice was delivered or mailed at least ten days prior to the date of the meeting, and the meeting was held at least thirty days prior to the issuance of the call of the referendum; and

WHEREAS, after such meeting, the County and the Cities entered into an Intergovernmental Agreement governing the use of the Sales and Use Tax proceeds (the “Agreement”); and

WHEREAS, the issuance of the Bonds and the continuation of the Sales and Use Tax must be approved by a majority of the qualified voters in the County voting in a referendum; and

WHEREAS, the Board of Commissioners desires to appoint a placement agent or underwriter and a bond counsel for the Bonds.

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

1. Authorization of Sales and Use Tax. In order to fund the Debt Service and the Projects, there is hereby authorized to be levied and collected within the County as provided in the Sales and Use Tax Act a Sales and Use Tax in the amount of one percent on all sales and uses in the County as provided in the Sales and Use Tax Act. As required by Section 48-8-111(a) of the Sales and Use Tax Act:

(a) The proceeds of such tax will be used to fund (a) the Debt Service and (b) all or a portion of the Projects.

(b) The estimated amount of the Debt Service and the estimated costs of the Projects are set forth below:

<u>DEBT SERVICE AND COUNTY PROJECTS</u>	
Debt Service	
Total County	
<u>ALTO PROJECTS</u>	
Total Alto	
<u>BALDWIN PROJECTS</u>	
Total Baldwin	
<u>CLARKESVILLE PROJECTS</u>	
Total Clarkesville	
<u>CORNELIA PROJECTS</u>	
Total Cornelia	
<u>DEMOREST PROJECTS</u>	
Total Demorest	
<u>MOUNT AIRY PROJECTS</u>	
Total Mount Airy	
<u>TALULLAH FALLS PROJECTS</u>	
Total Talullah Falls	
Total All Debt Service and Projects	

Each of the Projects may include the acquisition of land, equipment and vehicles and other capital costs related to such Project.

The amount of Debt Service is an estimate based upon the maximum interest rate of 6%. The actual amount of Debt Service will be based upon the actual interest rate. The costs of the Projects set forth above are estimates based upon the estimated Sales and Use Tax collections and the needs of the County and the Cities at the time the Agreement was executed. The County and the Cities have acknowledged and agreed that the actual Sales and Use Tax collections may vary from the estimated amounts and that the needs of the County and/or the Cities may change. Therefore, the County has the sole right under the Agreement to determine how much it will spend on the County Projects, and the Cities have the sole right under the Agreement to determine how much they will spend on

the City Projects. Furthermore, The County may fund the County Projects in any order or priority it may deem necessary or convenient, and the Cities may fund the City Projects in any order or priority they may deem necessary or convenient.

(c) The Sales and Use Tax is hereby authorized to be imposed for a period of six years commencing upon the expiration of the Sales and Use Tax currently in effect.

2. Bond Terms; Tax Levy; Brochures. The Bonds may be issued by the County (in whole or in part and in one or more series) in an aggregate principal amount not to exceed \$52,000,000. The proceeds of the Bonds may be used to finance the Jail, capitalized interest (if any) and the costs of issuing the Bonds. The Bonds shall bear interest from the first day of the month during which the Bonds are issued or the day of issuance at a rate or rates not exceeding 6% per annum. The actual rate or rates of interest shall be determined in a supplemental resolution or resolutions to be adopted by the Board of Commissioners prior to the issuance of the Bonds. The maximum amount of principal to be paid on the Bonds in each year (by scheduled maturity or mandatory redemption) shall be as follows:

<u>Year</u>	<u>Amount</u>
2028	\$1,415,000
2029	1,500,000
2030	1,590,000
2031	1,685,000
2032	1,785,000
2033	1,890,000
2034	2,005,000
2035	2,125,000
2036	2,255,000
2037	2,390,000
2038	2,530,000
2039	2,685,000
2040	2,845,000
2041	3,015,000
2042	3,195,000
2043	3,385,000
2044	3,590,000
2045	3,805,000
2046	4,035,000
2047	4,275,000

Prior to the issuance of the Bonds, the Board of Commissioners shall levy a tax upon all the property subject to taxation for general obligation bond purposes within the County sufficient in amount to pay the principal of and the interest on the Bonds as the same shall become due.

