

BOARD AGENDA ITEM

July 11, 2024

SUBJECT:

Resolution to Submit a Ballot Question Related to the 1% Education Capital Improvements Sales & Use Tax for the Issuance of General Obligation Bonds Not Exceeding \$285,000,000

BACKGROUND INFORMATION:

Legislation allows, should the 1% Education Capital Improvements Sales & Use Tax be renewed, for the District to issue debt to finance approved projects. Voter approval is required.

ADMINISTRATIVE CONSIDERATION:

The District has the ability to issue general obligation bonds not exceeding \$285,000,000, if voters approve in November 2024. Funds would be used to “jump start” approved sales tax projects. The debt would be serviced through sales tax collections during the sales tax’s 10-year life.

Our bond attorney has presented a resolution for Board consideration to submit a ballot question asking whether the District can issue debt not exceeding \$285,000,000.

RECOMMENDATION:

Approve the resolution to provide for a ballot question to allow the District to issue general obligation bonds not exceeding \$285,000,000

ATTACHMENTS:

Proposed resolution

PREPARED BY:

Corey J. Murphy
M. O. Traxler III

A RESOLUTION

ORDERING A REFERENDUM IN THE CONSOLIDATED SCHOOL DISTRICT OF AIKEN COUNTY, SOUTH CAROLINA, TO SUBMIT THE QUESTION OF WHETHER THE CONSOLIDATED SCHOOL DISTRICT OF AIKEN COUNTY, SOUTH CAROLINA SHALL ISSUE NOT EXCEEDING \$285,000,000 GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, IN ONE OR MORE YEARS; PROVIDING FOR THE FORM OF BALLOT TO BE USED; PROVIDING FOR NOTICE OF THE REFERENDUM; AND PROVIDING FOR ALL OTHER THINGS NECESSARY TO SUBMIT THE AFORESAID QUESTION.

BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CONSOLIDATED SCHOOL DISTRICT OF AIKEN COUNTY, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Findings. The Board of Education (the "Board"), as the governing body of The Consolidated School District of Aiken County, South Carolina (the "School District"), hereby finds and determines:

(a) The School District was created pursuant to the provisions of Act No. 503 (1982 Acts). Pursuant to the provisions of Act No. 503 (1982 Acts), the governing body of the School District is the Board.

(b) Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that school districts of the State shall have the power to incur general obligation debt only in such manner and upon such terms and conditions as the General Assembly shall prescribe by law.

(c) Article X, Section 15, subsection (5) of the Constitution provides that if general obligation debt is authorized by a majority vote of the qualified electors of the School District voting in a referendum authorized by law, there shall be no conditions or restrictions limiting the incurring of such indebtedness except: (i) those restrictions and limitations imposed in the authorization to incur such indebtedness; (ii) such general obligation debt shall be issued within five years of the date of such referendum; and (iii) general obligation debt may be incurred only for a purpose which is a public purpose and which is a corporate purpose of a school district and such debt shall mature within thirty years from the time such indebtedness shall be incurred.

(d) The provisions of Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended (the "South Carolina Code"), empower the board of a school district order any such referendum as is required by Article X of the Constitution, to prescribe the notice thereof and to conduct or cause to be conducted such referendum in the manner prescribed by Title 59, Chapter 71, Article 1 of the South Carolina Code (the "School Bond Act").

(e) There is a need to construct, improve, equip and renovate school buildings or other school facilities, the costs of which must be defrayed with the proceeds of general obligation bonds of the School District. Under the School District's present constitutional debt limitation, the amount of bonds authorized to be issued is limited unless the question of issuing such bonds is submitted and approved by the qualified electors of the School District.

(f) The School District has ordered the reimposition of a one percent educational capital improvements sales and use tax (the “Tax”) in Aiken County, subject to referendum approval.

(g) It is in the best interest of the School District for the Board to order a referendum to be held in the School District to submit to the qualified electors of the School District the question of whether the School District shall be authorized to issue, at one time or from time to time, general obligation bonds of the School District in a principal amount of not exceeding \$285,000,000, the proceeds of which shall be used to finance the costs of renovations and additions at South Aiken High School, Midland Valley High School, Silver Bluff High School and North Augusta Middle School; and construction of a new elementary school in Area 3 including, if necessary, the cost of purchasing land; provided that the referendum on the reimposition of the Tax is successful and further provided that the total debt service on such general obligation bonds shall not exceed 90% of the available revenue received from the Tax.

SECTION 2. Order to Hold Referendum. Pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina (the “State”), there is hereby ordered a referendum to be held in the School District on November 5, 2024 (the “Referendum”), at which time there shall be submitted to all persons qualified to vote under the Constitution and laws of the State the question set forth in Section 4 hereof.

SECTION 3. Voting Precincts and Polling Places. The voting precincts or any portion thereof in the School District for the Referendum shall be those designated by Section 7-7-40 of the South Carolina Code. The polling places in each of such precincts shall be designated by the Board of Voter Registration and Elections of Aiken County, South Carolina (the “Elections Board”).

The polls shall be opened at seven o’clock in the forenoon (7:00 a.m.) and closed at seven o’clock in the afternoon (7:00 p.m.) on the date fixed for the Referendum and shall be held open during said hours without intermission or adjournment.

SECTION 4. Form of Ballot. The Elections Board is requested to cause to be printed a sufficient number of ballots for each voting machine used in the Referendum and a sufficient number of emergency ballots for use in the Referendum. The instructions must appear conspicuously at the top of the ballot face and must be printed in bold-faced type at least as large as the largest type on the ballot. Upon approval by the Elections Board, the form of question on the ballot label to be used in the Referendum and the instructions to voters appearing thereon shall be in substantially the form set forth below. The format of the ballot may be changed to accommodate voting machines, but the form of question shall remain the same.

(FORM OF BALLOT)

OFFICIAL BALLOT, REFERENDUM
\$285,000,000 GENERAL OBLIGATION BONDS
THE CONSOLIDATED SCHOOL DISTRICT OF AIKEN COUNTY,
SOUTH CAROLINA
NOVEMBER 5, 2024

Precinct _____

No. _____

Initials of Issuing Officer

OFFICIAL BALLOT, REFERENDUM
\$285,000,000 GENERAL OBLIGATION BONDS
THE CONSOLIDATED SCHOOL DISTRICT OF AIKEN COUNTY,
SOUTH CAROLINA
NOVEMBER 5, 2024

If and only if an Education Capital Improvements Sales and Use Tax (the “Tax”) is reimposed in Aiken County, shall the Board of Education of The Consolidated School District of Aiken County, South Carolina (the “School District”), be authorized to issue, in addition to the eight percent bonding capacity, at one time or from time to time, general obligation bonds of the School District in a principal amount not exceeding \$285,000,000, the proceeds of which shall be used to finance the costs of renovations and additions at South Aiken High School, Midland Valley High School, Silver Bluff High School and North Augusta Middle School; and construction of a new elementary school in Area 3 including, if necessary, the cost of purchasing land; provided that the total debt service on such general obligation bonds shall not exceed 90% of the available revenue received from the Tax.

If the voter wishes to vote in favor of the question, fill in the oval next to “In favor of the question/yes;” if the voter wishes to vote against the question, fill in the oval next to the words, “Opposed to the question/no.”

In favor of the question/yes

Opposed to the question/no

SECTION 5. Qualification of Voters. Qualification of voters shall be as set forth in the South Carolina Code. Such qualifications shall include but not be limited to the qualifications set forth herein. Every person offering to vote must be at least eighteen (18) years of age and must be duly registered on the books of registration for Aiken County, South Carolina (the “County”) as an elector in the precinct in which he or she resides and offers to vote on or before the date on which said books of registration are closed for the Referendum, and must present such documents and/or forms of identification as required by State law.

Any registered elector who has moved his or her place of residence within the School District after the date on which said books of registration are closed for the Referendum, but before the date of the Referendum, shall be entitled to vote fail safe, providing they qualify to vote in the election at the voter registration office on election day. The books of registration shall be closed thirty (30) days before the Referendum.

Absentee ballots and early voting for the Referendum shall be available as required by the South Carolina Code.

SECTION 6. Notice of Referendum. The Board hereby authorizes the publication of a Notice of Referendum to be published in a newspaper of general circulation in the County, in compliance with Section 7-13-35 of the South Carolina Code. Such notice must be published not later than 60 days before the date of the Referendum and again not later than two weeks after the first notice. A Notice of Referendum, in a form as attached hereto as Exhibit A, shall be published in a newspaper published in the County at least once not less than 15 days prior to the occasion set for the holding of the Referendum in compliance with the School Bond Act.

