


CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of School District No. 1 (Butte), Silver Bow County, Montana (the "District"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "A RESOLUTION OF SCHOOL DISTRICT NO. 1 (BUTTE), SILVER BOW COUNTY, MONTANA, SUBMITTING TO THE QUALIFIED ELECTORS OF THE BUTTE ELEMENTARY SCHOOL DISTRICT THE QUESTION OF WHETHER THE BOARD MAY SELL AND ISSUE GENERAL OBLIGATION SCHOOL BUILDING BONDS OF THE BUTTE ELEMENTARY SCHOOL DISTRICT IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO THIRTY-FIVE MILLION AND NO/100 DOLLARS (\$35,000,000), FOR THE PURPOSE OF PAYING THE COSTS OF UPGRADING BUTTE ELEMENTARY SCHOOL DISTRICT SCHOOL FACILITIES TO ADDRESS DEFICIENCIES REGARDING SAFETY, SECURITY, AND THE CONDITION AND ADEQUACY OF BUILDINGS, TO INCLUDE SUBSTANTIAL IMPROVEMENTS AT EAST MIDDLE SCHOOL; RELATED COSTS AND IMPROVEMENTS; AND PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS" (the "Resolution"), on file in the original records of the District in my legal custody; that the Resolution was duly adopted by the Board of Trustees of the District at a meeting on July 16, 2018, and that the meeting was duly held by the Board of Trustees and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Trustees voted in favor thereof: Susanne Dauenhauer, J.P. Gallagher
Becky Nicholls, Kelly Howery; voted against the same: None
; abstained from voting thereon: None;
or were absent: Tom Billteer, Patti Hepola.

WITNESS my hand officially this 16th day of July, 2018.



School District Clerk

A RESOLUTION OF SCHOOL DISTRICT NO. 1 (BUTTE), SILVER BOW COUNTY, MONTANA, SUBMITTING TO THE QUALIFIED ELECTORS OF THE BUTTE ELEMENTARY SCHOOL DISTRICT THE QUESTION OF WHETHER THE BOARD MAY SELL AND ISSUE GENERAL OBLIGATION SCHOOL BUILDING BONDS OF THE BUTTE ELEMENTARY SCHOOL DISTRICT IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO THIRTY-FIVE MILLION AND NO/100 DOLLARS (\$35,000,000), FOR THE PURPOSE OF PAYING THE COSTS OF UPGRADING BUTTE ELEMENTARY SCHOOL DISTRICT SCHOOL FACILITIES TO ADDRESS DEFICIENCIES REGARDING SAFETY, SECURITY, AND THE CONDITION AND ADEQUACY OF BUILDINGS, TO INCLUDE SUBSTANTIAL IMPROVEMENTS AT EAST MIDDLE SCHOOL; RELATED COSTS AND IMPROVEMENTS; AND PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS

RECITALS

WHEREAS, the board of trustees of a school district may issue bonds on the credit of the school district for the purpose of building, altering, repairing, buying, furnishing, equipping, purchasing lands for, and/or obtaining a water supply for a school, teacherage, dormitory, gymnasium, other building, or combination of said buildings for school purposes, upon approval of the electorate of the district; and

WHEREAS, a board of trustees is authorized pursuant to Sections 20-9-421 and 20-20-201, M.C.A., to call a bond election by adopting a resolution to that effect; and

WHEREAS, the Board of Trustees (the "Board") of School District No. 1 (Butte), Silver Bow County, Montana (the "Butte Elementary School District") has determined that there should be submitted to the electors of the Butte Elementary School District qualified to vote at bond elections the question of whether the Board shall be authorized to sell and issue general obligation school building bonds of the Butte Elementary School District in one or more series in the aggregate principal amount of up to Thirty-Five Million and No/100 Dollars (\$35,000,000) for the purpose of paying the costs of upgrading Butte Elementary School District school facilities to address deficiencies regarding safety, security, and the condition and adequacy of buildings, to include installing at or making available to all schools in the Butte Elementary School District safety upgrades or new safety amenities, such as communication and video surveillance systems, emergency response materials, enhanced technology infrastructure to increase the availability and capacity of safety and security measures, more appropriate placement of administrative office space, and/or improvements that increase visibility and limit entry to a school to a single point of entry; designing, constructing, equipping, and furnishing improvements to East Middle School, including building a science addition, adding new space for life skills, building a new gymnasium to include a weight room and locker rooms, renovating the main entry, art, family and consumer science space, and restrooms, upgrading music and choir areas, replacing ceilings and upgrading electrical and mechanical systems, installing a new fire suppression system, refurbishing the auditorium, replacing kitchen equipment and other furniture and fixtures throughout the building, making Americans with Disability Act site upgrades, making site improvements to the bus drop-off area, and performing asbestos abatement

as needed; related costs and improvements; and paying costs associated with the sale and issuance of the bonds. Each series of the bonds shall be payable semiannually during a term of not more than twenty (20) years, subject to redemption as required by law, and shall bear interest at a rate or rates to be determined by the Board at the time of the sale; and

WHEREAS, such election can be conducted in conjunction with the general election on November 6, 2018; and

WHEREAS, the Board has determined that a bond election conducted by the County Election Administrator in conjunction with the general election is in the best interests of the Butte Elementary School District and the electors thereof, and notified the County Election Administrator of Silver Bow County of its intent to cause the County Election Administrator to conduct a school district bond election in conjunction with the general election, which notification was not less than seventy days prior to the date of the proposed election; and

WHEREAS, it is the judgment of the Board that the sum of Thirty-Five Million and No/100 Dollars (\$35,000,000.00) will be necessary to carry out the purposes set forth above; and