Any brochures, listings or other advertisements issued by the County or any other person, firm, corporation or association with the knowledge and consent of the County, shall be deemed

to be a statement of intention of the County concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the County in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested to the extent provided in Section 36-82-1 of the Official Code of Georgia Annotated.

3. Call of Election. There is hereby called a referendum on November 4, 2025 (the “Election”) to be held in all the election districts and voting precincts in the County for the purpose of submitting to the qualified voters of the County the question set forth in the ballot referred to in paragraph 4 below. The Habersham County Board of Elections and Registration (the “Board of Elections”) is hereby requested to join in the call of the Election.

4. Form of Ballot. The ballots to be used in the Election shall be substantially in the form set forth in the Notice of Election attached hereto as Exhibit A (the “Notice”).

5. Manner of Election. The Election shall be held in accordance with the election laws of the State of Georgia, including, without limitation, the election laws relating to special elections. The returns of the Election shall be made to the Board of Commissioners and the Board of Elections, and the Board of Commissioners and the Board of Elections shall declare the result of the Election in the manner required by law. The Board of Elections shall certify the result to the Secretary of State and to the Commissioner of Revenue.

6. Publication of Call and Notice. A call of the Election substantially in the form attached hereto as Exhibit B (the “Call”) shall be published in the newspaper in which Sheriff’s advertisements for the County are published (the “Legal Organ”) as soon as practicable, but in any case at least 29 days preceding the Election. The Notice shall be published in the Legal Organ at least 30 days prior to the Election and once a week in each of the four weeks preceding the Election.

7. Bond Audit Waiver. The County hereby waives the independent performance audit or performance review referred to in O.C.G.A. §36-82-100.

8. Notice to Board of Elections. the Clerk of the Board of Commissioners is hereby authorized and directed to deliver a copy of this Resolution to the Board of Elections, with a request that the Board of Elections join in the call the Election.

9. Placement Agen/Underwriter and Bond Counsel. Stifel, Nicolaus & Company, Incorporated is hereby appointed as the placement agent or underwriter for the Bonds, and Murray Barnes Finister LLP is hereby appointed as the bond counsel for the Bonds.

10. General Authority. The proper officers, employees and agents of the County are hereby authorized to take any and all further actions as may be required in connection with the issuance of the Bonds and the continuation of the Sales and Use Tax.

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

12. Conflicting Resolutions. All resolutions that conflict in whole or in part with this Resolution are hereby repealed.

Adopted this 21st day of July, 2025.

HABERSHAM COUNTY BOARD OF
COMMISSIONERS OF

(SEAL)

By: _____
Chairman

By: _____
Clerk

EXHIBIT A

NOTICE OF ELECTION

TO THE QUALIFIED VOTERS OF HABERSHAM COUNTY, GEORGIA:

YOU ARE HEREBY NOTIFIED THAT on November 4, 2025 an election will be held at the regular polling places in all the election districts of Habersham County, Georgia (the “County”). At the Election, there will be submitted to the qualified voters of the County for their determination the question of whether general obligation bonds in an aggregate principal amount of up to \$52,000,000 shall be issued by the County to finance a jail (the “Bonds”) and a sales and use tax of one percent shall be continued on all sales and uses in the County for a period of time of six years for the raising of approximately \$75,937,510 for the purpose of funding (a) the payment of the debt service on the Bonds during the term of the sales and use tax and (b) the capital outlay projects listed in the form of the ballot set forth below.

The Bonds, if so authorized, may be issued by the County (in whole or in part and in one or more series). The proceeds of the Bonds may be used to finance the Jail, capitalized interest (if any) and the costs of issuing the Bonds. The Bonds shall bear interest from the first day of the month during which the Bonds are issued or the day of issuance at a rate or rates not exceeding 6% per annum. The actual rate or rates of interest shall be determined in a supplemental resolution or resolutions to be adopted by the Board of Commissioners prior to the issuance of the Bonds. The maximum amount of principal to be paid on the Bonds in each year (by scheduled maturity or mandatory redemption) shall be as follows:

<u>Year</u>	<u>Amount</u>
2028	\$1,415,000
2029	1,500,000
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2042	3,195,000
2043	3,385,000

2044	3,590,000
2045	3,805,000
2046	4,035,000
2047	4,275,000

Any brochures, listings or other advertisements issued by the County or any other person, firm, corporation or association with the knowledge and consent of the County, shall be deemed to be a statement of intention of the County concerning the use of the proceeds of the Bonds; and such statement of intention shall be binding on the County in the expenditure of any such Bond funds or interest received from such Bond funds which have been invested to the extent provided in Section 36-82-1 of the Official Code of Georgia Annotated.

Pursuant to O.C.G.A. Section 36-82-100, the County notifies all interested parties that no independent performance audit or performance review (the “Debt Audit”) will be conducted with respect to the Bonds. However the County will continue to ensure that Bond proceeds are expended efficiently and economically, as intended by the Debt Audit.

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

- () Yes “Shall general obligation bonds in an aggregate principal amount of up to \$52,000,000 be issued by Habersham County, Georgia to finance a new jail (the “Bonds”) and shall a special one percent sales and use tax be continued in Habersham County for a period of time of six years for the raising of approximately \$75,937,510 for the purpose of funding (a) (i) the payment of the debt service on the Bonds during calendar years _____ through _____ and (ii) [County Projects], all for the benefit of Habersham County; (b) [Alto Projects], all for the benefit of the City of Alto; (c) [Baldwin Projects], all for the benefit of the City of Baldwin; (d) [Clarksville Projects], all for the benefit of the City of Clarksville; (e) [Cornelia Projects], all for the benefit of the City of Cornelia; (f) [Demorest Projects], all for the benefit of the City of Demorest; (g) [Mount Airy Projects], all for the benefit of the City of Mount Airy; and (h) [Tallulah Falls Projects], all for the benefit of the City of Tallulah Falls?
- () No

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

The last day to register to vote in this election shall be October 6, 2025.

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

This notice is given pursuant to resolutions of the Board of Commissioners and the Board of Elections and Registration of Habersham County.

Election Supervisor

EXHIBIT B

NOTICE OF CALL OF ELECTION

TO THE QUALIFIED VOTERS OF HABERSHAM COUNTY

YOU ARE HEREBY NOTIFIED THAT the Habersham County Board of Commissioners (the “Board of Commissioners”) and the Board of Elections and Registration of Habersham County (the “Board of Elections”) have called, and do hereby call, an election on November 4, 2025 at the regular polling places in all the election districts of Habersham County, Georgia (the “County”). At the Election, there will be submitted to the qualified voters of the County for their determination the question of whether general obligation bonds in an aggregate principal amount of up to \$52,000,000 shall be issued by the County to finance a jail (the “Bonds”) and a sales and use tax of one percent shall be continued on all sales and uses in the County for a period of time of six years for the raising of approximately \$75,937,510 for the purpose of funding (a) the payment of the debt service on the Bonds during the term of the sales and use tax and (b) the capital outlay projects listed in the form of the ballot.

The last day to register to vote in this election shall be October 6, 2025.

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

This notice is given pursuant to resolutions of the Board of Commissioners and the Board of Elections.

Election Supervisor

CLERK'S CERTIFICATE

The undersigned Clerk of Habersham County, Georgia (the "County") DOES HEREBY CERTIFY that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted by the Habersham County Board of Commissioners on July 21, 2025, at a meeting duly called and assembled and open to the public and at which a quorum was present and acting throughout, that the original of such resolution has been inserted into the County's minute book, which is my custody and control, and that such resolution has not been modified, repealed, revoked or rescinded as of the date hereof.

WITNESS my official hand and the seal of the County, this 21st day of July, 2025.

Clerk

(SEAL)