The Elections Board is authorized to insert the location of any omitted polling places or change any of the locations of polling places for the Referendum as deemed necessary or advisable. Appropriate changes are authorized to be made in the Notice of Referendum.

SECTION 7. Board of Voter Registration and Elections of Aiken County. A certified copy of this Resolution shall be filed with the Board of Voter Registration and Elections of Aiken County and is hereby requested as follows:

- (a) To join in the action of the School District in providing for the respective Notices of Referendum in substantially the forms contained herein;
- (b) To prescribe the form of ballot to be used in the Referendum;
- (c) To arrange for polling places in each precinct, or any part of a precinct within the School District;
- (d) To appoint Managers of Election;
- (e) To provide ballots and ballot boxes or voting machines for the Referendum;
- (f) To conduct the Referendum, receive the returns thereof, canvass such returns, declare the results thereof, and certify such results to the Board; and
- (g) To take other steps and prepare such other means as shall be necessary or required by law in order to properly conduct the Referendum.

Adopted this ____ day of _____, 2024.

THE CONSOLIDATED SCHOOL DISTRICT OF
AIKEN COUNTY, SOUTH CAROLINA

Chair, Board of Education

(SEAL)

ATTEST:

Secretary, Board of Education

(FORM OF NOTICE OF REFERENDUM)

NOTICE OF REFERENDUM
\$ _____ GENERAL OBLIGATION BONDS
THE CONSOLIDATED SCHOOL DISTRICT OF AIKEN COUNTY, SOUTH CAROLINA

NOTICE IS HEREBY GIVEN that a referendum (the “Referendum”) will be held in The Consolidated School District of Aiken County, South Carolina (the “School District”), on November __, 2024, for the purpose of submitting to all persons qualified to vote in the School District, under the Constitution and laws of the State of South Carolina (the “State”), the following question:

[Insert approved question]

Such question is being submitted pursuant to Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended, Title 11, Chapter 27, Code of Laws of the State of South Carolina 1976, as amended, and Title 59, Chapter 71, Article 1, Code of Laws of South Carolina 1976, as amended. If a majority of the qualified electors of the School District voting in the referendum approve the issuance of not exceeding \$ _____ General Obligation Bonds (the “Bonds”), the Bonds may be issued by the School District either as a single issue or from time to time as several separate issues, but no Bonds shall be issued later than five years from the date of the referendum. The proceeds of the Bonds will be used to construct, improve, renovate, enlarge, equip, and demolish school buildings or other school facilities.

[Early voting information]

The precincts or portions thereof within the School District and locations of the several polling places for such Referendum are as follows:

Precinct

Polling Place

The polls shall be opened at seven o’clock in the forenoon (7:00 a.m.) and closed at seven o’clock in the afternoon (7:00 p.m.) on the date fixed for such Referendum. Appropriate voting machines will be provided at the polling places for use in voting on the aforesaid question. Managers of Election will be appointed by the Aiken County Board of Voter Registration and Elections (the “Elections Board”).

Every person offering to vote (a) must be at least 18 years of age on the date of the Referendum; (b) must reside in the School District; (c) must be duly registered on the books of registration for Dorchester County as an elector in the precinct in which he or she resides and offers to vote on or before the date on which said books of registration are closed for the Referendum; and (d) must present such documents and/or forms of identification as required by State law.

Voters who are blind, who are otherwise physically handicapped, or who are unable to read or write are entitled to assistance in casting their ballot. This assistance may be given by anyone the voter chooses except his or her employer, an agent of his or her employer, or an officer or agent of his or her union. The Managers of Election must be notified if assistance is needed. Voters who are unable to enter

their polling place due to physical handicap or age may vote in the vehicle in which they drove or were driven to the polls. When notified, the Manager will help voters effectuate this curbside voting provision. Registered voters may be eligible to vote by absentee ballot. Residents wishing to vote by absentee ballot should contact the Elections Board at (803) 642-2028 for instructions.

The process of examining the return addressed envelopes containing absentee ballots will begin at _____ .m. on _____, 2024 in the _____, _____, SC _____.

The Board of Canvassers shall hold a hearing on ballots challenged in the Referendum on _____, _____, at _____ a.m., at _____.

/s/Chair, Board of Trustees
The Consolidated School District of
Aiken County, SC

/s/Chair, Board of Voter Registration and
Elections of Aiken County