WHEREAS, the indebtedness to be evidenced by the proposed bonds and all other indebtedness of the Butte Elementary School District does not exceed the limitation as set forth in Section 20-9-406, M.C.A.; and

WHEREAS, it is the judgment and determination of the Board that the bonds issued pursuant to the bond election called for below will be payable during a term of not more than twenty (20) years.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Butte Elementary School District as follows:

1. Calling of the Election. The Board of the Butte Elementary School District hereby calls and directs a special election to be held in the Butte Elementary School District on November 6, 2018, which date is not less than 70 days after the date of passage of this resolution, to be conducted in conjunction with the general election, for the purpose of voting on the question of whether the Board may sell and issue general obligation school building bonds of the Butte Elementary School District in one or more series in the aggregate principal amount of up to Thirty-Five Million and No/100 Dollars (\$35,000,000.00) for the purpose of paying the costs of upgrading Butte Elementary School District school facilities to address deficiencies regarding safety, security, and the condition and adequacy of buildings, to include installing at or making available to all schools in the Butte Elementary School District safety upgrades or new safety amenities, such as communication and video surveillance systems, emergency response materials, enhanced technology infrastructure to increase the availability and capacity of safety and security measures, more appropriate placement of administrative office space, and/or improvements that increase visibility and limit entry to a school to a single point of entry; designing, constructing, equipping, and furnishing improvements to East Middle School, including building a science addition, adding new space for life skills, building a new gymnasium to include a weight room and locker rooms, renovating the main entry, art, family and consumer science space, and restrooms, upgrading music and choir areas, replacing ceilings and upgrading electrical and mechanical systems, installing a new fire suppression system, refurbishing the auditorium, replacing kitchen equipment and other furniture and fixtures

throughout the building, making Americans with Disability Act site upgrades, making site improvements to the bus drop-off area, and performing asbestos abatement as needed; related costs and improvements; and paying costs associated with the sale and issuance of the bonds. Each series of the bonds shall be payable semiannually during a term of not more than twenty (20) years, subject to redemption as required by law, and shall bear interest at a rate or rates to be determined by the Board at the time of the sale.

2. Estimate of State Debt Service Assistance. Pursuant to Section 20-9-422, M.C.A., the Butte Elementary School District has requested from the Superintendent of Public Instruction a statement of the estimated amount of state debt service assistance that the Butte Elementary School District may receive under Sections 20-9-367 and 20-9-371, M.C.A., for debt service payments on the bonds in the first fiscal year in which a debt service payment is due. The current estimate of debt service assistance received from the Superintendent of Public Instruction is \$0.00 for the Butte Elementary School District, unless current legislation or the availability of funding should change. For fiscal year 2018/19, debt service assistance available for schools is not available because the revenue used to fund debt service assistance is derived from riverbed rents that are currently in escrow pending the outcome of litigation and timber sales that do not occur until the end of each fiscal year. Additionally, pursuant to changes made by the 2017 Legislature, funds for debt service assistance are paid from the State School Facility Technology Account and are second in priority behind funds allocated for school technology as provided in state law. Finally, the legislature may divert revenues from timber sales and riverbed rents, if any, to other purposes. Currently, funds for debt service assistance are not available.

3. Conduct of Election. All qualified electors of the Butte Elementary School District shall be entitled to vote at the bond election. Pursuant to Section 20-20-201, M.C.A., the Board hereby directs the District Clerk to give notice of the call and details of this election and to provide this resolution to the Silver Bow County Election Administrator no later than three (3) days after this resolution is passed. The District Clerk is directed to instruct the Silver Bow County Election Administrator to close registration and thereafter prepare printed lists of the electors in the Butte Elementary School District entitled to vote in the election in the Butte Elementary School District in the form and manner prescribed by law. The Silver Bow County Election Administrator shall prepare the ballot and arrange for the printing of the ballot and conduct the election in accordance with all legal requirements.

4. Notice of Election. The Silver Bow County Election Administrator is hereby authorized and requested to cause notice of the call and holding of the election to be given at least three times no earlier than 40 days and no later than 10 days before the election, in the *Montana Standard* or other newspaper that is a newspaper of general circulation in the Butte Elementary School District, and the District Clerk is hereby authorized and directed to cause the notice to be posted at three public places in the Butte Elementary School District, with at least one notice being posted in each ward or precinct in the Butte Elementary School District, and, if the Butte Elementary School District has a website, is directed to post notice on the Butte Elementary School District's website for 10 days prior to the election. The notice of election as published and posted shall read substantially as follows with such completions and additions as may be required or appropriate:

5. Ballots and Election Judges. The Silver Bow County Election Administrator is hereby requested to prepare suitable ballots for use at the election and to distribute the same to the election judges at the polling place, together with the precinct lists. The Silver Bow County Election Administrator shall conduct the election and has determined that the following is the appropriate polling place: Butte Civic Center, 1340 Harrison Avenue, in Butte, Montana.

The Silver Bow County Election Administrator shall select the polling place and appoint from among the qualified electors of the Butte Elementary School District three election judges for the polling place and notify them of such appointment as required by law. The Board requests that the Silver Bow County Election Administrator perform the foregoing undertakings and approves the foregoing undertakings by the Silver Bow County Election Administrator.

6. Dissemination of Bond Information. The Superintendent is authorized and directed to disseminate information to the public regarding the projects contemplated to be financed with the bonds and the bonds. Funds of the Butte Elementary School District available for that purpose may be used to pay eligible costs of assembling and disseminating such information and costs related thereto.

7. Form of Ballot. The ballot shall be printed in substantially the following form, as may be modified as determined necessary or appropriate: