

## **RESOLUTION NO. 12-13-001**

(Authority to Proceed - Negotiated Sale of Bonds)

A RESOLUTION AUTHORIZING ACTIONS RELATED TO THE NEGOTIATED SALE OF GENERAL OBLIGATION BONDS OF SCHOOL DISTRICT NO. 271 (COEUR D'ALENE), KOOTENAI COUNTY, STATE OF IDAHO.

### **Bond Election Results**

WHEREAS, on June 11, 2012, the Board of Trustees (the "Board") of School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho (the "District") adopted a Bond Election Resolution (the "Election Resolution") calling a special school district bond election (the "Bond Election") to be held in the District on August 28, 2012, for the purpose of submitting to the qualified school district electors of the District the propositions set forth in the Election Resolution;

WHEREAS, the Bond Election was held on August 28, 2012, and more than two-thirds of the votes cast at the Bond Election were cast in favor of the issuance of the District's general obligation bonds in one or more series in the aggregate amount of up to \$32,700,000 to finance the costs of renovating, remodeling and adding to existing schools and school facilities throughout the District and acquiring related equipment, including technology upgrades, for such schools and school facilities (the "Project") as set forth in the Election Resolution;

### **Plan of Finance**

WHEREAS, the Board desires to sell the bonds pursuant to negotiated sale in two series designated General Obligation Bonds, Series 2012A (the "2012A Bonds") and General Obligation Bonds, Series 2012B (the "2012B Bonds," and collectively with the 2012A Bonds, the "Bonds");

WHEREAS, the 2012A Bonds and 2012B Bonds will qualify for the State of Idaho School Bond Guaranty Program under Title 33, chapter 53, Idaho Code (the "Guaranty Program") and the 2012B Bonds will additionally qualify for the school bond credit enhancement program pursuant to section 57-728, Idaho Code (the "Credit Enhancement Program");

### **Appointment of Service Providers**

WHEREAS, in connection with the proposed issuance and sale of the Bonds, the District has engaged the services of Seattle-Northwest Securities Corp. as underwriter (the "Underwriter") for the negotiated sale of the Bonds;

WHEREAS, the District has engaged Hawley Troxell Ennis & Hawley LLP, as bond counsel ("Bond Counsel") and desires to authorize Bond Counsel to assist the Underwriter in the preparation of documentation for the sale and issuance of the Bonds;

#### **Preparation of Bonds For Sale**

WHEREAS, the Board desires to approve the form of Notice of Negotiated Private Bond Sale attached to this Resolution as Exhibit A, as required by Idaho Code (the "Notice of Private Sale");

WHEREAS, the Board desires to authorize the officials of the District to assist the Underwriter in the preparation and completion of the preliminary official statement, a draft of which has been presented to the Board (the "POS") and to authorize the Chairman of the Board, the Superintendent or Chief Operating Officer of the District to deem final the POS of the District with respect to the Bonds at such time the POS is final and to authorize the Underwriter to use the POS in connection with the offering of the Bonds.

THEREFORE, IT IS HEREBY RESOLVED by the Board as follows:

#### **Underwriter and Bond Counsel:**

**Section 1.** The Board ratifies the appointment and engagement of the Underwriter for the negotiated sale of the Bonds (the "Underwriter").

**Section 2.** The Board ratifies the engagement of Bond Counsel and authorizes Bond Counsel to provide and/or assist with preparation of the documentation for the issuance and sale of the Bonds.

#### **Designation of Series and Negotiated Sale of Bonds:**

**Section 3.** The Board hereby determines that the Bonds of the District shall be sold to the Underwriter pursuant to negotiated sale under and pursuant to Idaho Code Sections 33-1111 and 57-232.

**Section 4.** The Notice of Private Sale in the form attached as Exhibit A is hereby ratified and approved and Bond Counsel is authorized to complete the Notice of Private Sale and effect timely publication thereof prior to the sale of the Bonds in accordance with Idaho Code.

**Section 5.** At the time of sale of the Bonds, the District expects to (a) designate the 2012A Bonds as eligible for the Guaranty Program only and apply the proceeds thereof to finance the Project, and (b) designate the 2012B Bonds as eligible for the Guaranty Program and Credit Enhancement Program and apply the proceeds thereof to finance the Project.

#### **Preliminary Official Statement:**

**Section 6.** The Board authorizes the District's Chief Operating Officer and other officials of the District to work with the Underwriter and Bond Counsel to prepare the POS with respect to the District's Bonds. Upon completion of the POS, the Superintendent of the District,

Chair of the Board or the Chief Operating Officer of the District is authorized and instructed to approve the POS, and to execute and deliver a certificate as to the finality of the POS pursuant to SEC Rule 15c2-12, and the Underwriter is authorized to use the POS in connection with the offering of the Bonds and to submit the POS to rating agencies for purposes of obtaining a rating for the Bonds.

**Legal Documents:**

**Section 7.** The Board authorizes Bond Counsel to prepare the form of Bond Resolution to evidence the terms and conditions upon which the District will issue the Bonds, provided that the District will take official action on such Bond Resolution at the time that the District confirms the sale of each series of Bonds pursuant to the terms and provisions of a bond purchase agreement with the Underwriter.

**Other:**

**Section 8.** The Board authorizes and/or ratifies the applications of the District's Superintendent and/or other officials of the District to obtain a Certificate of Eligibility under the Guaranty Program and Certificate of Approval of Credit Enhancement under the Credit Enhancement Program, and further authorizes payment of any required application and transaction fees authorized thereunder.

**Section 9.** That all resolutions in conflict or inconsistent herewith are hereby repealed to the extent of any such conflict or inconsistency.

Adopted and approved this 1st day of October, 2012.

  
\_\_\_\_\_  
Chair, Board of Trustees

ATTEST:

  
\_\_\_\_\_  
Clerk

[SEAL

## EXHIBIT A - NOTICE OF NEGOTIATED PRIVATE BOND SALE

### NOTICE OF NEGOTIATED PRIVATE BOND SALE

Public notice is hereby given by School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho (the "District"), of negotiation for and private sale to Seattle-Northwest Securities Corporation (the "Underwriter") of the District's general obligation bonds, consisting of approximately \$8,990,000 General Obligation Bonds, Series 2012A (Sales Tax Guaranty) (the "2012A Bonds") and approximately \$19,885,000 General Obligation Bonds, Series 2012B (Sales Tax and Credit Enhancement Guaranty) (the "2012B Bonds," and together with the 2012A Bonds, referred to as the "Bonds"), pursuant to a Bond Purchase Contract between the District and the Underwriter (the "Purchase Contract"). A Purchase Contract for the sale of the Bonds will be considered at a [special] public meeting of the District to be held on October \_\_, 2012], at [\_\_:00] p.m. at the District offices indicated below. Additional information concerning the terms and provisions of the Bonds, the contents of the District's Preliminary Official Statement with respect to issuance of the Bonds, the security for payment of the Bonds, and other pertinent information relating to the Bonds is available for public inspection at the offices of the District:

311 N. 10th Street  
Coeur d'Alene, Idaho  
Telephone: (208) 664-8241

The District intends to proceed to close on or about [November 8, 2012], subject to meeting all necessary conditions set forth in the proposed Purchase Contract with the Underwriter and the Bond Resolution to be adopted by the District authorizing the issuance and sale of the Bonds.

By order of the Chair of the Board of Trustees of the District.

Dated: October 1, 2012

SCHOOL DISTRICT NO. 271 (COEUR D'ALENE),  
KOOTENAI COUNTY, STATE OF IDAHO

By  /s/ Tom Hamilton, Chair, Board of Trustees

**EXCERPT OF MINUTES**

**BOARD OF TRUSTEES  
SCHOOL DISTRICT NO. 271 (COEUR D'ALENE),  
KOOTENAI COUNTY, STATE OF IDAHO**

**October 1, 2012**

The Trustees of School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho, met in regular session at the District's Midtown Center, 1505 N. 5th Street, Coeur d'Alene, Idaho, on October 1, 2012, at 5:00 p.m.

There were present at said meeting the following Trustees:

Tom Hamilton, Chair  
James Purtee  
Jim Hightower  
Ann Seddon  
Terri Seymour

There were the following members absent:

There were also present:

Hazel Bauman, Superintendent  
Lynn Towne, Clerk  
Wendell Wardell, Chief Operating Officer  
Danielle Quade, Hawley Troxell, Bond Counsel  
Eric Heringer, Seattle Northwest, Underwriter

The Chair introduced the following resolution ("Resolution No. 12-13-001"), the title of which was read in full and is as follows:

**A RESOLUTION AUTHORIZING ACTIONS RELATED TO  
THE NEGOTIATED SALE OF GENERAL OBLIGATION  
BONDS OF SCHOOL DISTRICT NO. 271 (COEUR D'ALENE),  
KOOTENAI COUNTY, STATE OF IDAHO.**

A motion to adopt Resolution No. 12-13-001 was then duly made by Trustee Purtee, and duly seconded by Trustee Seddon, put to a vote and carried, the vote being as follows:

Those voting Yes:	Tom Hamilton
	James Purtee
	Jim Hightower
	Ann Seddon
	Terri Seymour

Those voting No:

Those abstaining:

Those absent:

Thereupon, the Chair declared said motion carried and said Resolution No. 12-13-001 duly passed and was adopted. Resolution No. 12-13-001 shall be executed by the Chair of the Board of Trustees in evidence of his approval and attested by the Clerk of the Board, and recorded in the records of the Board.

(Other business not pertinent to the above appears in the minutes of the meeting.)

Pursuant to motion made and carried, the meeting adjourned.

  
\_\_\_\_\_  
Chair, Board of Trustees

ATTEST:

  
\_\_\_\_\_  
Clerk, Board of Trustees

---

**SCHOOL DISTRICT NO. 271 (COEUR D'ALENE),  
KOOTENAI COUNTY, STATE OF IDAHO**

Resolution No. 12-13-002 Authorizing the  
Issuance and Confirming the Sale of

\$9,025,000

General Obligation Bonds, Series 2012A  
(Sales Tax Guaranty)

\$20,000,000

General Obligation Bonds, Series 2012B  
(Sales Tax and Credit Enhancement Guaranty)

Adopted October 18, 2012





## TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS .....	2
101. Definitions .....	2
102. Authority for Bond Resolution .....	5
ARTICLE II AUTHORIZATION, TERMS, SALE AND ISSUANCE OF BONDS, AND PAYING AGENT PROVISIONS .....	5
201. Authorization of Bonds, Principal Amount, Designation and Series .....	5
202. Purposes .....	5
203. Issue Date .....	5
204. Bond Details .....	5
205. Denominations and Numbers .....	6
206. Paying Agent and Bond Registrar .....	6
207. Redemption and Redemption Price .....	7
208. Sale of Bonds .....	8
209. Execution of Bonds .....	10
210. Establishment of Accounts and Funds .....	11
211. Delivery of Bonds; Application of Proceeds .....	12
212. Defeasance .....	12
213. Bond Levy Subsidy .....	14
214. Further Authority .....	14
215. Idaho State Bond Guaranty .....	14
ARTICLE III TRANSFER AND EXCHANGE OF BONDS; BOND REGISTRAR .....	15
301. Transfer of Bonds .....	15
302. Exchange of Bonds .....	15
303. Bond Registration Books .....	16
304. List of Bondholders .....	16
305. Duties of Bond Registrar .....	16
ARTICLE IV BOOK-ENTRY SYSTEM; LIMITED OBLIGATION OF DISTRICT; REPRESENTATIONS LETTER .....	16
401. Book-Entry Only System .....	16
402. Representations Letter .....	17
403. Transfers Outside Book-Entry System .....	18
404. Payments to Cede & Co. ....	18
ARTICLE V COVENANTS AND UNDERTAKINGS .....	18
501. Levy of Taxes .....	18
502. Bonds in Registered Form .....	19

503.	Arbitrage Covenant; Covenant to Maintain Tax Exemption .....	19
504.	Approval of Plan and Form of Bonds .....	21
505.	Investment of Funds .....	21
ARTICLE VI FORM OF BONDS .....		21
601.	Form of Bonds .....	21
ARTICLE VII MISCELLANEOUS .....		28
701.	Ratification .....	28
702.	Severability .....	28
703.	Conflict .....	28
704.	Captions .....	29
705.	Effective Date .....	29

## RESOLUTION NO. 12-13-002

A Resolution authorizing the issuance and confirming the sale of \$9,025,000 General Obligation Bonds, Series 2012A (Sales Tax Guaranty) and \$20,000,000 General Obligation Bonds, Series 2012B (Sales Tax and Credit Enhancement Guaranty) of School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho, and providing for related matters.

WHEREAS, pursuant to a bond election duly called and held on August 28, 2012 (the "Bond Election") in School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho (the "District"), there was submitted to the qualified electors of the District the following proposition:

**QUESTION:** Shall the Board of Trustees of School District No. 271 (Coeur d'Alene), Kootenai County, Idaho, be authorized to issue general obligation school bonds of said District in the principal amount of up to \$32,700,000 to be issued in one or more series and to become due in such installments as may be fixed by the Board of Trustees, the final installment of each series to fall due not later than thirteen (13) years from the date of issuance of such series of bonds, for the purpose of financing the costs of renovating, remodeling and adding to existing schools and school facilities throughout the District and acquiring related equipment, including technology upgrades, for such schools and school facilities, all as provided in the Resolution adopted by the Board of Trustees on June 11, 2012?

WHEREAS, more than two-thirds of the votes cast at the Bond Election were cast in favor of said proposition, as certified by the Clerk of Kootenai County, Idaho, on September 6, 2012, and the issuance of up to \$32,700,000 general obligation school bonds of the District was authorized at the Bond Election for the purposes set forth in said proposition and to pay the costs of issuance thereof;

WHEREAS, the District plans to issue and sell the general obligation bonds authorized pursuant to the Bond Election by issuing and selling pursuant to negotiated sale its \$9,025,000 General Obligation Bonds, Series 2012A (Sales Tax Guaranty) (the "2012A Bonds") and \$20,000,000 General Obligation Bonds, Series 2012B (Sales Tax and Credit Enhancement Guaranty) (the "2012B Bonds") to finance the Project (hereinafter defined) and to pay the costs of issuance thereof;

WHEREAS, there has been presented to the District a proposed form of Bond Purchase Agreement dated of even date herewith (the "Bond Purchase Agreement") between the District and Seattle-Northwest Securities Corporation (the "Purchaser") contemplating the negotiated sale of the 2012A Bonds and 2012B Bonds (collectively, the "Bonds");

WHEREAS, pursuant to Section 57-215, Idaho Code, the District's Notice of Negotiated Private Bond Sale was published on October 12, 2012, in the *Coeur d'Alene Press*, a newspaper published in the District, and the District desires to sell the Bonds to the Purchaser pursuant to the Bond Purchase Agreement; and

WHEREAS, the Board desires to provide for the details of the Bonds and the payment thereof;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Board as follows:

#### ARTICLE I DEFINITIONS

101. Definitions. As used in this Bond Resolution, unless the context shall otherwise require, the following terms shall have the following meanings:

"Act" means, collectively, chapter 11 of Title 33 and chapters 2 and 9 of Title 57, Idaho Code, as amended.

"Board" means the Board of Trustees of the District.

"Bond Account" means the Bond Account established in Section 210 hereof.

"Bond Counsel" means Hawley Troxell Ennis & Hawley LLP, or another attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States.

"Bond Election" means the District's Bond Election held in the District on August 28, 2012, at which the issuance and sale by the District of up to \$32,700,000 general obligation school bonds was authorized for the purposes presented to the electorate.

"Bondholder" or "Holder" means the registered owner of any Bond as shown in the registration books of the District kept by the Bond Registrar for such purpose.

"Bond Purchase Agreement" means the agreement between the District and Purchaser setting for the terms and conditions of the District's sale of the Bonds to the Purchaser.

"Bond Register" means the registration records of the District, maintained by the Paying Agent, on which shall appear the names and addresses of the Holders of the Bonds.

"Bond Registrar" means each Person appointed by the District as bond registrar and agent for the transfer, exchange and authentication of the Bonds. Pursuant to Section 206 hereof the initial Bond Registrar is U.S. Bank National Association, Corporate Trust Department, Salt Lake City, Utah.

“Bond Resolution” or “Resolution” means this Resolution No. 12-13-002 adopted by the Board on October 18, 2012, authorizing the issuance and confirming the sale of the Bonds.

“Bonds” means the 2012A Bonds and 2012B Bonds.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday, or (ii) a day on which the Paying Agent is authorized by law to close.

“Cede & Co.” means the nominee of DTC, and any successor nominee of DTC with respect to the Bonds pursuant to Section 401 hereof.

“Code” means the Internal Revenue Code of 1986, as amended and supplemented from time to time, and the Regulations promulgated thereunder.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“DTC Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“District” means School District No. 271 (Coeur d’Alene), Kootenai County, State of Idaho.

“Exchange Bond” means any Exchange Bond, as defined in Section 209 hereof.

“Information Reporting Agreement” means the undertaking to be delivered by the District in compliance with SEC Rule 15c2-12.

“Participants” means those broker-dealers, banks and other financial institutions from time to time for which DTC holds bonds as securities depository.

“Paying Agent” means each Person appointed by the District as paying agent with respect to the Bonds. Pursuant to Section 206 hereof, the initial Paying Agent is U.S. Bank National Association, Corporate Trust Department, Salt Lake City, Utah.

“Permitted Investments” means such investments as shall be legal investment for such funds under Idaho law as then in effect.

“Person” means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

“Project” means financing the costs of renovating, remodeling and adding to existing schools and school facilities throughout the District and acquiring related equipment, including technology upgrades, for such schools and school facilities.

“Project Account” means the Project Account established in Section 210 hereof.

“Purchaser” means Seattle-Northwest Securities Corporation, Boise, Idaho, the initial purchaser of the Bonds from the District.

“Record Date” means (a) in the case of each interest payment date, the close of business on the fifteenth day preceding the interest payment date; and, if not a Business Day, the next preceding day that is a Business Day, and (b) in the case of redemption, if applicable, such record date as shall be specified by the Bond Registrar in the notice of redemption, provided that such record date shall be not less than fifteen (15) calendar days before the mailing of such notice of redemption.

“Registered Owner” means the person(s) in whose name or names the Bonds shall be registered in the Bond Register maintained by the Paying Agent in accordance with the terms of the Bond Resolution.

“Regulations” means the treasury regulations promulgated under the Code and those provisions of the treasury regulations originally promulgated under Section 103 of the Internal Revenue Code of 1954, as amended, which remain in effect under the Code.

“Representations Letter” means the District’s Blanket Issuer Representations Letter authorized under Section 402 hereof to be filed with DTC.

“Rule 15c2-12” means Rule 15c2-12, as amended, promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

“SEC” means the Securities and Exchange Commission.

“Securities Depository” means DTC, or any successor securities depository appointed pursuant to Section 401.

“Tax Certificate” means any agreement or certificate of the District which the District executes in order to establish and assure the tax-exempt status of interest received on the Bonds.

“2012A Bonds” means the \$9,025,000 General Obligation Bonds, Series 2012A (Sales Tax Guaranty) of the District authorized by this Bond Resolution.

“2012B Bonds” means the \$20,000,000 General Obligation Bonds, Series 2012B (Sales Tax and Credit Enhancement Guaranty) of the District authorized by this Bond Resolution.

“United States” means the government of the United States of America.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms used in this Bond Resolution refer to this Bond Resolution.

102. Authority for Bond Resolution. This Bond Resolution is adopted pursuant to the provisions of the Act.

ARTICLE II  
AUTHORIZATION, TERMS, SALE AND ISSUANCE  
OF BONDS, AND PAYING AGENT PROVISIONS

201. Authorization of Bonds, Principal Amount, Designation and Series. In accordance with and subject to the terms, conditions and limitations established by the Act and contained in this Bond Resolution, general obligation school bonds of the District are hereby authorized to be issued in two series in the aggregate principal amount of \$29,025,000. The Bonds are hereby designated and shall be issued in principal amounts as follows: (i) "General Obligation Bonds, Series 2012A (Sales Tax Guaranty)," in the principal amount of \$9,025,000; and (ii) "General Obligation Bonds, Series 2012B (Sales Tax and Credit Enhancement Guaranty)," in the principal amount of \$20,000,000. The Bonds shall be issued in fully registered form only, without coupons.

202. Purposes. The Bonds are hereby authorized to be issued for the purpose of acquisition of the Project and to pay the costs of issuance thereof.

203. Issue Date. The Bonds shall be dated as of the date of their delivery.

204. Bond Details.

(a) The 2012A Bonds shall be issued in the form of serial bonds maturing on the dates and in the amounts as indicated below. The 2012A Bonds shall bear interest at the rates indicated below (calculated on the basis of a year of 360 days and twelve 30-day months) from the date of their delivery payable March 15, 2013, and semiannually thereafter on September 15 and March 15 in each year until their respective dates of maturity or prior redemption:

<u>September 15</u> <u>Year</u>	<u>Amount</u> <u>Maturing</u>	<u>Interest Rate %</u> <u>(Per Annum)</u>
2013	\$1,715,000	2.00
2014	1,880,000	4.00
2015	1,960,000	4.00
2016	2,035,000	2.00
2017	70,000	2.00
2017	1,365,000	4.00

(b) The 2012B Bonds shall be issued in the form of serial bonds maturing on the dates and in the amounts as indicated below. The 2012B Bonds shall bear interest at the rates indicated below (calculated on the basis of a year of 360 days and twelve 30-day months) from



the date of their delivery payable March 15, 2013, and semiannually thereafter on September 15 and March 15 in each year until their respective dates of maturity or prior redemption:

<u>September 15</u> <u>Year</u>	<u>Amount</u> <u>Maturing</u>	<u>Interest Rate %</u> <u>(Per Annum)</u>
2017	\$ 640 000	2.00
2018	1,670,000	1.50
2018	475,000	2.00
2019	175,000	2.00
2019	25,000	3.00
2019	1,980,000	4.00
2020	2,260,000	4.00
2021	500,000	3.00
2021	1,855,000	4.00
2022	2,440,000	4.00
2023	2,540,000	5.00
2024	2,665,000	4.00
2025	2,775,000	4.00

(c) Each Bond shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless it is registered and authenticated as of an interest payment date, in which event it shall bear interest from the date thereof, or unless it is registered and authenticated prior to the first interest payment date, in which event it shall bear interest from its date, or unless, as shown by the records of the Bond Registrar, interest on the Bonds shall be in default, in which event it shall bear interest from the date to which interest has been paid in full. The Bond Registrar shall insert the date of registration and authentication of each Bond in the place provided for such purpose in the form of the Bond Registrar's certificate of authentication on each Bond. To the extent permitted by law, the Bonds shall bear interest on overdue principal at the aforesaid respective rates.

205. Denominations and Numbers. The Bonds shall be issued as fully registered bonds, without coupons, in the denomination of \$5,000, or any integral multiple thereof, not exceeding the amount of each maturity. Each series of the Bonds shall be numbered from one (1) upward in order of issuance with the prefix "R" preceding each number.

206. Paying Agent and Bond Registrar. U.S. Bank National Association, Corporate Trust Department, Salt Lake City, Utah, is hereby appointed the Paying Agent and Bond Registrar for the Bonds. The District may remove any Paying Agent and any Bond Registrar, and any successor thereto, and appoint a successor or successors thereto. Each Paying Agent and Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by the Bond Resolution by executing and delivering to the District a written acceptance thereof. The principal of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender

for the payment of public and private debts. Principal of and premium, if any, on the Bonds shall be payable when due to the Bondholder of each Bond at the principal corporate trust office of the Paying Agent. Payment of interest on each Bond shall be made to the Person which, as of the Record Date, is the Holder of the Bond and shall be made by check or draft mailed to the Person which, as of the Record Date, is the Holder of the Bond, at the address of such Holder as it appears on the registration books of the District kept by the Bond Registrar or at such other address as is furnished to the Bond Registrar in writing by such Holder on or prior to the Record Date.

207. Redemption and Redemption Price.

(a) Optional Redemption.

(1) The 2012A Bonds are not subject to call and redemption prior to maturity.

(2) The 2012B Bonds maturing on or prior to September 15, 2022, are not subject to call and redemption prior to maturity. The 2012B Bonds maturing on and after September 15, 2023, are subject to redemption at the election of the District on September 15, 2022, and on any date thereafter prior to maturity, in whole or in part, in accordance with the optional arrangements then in effect with DTC, at the price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest, if any, to the date of redemption.

(3) If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds or portion of the Bonds of such maturity to be redeemed shall be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or an integral multiple of \$5,000 and in selecting portions of such Bonds for redemption the Bond Registrar will treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000.

(b) Mandatory Redemption. The Bonds are not subject to mandatory redemption and retirement prior to maturity.

(c) Redemption Notice. Notice of redemption shall be given by the Bond Registrar by registered mail, not less than thirty (30) or more than sixty (60) days prior to the redemption date, to the Bondholder, as of the Record Date, of each Bond which is subject to redemption, at the address of such Bondholder as it appears in the registration books of the District kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such Bondholder on or prior to the Record Date. Notice also shall be given by registered mail to The Bond Buyer, a publication printed in the City of New York, New York, to the fiscal agent of the District, if any, and to the Paying Agent, if other than the Bond Registrar. Each notice of redemption shall state the name and series of the Bonds, the Record Date, the redemption date, the place of redemption, the principal amount if less than all, the distinctive numbers of the Bonds or portions of Bonds to be redeemed, and also shall state that the interest

on the Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that, on said date, there will become due and payable on each of said Bonds the principal thereof, interest accrued thereon to the redemption date, and premium, if any. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Bondholder or other recipient receives such notice. Failure to mail such notice or any defect therein shall not affect the validity of the proceedings for redemption of the Bonds.

In addition to the foregoing notice, further notice shall be given by the Bond Registrar as set out below, but no defect in said further notice or any failure to give all or any portion of such further notice shall affect in any manner the validity of a call for redemption if notice thereof is given as above prescribed.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; and (v) the series and any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least 35 days before the redemption date by telecopy, registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds designated to the Bond Registrar by the District and to any nationally recognized information services designated by the District to the Bond Registrar.

(d) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number or numbers identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

208. Sale of Bonds. The Bonds authorized to be issued herein are hereby sold to the Purchaser on the terms and conditions set forth in the Bond Purchase Agreement at the aggregate purchase price equal to \$32,770,662.20, representing the aggregate par amount of the Bonds, plus aggregate premium of \$3,867,276.95, less aggregate underwriter's discount of \$121,614.75. The 2012A Bonds are hereby sold to the Purchaser at the purchase price equal to \$9,646,479.25, representing the par amount of the 2012A Bonds, plus premium of \$659,294.00, less underwriter's discount of \$37,814.75. The 2012B Bonds are hereby sold to the Purchaser at the purchase price equal to \$23,124,182.95, representing the par amount of the 2012B Bonds, plus premium of \$3,207,982.95, less underwriter's discount of \$83,800.00.

The pricing details of each series of Bonds are as follows:

2012A Bonds:

Maturity September 15 <u>Year</u>	Amount <u>Maturing</u>	<u>Rate%</u>	<u>Yield%</u>	<u>Price%</u>
2013	\$1,715,000	2.00	0.280	101.463
2014	1,880,000	4.00	0.400	106.638
2015	1,960,000	4.00	0.510	109.871
2016	2,035,000	2.00	0.630	105.206
2017	70,000	2.00	0.820	105.602
2017	1,365,000	4.00	0.820	115.097

2012B Bonds:

Maturity September 15 <u>Year</u>	Amount <u>Maturing</u>	<u>Rate%</u>	<u>Yield%</u>	<u>Price%</u>
2017	\$ 640 000	2.00	0.800	105.700
2018	1,670,000	1.50	1.000	102.835
2018	475,000	2.00	1.000	105.670
2019	175,000	2.00	1.230	105.044
2019	25,000	3.00	1.230	111.597
2019	1,980,000	4.00	1.230	118.149
2020	2,260,000	4.00	1.510	118.371
2021	500,000	3.00	1.740	110.295
2021	1,855,000	4.00	1.740	118.466
2022	2,440,000	4.00	1.940	118.391
2023	2,540,000	5.00	2.090	125.788
2024	2,665,000	4.00	2.250	115.385
2025	2,775,000	4.00	2.340	114.529

The final Official Statement of the District for the sale of the Bonds, in substantially the form presented at this meeting, with such changes, omissions, insertions and revisions as the Superintendent and/or Chief Operating Officer of the District shall approve, is hereby authorized, and the Superintendent, Chief Operating Officer or Chair of the Board of Trustees shall sign such final Official Statement and deliver such final Official Statement to the Purchaser for distribution to prospective purchasers of the Bonds and other interested persons, which signature shall

evidence such approval. The use of the Preliminary Official Statement dated October 10, 2012 (the "Preliminary Official Statement"), by the Purchaser and the actions of the District, including the certification by the Chair, the Superintendent or the Chief Operating Officer of the District as to the "deemed finality" of the Preliminary Official Statement pursuant to SEC Rule 15c2-12 in connection with the offering of the Bonds are hereby acknowledged, approved and ratified.

In order to comply with subsection (b)(5) of SEC Rule 15c2-12, the Purchaser has provided in the Bond Purchase Agreement that it is a condition to delivery of the Bonds that the District and the Paying Agent shall execute and deliver the Information Reporting Agreement. The Information Reporting Agreement is hereby ratified and approved in all respects and the Chair or Vice-Chair is hereby authorized to execute and deliver the Information Reporting Agreement. Such Information Reporting Agreement shall constitute the District's undertaking for compliance with Rule 15c2-12.

209. Execution of Bonds. The Bonds shall be executed on behalf of the District by the Chair or Vice-Chair of the Board and countersigned by the Clerk of the Board (such signatures being either manual or by facsimile), and the corporate seal of the District, if any, shall be impressed or printed thereon (either by facsimile or impression). The certificate of the Treasurer of the Board attached to the Bonds shall be signed, either manually or by facsimile, by the Treasurer of the Board, with the seal of the District impressed or printed thereon. The said officials and each of them are hereby authorized and instructed to execute the Bonds accordingly, and, the use of facsimile signatures of said Chair, Vice-Chair, Treasurer and Clerk and facsimile of the seal of the District on the Bonds are hereby authorized, approved and adopted as the authorized and authentic execution, countersigning, and sealing, as applicable, of the Bonds by said officials. The Bonds shall then be delivered to the Bond Registrar for manual authentication by it. Only the Bonds as shall bear a certificate of authentication, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Bond Resolution, and such certificate of the Bond Registrar shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered under, and are entitled to the benefits of, this Bond Resolution and that the Bondholder thereof is entitled to the benefits of this Bond Resolution. The certificate of authentication of the Bond Registrar on any Bond shall be deemed to have been executed by it if (a) such Bond is signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder or that all of the Bonds hereunder be authenticated by the same Bond Registrar, and (b) the date of registration and authentication of the Bond is inserted in the place provided therefor on the certificate of authentication.

The Chair, Vice-Chair and Clerk of the Board are authorized to execute, countersign and seal from time to time, as applicable, in the manner described above, Bonds (the "Exchange Bonds") to be issued and delivered for the purpose of effecting transfers and exchanges of Bonds pursuant to Article III hereof. At the time of the execution, countersigning, and sealing of the Exchange Bonds by the District, the payee, maturity date and interest rate shall be in blank. All Exchange Bonds shall be in the denomination of \$5,000. Upon any transfer or exchange of

Bonds pursuant to Article III hereof, the Bond Registrar shall cause to be inserted in appropriate Exchange Bonds the appropriate payee, maturity date and interest rate. The Bond Registrar is hereby authorized and directed to hold the Exchange Bonds and to complete, authenticate and deliver the Exchange Bonds for the purpose of effecting transfers and exchanges of Bonds; provided that any Exchange Bonds authenticated and delivered by the Bond Registrar shall bear the same series, maturity date and interest rate as Bonds delivered to the Bond Registrar for exchange or transfer and shall bear the name of such payee as the Bondholder requesting an exchange or transfer shall designate; and provided further that, upon the delivery of any Exchange Bonds by the Bond Registrar a like principal amount of Bonds submitted for transfer or exchange and of like series and having like maturities and interest rates, shall be cancelled. The execution, countersigning and sealing, if applicable, by the District and delivery to the Bond Registrar of any Exchange Bond shall constitute full and due authorization of such Bond containing such payee, maturity date and interest rate as the Bond Registrar shall cause to be inserted, and the Bond Registrar shall thereby be authorized to authenticate and deliver such Exchange Bond in accordance with the provisions hereof.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond (including any Exchange Bond) shall cease to be such officer before the issuance or delivery of such Bond, such signature or such facsimile nevertheless shall be valid and sufficient for all purposes, the same as if such officer had remained in office until such issuance or delivery, respectively.

210. Establishment of Accounts and Funds.

A. The following accounts and funds on the accounting records of the District are hereby created with respect to the Bonds:

- (1) Bond Account, to be held by the District;
- (2) Project Account, to be held by the District;
- (3) Rebate Fund, to be held by the District.

B. There shall be deposited into the Bond Account (i) taxes collected pursuant to Section 501 hereof, (ii) funds from the State of Idaho pursuant to Idaho Code Section 33-906, and (iii) such other funds as the District shall designate as irrevocably available to pay principal and interest on the Bonds. The District shall make disbursements from the Bond Account in accordance with Sections 404 and 501 hereof. For purposes of investment of funds in the Bond Account, the District may consider funds in the Bond Account not expected to be used to pay principal and interest on the Bonds to be held for the purpose of paying principal and interest on other bonds issued or to be issued by the District or to be used for any lawful purpose of the District. Moneys in the Bond Account may be invested in Permitted Investments.

C. There shall be deposited into and disbursed from the Project Account the moneys referred to in Sections 211(b) and 211(c) hereof.

D. There shall be deposited into and disbursed from the Rebate Account the sums required under the Code.

211. Delivery of Bonds; Application of Proceeds. The Treasurer of the District is hereby instructed to make delivery of the Bonds to the Purchaser under the DTC Fast Automated Securities Transfer System and to receive payment therefor in accordance with the terms of the Bond Purchase Agreement and to deposit or use the proceeds of sale as follows:

(a) accrued interest, if any, on the Bonds shall be deposited into the Bond Account;

(b) 2012A Bond proceeds in the amount of \$9,646,479.25 will be deposited into the Project Account to be used to pay a portion of the cost of the Project, including costs of issuance of the 2012A Bonds; and

(c) 2012B Bond proceeds in the amount of \$23,118,709.78 will be deposited into the Project Account to be used to pay a portion of the cost of the Project, including costs of issuance of the 2012B Bonds.

(d) 2012B Bond proceeds in the amount of \$5,473.17 will be used to pay the credit enhancement fee.

212. Defeasance.

(a) If the District shall pay or cause to be paid, or there shall otherwise be paid, to the Bondholders the principal of or redemption price, if applicable, and interest due or to become due on the Bonds, if applicable, at the times and in the manner stipulated therein and in this Resolution, or such Bonds shall have been deemed to have been paid, then the levy of taxes provided in Section 501 hereof and other moneys, securities and funds pledged under the Resolution and all covenants, agreements and other obligations of the District to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) Bonds or interest installments the payment or redemption of which moneys shall have been set aside and shall be held in trust (through deposit by the District of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this section. All outstanding Bonds shall prior to the maturity thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this section if:

(1) in case any of said Bonds are to be redeemed on any date prior to their maturity, if applicable, the District shall have given irrevocable instructions to mail to the Bondholders of such Bonds, notice of redemption of such Bonds on said date;

(2) there shall have been deposited in escrow with a bank, trust company or suitable depository (the "Defeasance Agent") either (a) moneys in an amount which shall be sufficient, or (b) Defeasance Securities (defined below) (including any Defeasance Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Defeasance Agent at the same time, shall be sufficient, to pay when due the principal or redemption price, as applicable, and interest due and to become due, if applicable, on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, without adversely affecting the tax-exempt status of the interest on said Bonds taxable under the Code. In the case of a deposit under clause (b) above, the District will provide to the Defeasance Agent a verification as to the sufficiency of the Defeasance Securities to pay when due the principal or redemption price, as applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof; and

(3) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the District shall have given irrevocable instructions to mail, first class postage prepaid, a notice to the Bondholders that the deposit required by (2) above has been made with the Defeasance Agent and that said Bonds are deemed to have been paid in accordance with this section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price as applicable, and interest due or to become due, if applicable, on said Bonds.

(c) Neither Defeasance Securities nor moneys deposited with the Defeasance Agent pursuant to this section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or redemption price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Securities deposited with the Paying Agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal or redemption price, as applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the District, free and clear of any trust, lien or pledge. For the purposes of this section, "Defeasance Securities" shall include the following:

(1) cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below), or

(2) direct obligations of the United States of America, or other securities, the principal and interest of which are unconditionally guaranteed by the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America, provided such securities shall be authorized as permitted investments for such purpose by the laws of the State of Idaho.



Bonds, the principal of and interest on and redemption premium, if any, which shall have been provided for in the manner set forth in Subsection (b) hereof shall be deemed not to be outstanding under the Resolution or under applicable provisions of the law of the State of Idaho, including without limitation, the Act and in particular Section 33-1103 of the Act.

213. Bond Levy Subsidy. The District covenants to apply for and take all reasonable actions necessary to continue to be eligible to receive payments from the State of Idaho under Idaho Code, Sections 33-906 and 33-906A, or any successor provision.

214. Further Authority. The Chair, Vice-Chair, Clerk and Treasurer of the Board and other officers of the District are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale and delivery of the Bonds, and the fulfillment of the covenants and obligations of the District contained herein, in the Bonds, and in any Tax Certificate.

215. Idaho State Bond Guaranty.

(a) Payment of the principal of and interest on the Bonds when due is guaranteed by the sales tax collected by the State of Idaho pursuant to the provisions of the Idaho School Bond Guaranty Act, Title 33, chapter 53, Idaho Code (the "Sales Tax Guaranty Act"). In addition, payment of the principal of and interest on the 2012B Bonds when due is guaranteed by the school district bond credit enhancement program under Title 57, chapter 7, Idaho Code (the "Credit Enhancement Program") (the Sales Tax Guaranty Act and Credit Enhancement Program hereinafter sometimes referred to collectively as the "Bond Guaranty Programs").

(b) In accordance with the requirements of the Bond Guaranty Programs, the District shall transfer moneys from the Bond Account sufficient for the scheduled debt service payment on the Bonds to the Paying Agent at least fifteen (15) days before each principal or interest payment date for the Bonds, and if the District is unable to transfer the scheduled debt service payment to the Paying Agent fifteen (15) days before the payment date, the District shall immediately notify the Paying Agent and the Treasurer of the State of Idaho (the "State Treasurer").

(c) The District will use its best effort to cause the Paying Agent to comply with the requirements imposed on the Paying Agent by the Bond Guaranty Programs, including requiring in any paying agent agreement that the Paying Agent notify the State Treasurer in writing at least ten (10) days before the scheduled debt service payment date in the event the District has not transferred sufficient funds as required in (b) above.

(d) The District shall reimburse all moneys drawn by the State Treasurer on its behalf and shall pay interest to the State on all moneys paid by the State as provided in the Bond Guaranty Programs.

(e) The District covenants to comply with the notification, recordkeeping, financial disclosure and other requirements of the Bond Guaranty Programs.

### ARTICLE III TRANSFER AND EXCHANGE OF BONDS; BOND REGISTRAR

#### 301. Transfer of Bonds.

(a) Any Bond may, in accordance with its terms, be transferred upon the registration books kept by the Bond Registrar pursuant to Section 303 hereof by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The District, the Bond Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the Bondholder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully registered Bond or Bonds in an authorized denomination (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) and of the same series, designation, maturity and interest rate duly executed by the District, for a like aggregate principal amount. The Bond Registrar shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made (i) after the Record Date with respect to any interest payment date to and including such interest payment date, or (ii) after the Record Date with respect to any redemption of such Bond, if applicable. If Exchange Bonds are prepared in connection with transfers outside the book-entry registration system as provided in Section 209, the foregoing provisions of this Section 301 shall apply to such transfers or exchanges. Then and thereafter, Exchange Bonds shall be in the denomination of \$5,000 only, and shall bear numbers as provided in Section 205 hereof. All Bonds issued after the first numbering of Bonds in \$5,000 denominations pursuant to Section 301 shall thereafter continue to bear the same number, which shall be used on all newly issued Bonds issued for purposes of all subsequent transfers and exchanges.

302. Exchange of Bonds. Bonds may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of fully registered Bonds (which may be an Exchange Bond or Bonds pursuant to Section 209 hereof) of the same series, designation, maturity and interest rate of other authorized denominations. The Bond Registrar shall require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. With respect to each Bond, no such exchange shall be required to be made (i) after the Record Date with respect to any interest payment date to and including such interest payment date or (ii) after the Record Date with respect to any redemption of such Bond, if applicable.

303. Bond Registration Books. This Bond Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act of Idaho, chapter 9 of Title 57, Idaho Code. The Bond Registrar shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the District; and, upon presentation for such purpose, the Bond Registrar, under such reasonable regulations as it may prescribe, shall register or transfer or cause to be registered or transferred on said books Bonds as herein provided.

304. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the Bondholders of all Bonds and, upon any transfer, shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

305. Duties of Bond Registrar. If requested by the Bond Registrar, the Chair and/or Clerk of the Board are authorized to execute the Bond Registrar's standard form of agreement between the District and the Bond Registrar with respect to the compensation, obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent, and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the District upon request but otherwise to keep such list confidential;
- (c) to give notice of redemption of Bonds as applicable;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption, if applicable, or submitted for exchange or transfer;
- (e) to furnish the District at least annually a certificate with respect to Bonds cancelled and/or destroyed;
- (f) to furnish the District at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds; and
- (g) to comply with all applicable provisions of the Representations Letter, as called for in Section 402 hereof.

#### ARTICLE IV BOOK-ENTRY SYSTEM; LIMITED OBLIGATION OF DISTRICT; REPRESENTATIONS LETTER

401. Book-Entry Only System. The Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities set forth in Section 204 hereof. Upon initial issuance, the ownership of each Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

Except as provided in Section 403 hereof, all of the outstanding Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the District, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any Participant or to any Person on behalf of which a Participant holds an interest in the Bonds with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Bonds, including any notice of redemption, if applicable, or (iii) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of or interest on the Bonds. The District, the Bond Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the Bondholder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of and interest on the Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided in Section 206 hereof, and all such payments shall be valid and effective to satisfy and discharge fully the District's obligations with respect to payment of principal of and interest on the Bonds, to the extent of the sum or sums so paid. No Person other than a Bondholder, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Bond evidencing the obligation of the District to make payments of principal and interest pursuant to this Bond Resolution. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co. and subject to the provisions herein with respect to Record Dates, the word "Cede & Co." in this Bond Resolution shall refer to such new nominee of DTC, and, upon receipt of such a notice, the District promptly shall deliver a copy of the same to the Bond Registrar and the Paying Agent.

402. Representations Letter. The Representations Letter in the form presented to the Board is hereby authorized to be signed by the Chair or Vice-Chair of the Board, and to be filed with DTC. In the written acceptance of each Paying Agent and Bond Registrar referred to in Section 206 hereof, such Paying Agent and Bond Registrar, respectively, shall agree to take all action necessary for all representations of the District in the Representations Letter with respect to the Paying Agent and Bond Registrar, respectively, to be complied with at all times. The Representations Letter is for the purpose of effectuating the book-entry-only system and shall not be deemed to amend, supersede or supplement the terms of this Resolution, which terms are intended to be complete without reference to the Representations Letter.

In the event of any conflict between the terms of the Representations Letter and the terms of this Resolution, the terms of this Resolution shall control. DTC may exercise the rights of a

Bondholder hereunder only in accordance with the terms hereof applicable to the exercise of such rights.

403. Transfers Outside Book-Entry System. In the event that (a) the District determines that DTC is incapable of discharging or is unwilling to discharge its responsibilities described herein and in the Representations Letter, (b) DTC determines to discontinue providing its service as securities depository with respect to the Bonds at any time as provided in the Representations Letter or (c) the District determines that it is in the best interests of the Bondholders, as the beneficial owners of the Bonds, that they be able to obtain certificated Bonds and an alternative book-entry system is not available or is not selected as provided in the succeeding sentence, the District shall notify DTC and direct DTC to notify the Participants of the availability through DTC of Bond certificates, and the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. At that time, the District may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system as may be acceptable to the District or such depository's agent or designee, and, if the District does not select such alternate universal book-entry system, the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of Article III hereof.

404. Payments to Cede & Co. Notwithstanding any other provision of this Bond Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representations Letter.

## ARTICLE V COVENANTS AND UNDERTAKINGS

501. Levy of Taxes. The District covenants and agrees that to pay principal of and interest on the Bonds falling due to and including September 15, 2025, the District shall levy and cause to be levied annually at the time when and in the manner in which other general taxes of the District are levied, upon all the taxable property within the limits of the District, in addition to all other authorized taxes and assessments, a tax or assessment, together with funds then on deposit in the Bond Account, in the amount specified by Idaho Code Sections 33-802 and 33-802A, and sufficient to meet the payments of principal and interest on the Bonds as the same mature, and such taxes shall be levied, assessed, certified, extended and collected by their proper officers at the times other taxes are levied, assessed, certified, extended and collected in, for and by the District and by the officers thereof, all as fixed by law, until the principal and interest of all Bonds and interest thereon shall be fully paid.

Principal of or interest on the Bonds falling due at any time when the proceeds of said tax levy may not be available shall be paid from other funds of the District and shall be reimbursed

from the proceeds of said taxes when said taxes shall have been collected. Said taxes in each of the several years shall be and are hereby certified to the Board of County Commissioners of Kootenai County as being taxes necessary to be levied on all of the taxable property in the District for the purpose of paying the principal of and the interest on the Bonds as the same become due. When collected, said taxes shall be placed into the Bond Account and shall be used for no other purpose than for the payment of the principal of and the interest on the Bonds as the same become due, so long as any of the Bonds remain outstanding and unpaid, but nothing herein contained shall be construed to prevent the District from paying the interest on or the principal of the Bonds from any other funds in its hands and available for that purpose or to prevent the District from levying any further or additional taxes which may be necessary to pay fully the interest on or the principal of the Bonds.

The full faith and credit and all taxable property in the District are hereby pledged for the prompt payment of the principal of and the interest on the Bonds as the same become due, and, to that end, the tax levies herein provided shall be in full force and effect and remain so forever until the indebtedness hereby incurred, principal and interest, shall have been fully paid, satisfied and discharged, except as hereinbefore provided. Any collection fees or charges made in connection with the payment of the Bonds and interest thereon are to be paid by the District.

502. Bonds in Registered Form. The District recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon is excluded from gross income for purposes of federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the District agrees that it will not take any action to permit the Bonds to be issued in or converted into bearer or coupon form.

503. Arbitrage Covenant; Covenant to Maintain Tax Exemption.

(a) The Chair of the Board and Chief Operating Officer of the District and other appropriate officials of the District each are hereby authorized and directed to execute from time to time such Tax Certificates as shall be necessary to establish that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations promulgated or proposed thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised, and to establish that interest on the Bonds is not and will not become includable in gross income under the Code and applicable regulations. The District covenants and certifies to and for the benefit of the Bondholders that no use will be made of the proceeds of the issue and sale of the Bonds, or any funds or accounts of the District which may be deemed to be proceeds of the Bonds, pursuant to Section 148 of the Code and applicable regulations (proposed or promulgated,) which use, if it had been reasonably expected on the date of issuance of the Bonds, would have caused the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to this covenant, the District obligates itself to comply throughout the term of the Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder.

(b) The District further covenants and agrees to and for the benefit of the Bondholders that the District (i) will not take any action that would cause interest on the Bonds

to be or to become ineligible for the exclusion from gross income of the Bondholders as provided in Section 103 of the Code, (ii) will not omit to take or cause to be taken, in timely manner, any action which would cause interest on the Bonds to be or to become ineligible for the exclusion from gross income of the Bondholders as provided in Section 103 of the Code, and (iii) without limiting the generality of the foregoing, (a) will not take any action which would cause the Bonds, or any Bond, to be a "private activity bond" within the meaning of Section 141 of the Code or to fail to meet any applicable requirement of Section 149 of the Code and (b) will not omit to take or cause to be taken, in a timely manner, an action which would cause the Bonds, or any Bond, to be a "private activity bond" or to fail to meet any applicable requirement of Section 149 of the Code. The Chair of the Board and Chief Operating Officer of the District and other appropriate officials of the District each are hereby authorized and directed to execute from time to time such Tax Certificates as shall be necessary to establish that the Bonds are not and will not become "private activity bonds," that all applicable requirements of Section 149 of the Code are and will be met, and that the covenant of the District contained in this Section 503(b) will be complied with.

(c) The District covenants and certifies to and for the benefit of the Bondholders that: (i) the District will at all times comply with the provisions of any Tax Certificates; (ii) the District will at all times comply with the rebate requirements contained in Section 148(f) of the Code, to the extent applicable; and (iii) no bonds or other evidences of indebtedness of the District have been or will be issued, sold or delivered within a period beginning 15 days prior to the sale of the Bonds and ending 15 days following the date of delivery of and payment for the Bonds.

(d) The Tax Certificate, in form acceptable to Bond Counsel, with such insertions and changes therein as shall be approved by the Chair of the Board and Chief Operating Officer of the District or such other appropriate officials of the District, is hereby authorized and approved. Such approval of said Chair and Chief Operating Officer shall be conclusively established by their execution of the Tax Certificate in its final form.

The District hereby covenants to adopt, make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) any resolution or Tax Certificate necessary to comply with any changes in law or regulations in order to preserve the exclusion of interest on the Bonds from gross income of the Bondholders thereof for purposes of the federal income tax to the extent that it may lawfully do so. The District further covenants to (a) impose such limitations on the investment or use of moneys or investment related to the Bonds, (b) make such payments to the United States Treasury, (c) maintain such records, (d) perform such calculations and (e) perform such other acts as may be necessary to preserve the exclusion of interest on the Bonds from gross income of the Bondholders thereof for purposes of the federal income tax and which it lawfully may do.

Pursuant to these covenants, the District obligates itself to comply with the requirements of Section 103 of the Code and the regulations proposed or promulgated thereunder throughout the term of the issue of the Bonds.

504. Approval of Plan and Form of Bonds. It is hereby found, determined and declared that in the judgment of the Board of Trustees the plan and form of the Bonds as set forth in this Bond Resolution, to the extent it may conflict with or depart from the plan and form for bonds specified in chapter 11 of Title 33, Idaho Code, will result to the benefit and advantage of the District, and therefore pursuant to the provisions of Section 33-1107, Idaho Code, the Bonds shall be sold and delivered to the Purchaser with the annual maturity amounts and dates of payments and bearing interest at the rates herein affixed, upon the payment of the agreed purchase price, after the plan and form thereof shall have been approved by the State Superintendent of Public Instruction, all as provided in Section 33-1107, Idaho Code. The Clerk of the Board is hereby directed to submit a copy of this Bond Resolution to the State Superintendent of Public Instruction, together with a request that such Superintendent approve the plan and form of the Bonds.

505. Investment of Funds. Moneys held in any fund or account shall be invested and reinvested by the Issuer to the fullest extent practicable in Permitted Investments which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such fund or account.

#### ARTICLE VI FORM OF BONDS

601. Form of Bonds. Each fully registered Bond shall be, respectively, in substantially the following form with such insertions or variations as to the series thereof, any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required [text in bold brackets to be revised for 2012B Bonds]:

[FORM OF BOND]

Registered

Registered

UNITED STATES OF AMERICA  
STATE OF IDAHO

Number \_\_\_\_\_

\$ \_\_\_\_\_

SCHOOL DISTRICT NO. 271 (COEUR D'ALENE),  
KOOTENAI COUNTY, STATE OF IDAHO

GENERAL OBLIGATION BOND, SERIES 2012[A]  
[(SALES TAX GUARANTY)]

INTEREST  
RATE:

MATURITY  
DATE:

DATED  
DATE:

CUSIP:

\_\_\_\_\_ %

\_\_\_\_\_

11/08/12

\_\_\_\_\_

RESOLUTION - 21



Registered Owner: CEDE & CO.

Principal

Amount: \_\_\_\_\_ DOLLARS

KNOW ALL MEN BY THESE PRESENTS that School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho (the "District"), acknowledges itself indebted and for value received hereby promises to pay to the registered owner identified above, or registered assigns, on the maturity date identified above, upon presentation and surrender hereof, the principal amount identified above (the "Principal Amount"), and to pay the registered owner hereof interest on the balance of said Principal Amount from time to time remaining unpaid from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which event, this Bond shall bear interest from such interest payment date, or unless this Bond is registered and authenticated prior to the first interest payment date, in which event, this Bond shall bear interest from the dated date identified above (the "Dated Date"), or unless, as shown by the records of the hereinafter referred to Bond Registrar, interest on the hereinafter referred to Bonds shall be in default, in which event, this Bond shall bear interest from the date to which interest has been paid in full at the interest rate per annum (calculated on the basis of a year of 360 days and twelve 30-day months) identified above (the "Interest Rate"), payable on March 15, 2013, and thereafter in each year on September 15 and March 15 until payment in full of said Principal Amount, except as the provisions set forth in the hereinafter mentioned Bond Resolution with respect to redemption prior to maturity may become applicable hereto. To the extent permitted by law, this Bond shall bear interest on overdue principal at the Interest Rate.

Principal of and premium, if any, of this Bond shall be payable at U.S. Bank National Association, Corporate Trust Department, Salt Lake City, Utah, the Paying Agent of the District, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; and payment of the semiannual interest hereon shall be made to the registered owner hereof and shall be paid by check or draft mailed to the person who is the registered owner of record as of the close of business on the fifteenth day preceding an interest payment date, and if not a business day of the Paying Agent, the next preceding day that is a business day for the Paying Agent, at the address of such registered owner as it appears on the registration books kept by the hereinafter defined Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar, as provided in the hereinafter defined Bond Resolution.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Idaho and pursuant to the provisions of chapter 11 of Title 33 and chapters 2 and 9 of Title 57, Idaho Code (collectively, the "Act") and all other laws applicable thereto. It is hereby expressly certified and recited that all acts and conditions requisite and precedent to the validity of this issue have been properly done and performed in regular and due time, form and manner, as required by law; that the total

outstanding indebtedness of the District, including the whole of this issue, does not exceed any constitutional or statutory debt limit; that the full faith and credit of School District No. 271, (Coeur d'Alene), Kootenai County, State of Idaho, are hereby pledged for the due and punctual payment of the principal hereof and interest hereon; and that provision has been made in the statutory manner for the levy and collection of taxes sufficient to pay the interest on this Bond as the same becomes due and for the payment of the principal hereof at the date of the maturity of this Bond.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

This Bond is one of the General Obligation Bonds, Series 2012[A] **[(Sales Tax Guaranty)]**, of the District (the "Bonds") limited to the aggregate principal amount of \$[9,025,000], dated as of the Dated Date, issued under and by virtue of the Act and under and pursuant to a resolution of the District adopted on October 18, 2012 (the "Bond Resolution"), after having been authorized at an election held on August 28, 2012 in School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho, by vote of at least two-thirds of the qualified electors thereof, for the purpose of financing the costs of renovating, remodeling and adding to existing schools and school facilities throughout the District and acquiring related equipment, including technology upgrades, for such schools and school facilities.

U.S. Bank National Association, Corporate Trust Department, Salt Lake City, Utah, is the initial bond registrar and paying agent of the District with respect to the Bonds. Said bond registrar and paying agent, together with any successor bond registrar or paying agent, respectively, is referred to herein as the "Bond Registrar" and the "Paying Agent."

**\*\*The Bonds are initially issued in the form of a separate single certificated fully registered Bond for each maturity, and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").\*\***

**\*\*Unless this Bond is presented by an authorized representative of DTC to the District or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.\*\***

[This Bond is transferable, as provided in the Bond Resolution, only upon the books of the District kept for that purpose at the principal corporate trust office of the Bond Registrar, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or such duly authorized attorney, and, thereupon, the District shall issue in the name of the transferee a new registered Bond or Bonds of authorized denominations of the same aggregate principal amount, series, designation, maturity and interest

rate as the surrendered Bond, all as provided in the Bond Resolution, upon the payment of the charges therein prescribed. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The District, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever, and neither the District, the Bond Registrar, nor the Paying Agent shall be affected by any notice to the contrary.]

[The Bonds are issuable solely in the form of registered Bonds without coupons in the denomination of \$5,000, or any integral multiple of \$5,000.]

[**2012A** - The Bonds are not subject to call and redemption prior to maturity.] [**2012B** - The Bonds maturing on or before September 15, 2022, are not subject to call and redemption prior to maturity. The Bonds maturing on and after September 15, 2023, are subject to redemption at the election of the District on September 15, 2022, and on any date thereafter prior to maturity, in whole or in part, in accordance with the optional arrangements then in effect with DTC, at the price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest, if any, to the date of redemption.]

[Notice of redemption shall be given by the Bond Registrar by registered mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date, to the registered owner of each Bond which is subject to redemption, at the address of such registered owner as it appears on the registration books kept by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. Notice also shall be given by registered mail to The Bond Buyer, a publication printed in the City of New York, New York, to the fiscal agent of the District, if any, and to the Paying Agent, if other than the Bond Registrar, all as provided in the Bond Resolution.]

[If notice of redemption shall have been given as aforesaid, the Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for the payment of the redemption price of all the Bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date, interest on such Bonds shall cease to accrue and become payable.]

[In addition to the foregoing notice, further notice shall be given by the Bond Registrar as provided in the Bond Resolution, but no defect in such further notice nor any failure to give all or any portion of such further notices shall in any manner affect the validity of a call for redemption if notice thereof is given as above described.]

[Less than all of a Bond in a denomination in excess of \$5,000 may be so redeemed, and in such case, upon the surrender of such Bond, there shall be issued to the registered owner thereof, without charge therefor, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, registered Bonds of any of the authorized denominations, all

as more fully set forth in the Bond Resolution. In selecting portions of any registered Bond which is of a denomination of more than \$5,000 for redemption, the Bond Registrar will treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000.]

Payment of the principal of and interest on the Bonds when due is guaranteed by the sales tax collected by the State of Idaho under the provisions of the Idaho School Bond Guaranty Act, Title 33, chapter 53, Idaho Code, [2012B - and the school district bond credit enhancement program under Title 57, chapter 7, Idaho Code (collectively, the "Bond Guaranty Programs"). The State of Idaho pledges to and agrees with the holders of the Bonds that the State will not alter, impair, or limit the rights vested by the Bond Guaranty Programs with respect to the Bonds until the Bonds, together with interest, are fully paid and discharged.]

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Bond Resolution.

IN WITNESS WHEREOF, School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho, by its duly constituted, legally qualified and acting Board of Trustees, has caused this Bond to be signed, either manually or by facsimile, by the Chair or Vice-Chair of the Board and countersigned by the Clerk thereof and has caused its seal to be impressed or printed hereon, as of the Dated Date identified above.

[Manual or Facsimile Signature]

Chair, Board of Trustees

Countersigned:

[Manual or Facsimile Signature]

Clerk, Board of Trustees

[SEAL]

\* \* \* \* \*

## BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the General Obligation Bonds, Series 2012[A] [(Sales Tax Guaranty)], of School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho.

U.S. Bank National Association,  
Corporate Trust Department,  
as Bond Registrar

By [Manual or Facsimile Signature]  
Authorized Officer

Date of registration  
and authentication: \_\_\_\_\_

U.S. Bank National Association,  
Corporate Trust Department,  
Bond Registrar and Paying Agent

\* \* \* \* \*

## ASSIGNMENT

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

Name of Transferee: \_\_\_\_\_

Address: \_\_\_\_\_

Tax Identification No.: \_\_\_\_\_

the within Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_

to transfer said bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Registered Owner

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

SIGNATURE GUARANTEED:

\_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

\*\*\*\*\*

CERTIFICATE OF TREASURER OF BOARD OF TRUSTEES

STATE OF IDAHO                    )  
  ) ss.  
County of Kootenai                )

I, the undersigned, the duly constituted, legally qualified and acting Treasurer of School District No. 271 (Coeur d'Alene), Kootenai County, State of Idaho, hereby certify that the within Bond has been registered and recorded in my office pursuant to the provisions of Chapter 9, Title 57, Idaho Code, and all acts amendatory thereof and supplementary thereto.

WITNESS my hand and the seal of said District this \_\_\_\_ day of November, 2012.

[Manual or Facsimile Signature] \_\_\_\_\_  
Treasurer, Board of Trustees

[SEAL]

\*\* Included when Bonds registered with DTC.\*\*  
[Bracketed text deleted when Bonds DTC registered.]

[END OF FORM OF BOND]

ARTICLE VII  
MISCELLANEOUS

701. Ratification. All proceedings, resolutions, and actions of the Board, the District, and their officers, agents and employees taken in connection with the authorization, sale and issuance of the Bonds are hereby in all respects ratified, confirmed and approved.

702. Severability. It is hereby declared that all parts of this Bond Resolution are severable, and if any section, paragraph, clause or provision of this Bond Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Bond Resolution.

703. Conflict. All resolutions, orders and regulations or parts thereof heretofore adopted or passed which are in conflict with any of the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

704. Captions. The table of contents and captions or headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

705. Effective Date. This Bond Resolution shall take effect immediately.

PASSED AND APPROVED this 18th day of October, 2012.

SCHOOL DISTRICT NO. 271 (COEUR D'ALENE),  
KOOTENAI COUNTY, STATE OF IDAHO

By   
Chair, Board of Trustees

ATTEST:

  
Clerk, Board of Trustees

[SEAL]



# **SCHOOL DISTRICT NO. 271 -- RESOLUTION 12-13-003**

## **SUPPLEMENTAL MAINTENANCE & OPERATIONS LEVY ELECTION**

**WHEREAS**, in accordance with Section 33-802(3), Idaho Code, as amended, the Board of Trustees of Coeur d'Alene School District No. 271, Kootenai County, Idaho (the "District"), has determined there is a need for a supplemental maintenance and operations levy in the amount of Fourteen Million Two Hundred Sixty-Six Thousand Seven Hundred Sixty-Two Dollars (\$14,266,762) for the fiscal year beginning July 1, 2013 and ending June 30, 2014 ("Year 1") (this amount includes a renewal of the previous levy and an additional \$1,400,000 solely for safety and security for all schools) and Twelve Million Eight Hundred Sixty-Six Thousand Seven Hundred Sixty-Two Dollars (\$12,866,762), for the fiscal year beginning July 1, 2014, and ending June 30, 2015 ("Year 2") (this amount is a renewal of the previous levy) for a total amount of Twenty Seven Million One Hundred Thirty-Three Thousand Five Hundred Twenty-Four Dollars (\$27,133,524), with \$25,733,524 of the total amount to be used for the purpose of paying all lawful expenses of maintaining and operating the District and \$1,400,000 of the total amount to be used solely for the purpose of paying for the enhancement of safety and security for all schools.

NOW, THEREFORE, be it resolved by the Board of Trustees of the District as follows:

- Section 1. That a supplemental maintenance and operations levy election be held, and the same is hereby called to be held, in the District on March 12, 2013, for the purpose of submitting to the qualified electors of the District the question set out in the form of the ballot appearing in Section 3 hereof.
- Section 2. That on March 12, 2013, said election will be conducted by the Kootenai County Elections Department pursuant to Title 34 Idaho Code.
- Section 3. That the ballot will be in substantially the following form:

### **OFFICIAL BALLOT**

TO AUTHORIZE AND EMPOWER THE BOARD OF TRUSTEES  
OF COEUR D'ALENE SCHOOL DISTRICT NO. 271,  
KOOTENAI COUNTY, IDAHO,  
TO LEVY A SUPPLEMENTAL MAINTENANCE & OPERATIONS LEVY

Shall the Board of Trustees of Coeur d'Alene School District No. 271, Kootenai County, Idaho (the "District"), be authorized and empowered to levy a supplemental maintenance and operations levy, as permitted by law in Section 33-802(3), Idaho Code, in the amount of Fourteen Million Two Hundred Sixty-Six Thousand Seven Hundred Sixty-Two Dollars (\$14,266,762) for the fiscal year beginning July 1, 2013 and ending June 30, 2014 ("Year 1"), and a supplemental maintenance and operations levy in the amount of Twelve Million Eight Hundred Sixty-Six Thousand Seven Hundred Sixty-Two Dollars (\$12,866,762) for the fiscal year beginning July 1, 2014, and ending June 30, 2015 ("Year 2"), for a total amount of Twenty Seven Million One Hundred Thirty-Three Thousand Five Hundred Twenty-Four Dollars (\$27,133,524), with \$25,733,524 of the total amount to be used for the purpose of paying all lawful expenses of maintaining and operating the District and \$1,400,000 of the total amount to be used solely for the purpose of paying for the enhancement of safety and security for all schools?

**IN FAVOR OF supplemental levy of \$14,266,762 in Year 1 and \$12,866,762 in Year 2:** \_\_\_\_\_

**AGAINST supplemental levy of \$14,266,762 in Year 1 and \$12,866,762 in Year 2:** \_\_\_\_\_

The following statement is required by Section 34-439A, Idaho Code, as amended:

The purpose for which \$25,733,524 of the levy shall be used is to pay all lawful expenses of maintaining and operating the schools of the District, and the purpose for which \$1,400,000 of the levy shall be used solely to pay for the enhancement of safety and security for all schools. The date of the District's supplemental levy election is March 12, 2013. The amount estimated to be collected from the levy is up to \$14,266,762 in Year 1 and \$12,866,762 in Year 2, for a total amount of \$27,133,524.

[End of Form Ballot]

- Section 4. That the Clerk of the Board of Trustees will convey to the Kootenai County Elections Office the official ballot and the Notice of Election, appearing in Sections 3 and 6 hereof, for election preparation and publication pursuant to Idaho Code.
- Section 5. That the County Commissioners will act as the canvassing board pursuant to Idaho Code and will convey the results to the District's Board of Trustees.
- Section 6. That the notice of the election will be in substantially the following form:

NOTICE OF SUPPLEMENTAL MAINTENANCE & OPERATIONS LEVY ELECTION  
COEUR D'ALENE SCHOOL DISTRICT NO. 271  
KOOTENAI COUNTY IDAHO

PUBLIC NOTICE IS HEREBY GIVEN according to law and requisite action by the Board of Trustees of Coeur d'Alene School District No. 271, Kootenai County, Idaho (the "District"), that a special supplemental maintenance and operations levy election will be held on Tuesday, March 12, 2013, in the District, for the purpose of submitting to the qualified electors of said District their vote at precinct polling sites open 8:00 am - 8:00 pm on the following question:

Shall the Board of Trustees of Coeur d'Alene School District No. 271, Kootenai County, Idaho (the "District"), be authorized and empowered to levy a supplemental maintenance and operations levy, as permitted by law in Section 33-802(3), Idaho Code, in the amount of Fourteen Million Two Hundred Sixty-Six Thousand Seven Hundred Sixty-Two Dollars (\$14,266,762) for the fiscal year beginning July 1, 2013 and ending June 30, 2014 ("Year 1"), and a supplemental maintenance and operations levy in the amount of Twelve Million Eight Hundred Sixty-Six Thousand Seven Hundred Sixty-Two Dollars (\$12,866,762) for the fiscal year beginning July 1, 2014, and ending June 30, 2015 ("Year 2"), for a total amount of Twenty Seven Million One Hundred Thirty-Three Thousand Five Hundred Twenty-Four Dollars (\$27,133,524), with \$25,733,524 of the total amount to be used for the purpose of paying all lawful expenses of maintaining and operating the District and \$1,400,000 of the total amount to be used solely for the purpose of paying for the enhancement of safety and security for all schools?

The following statement is required by Section 34-439A, Idaho Code, as amended:

The purpose for which \$25,733,524 of the levy shall be used is to pay all lawful expenses of maintaining and operating the schools of the District, and the purpose for which \$1,400,000 of the levy shall be used solely to pay for the enhancement of safety and security for all schools. The date of the District's supplemental levy election is March 12, 2013. The amount estimated to be collected from the levy is up to \$14,266,762 in Year 1 and up to \$12,866,762 in Year 2, for a total amount of \$27,133,524.

Said election will be conducted pursuant to Title 34 Idaho Code.

[End of Form Notice of Election]

Section 7. That if at the election a simple majority of the qualified registered electors of the District authorize such levy, the supplemental levy shall be approved and become effective in accordance with the provisions of Section 33-802, Idaho Code.

Passed and approved this 22nd day of January, 2013.

  
Chairperson

Attest:

  
Clerk

# **SCHOOL DISTRICT NO. 271 -- RESOLUTION 12-13-004**

## **DISPOSITION OF PERSON FIELD AND BRYAN PLAYFIELD**

This Resolution is made this 4<sup>th</sup> day of FEBRUARY, 2013, by the Coeur d'Alene School District #271, a duly organized school district existing under the laws of the State of Idaho, whose address is 1400 Northwood Center Court, Coeur d'Alene, Idaho 83814 (the "District"), to dispose of certain real property owned by the District as set forth below:

### **RECITALS:**

A. WHEREAS, the District is a validly organized and existing school district authorized under Title 33, Chapter 3 of the Idaho Code

B. WHEREAS, the Board of Trustees of the District (the "Board") has authority pursuant to Idaho Code Section 33-601 to dispose of real property.

C. WHEREAS, the Board desires to dispose of that certain real property owned by the District which consists of approximately 3.761 acres and is located near the intersection of E. Garden Avenue and 15<sup>th</sup> Street in Coeur d'Alene [Lot 1, Block 1, Person's Addition, Kootenai County, State of Idaho, according to the Plat recorded in Book G of Plats, Page 247 and 247A, records of Kootenai County, Idaho] and is commonly known as the western portion of Person Field.

D. WHEREAS, in accordance with Idaho Code Section 33-601 the Board has had Person Field appraised by a certified Idaho appraiser and such appraisal has been entered into the records of the Board and used to establish the value of Person Field at \$655,000.

E. WHEREAS, the Board also desires to dispose of that certain real property owned by the District which consists of approximately 1.916 acres and is located near the intersection of Harrison Avenue and 10<sup>th</sup> Street in Coeur d'Alene [All of Block 1 of Woodlawn Park Addition] and is commonly known as the Bryan Playfield.

F. WHEREAS, in accordance with Idaho Code Section 33-601 the Board has had Bryan Playfield appraised by a certified Idaho appraiser and such appraisal has been entered into the records of the Board and used to establish the value of the property at \$309,000.

G. WHEREAS, the District has authority pursuant to Idaho Code Sections 33-601(4)(b) and 67-2322 to authorize the conveyance of real property to the City of Coeur d'Alene, with or without consideration.

H. WHEREAS, in accordance with Idaho Code Section 50-301 the City has the authority to acquire real property.

I. WHEREAS, the maintenance and operation of a quality park system is a part of the mission of the City of Coeur d'Alene.

J. WHEREAS, the City desires to purchase Person Field and Bryan Playfield in order to serve its park mission.

K. WHEREAS, the City indicated a willingness to purchase Person Field and Bryan Playfield from the District for \$750,000.

L. WHEREAS, the Board finds that the District has a duty to cooperate with its municipal partners and promote the most efficient use of each entities' powers.

M. WHEREAS, in accordance with Idaho Code Sections 33-601(4)(b) and 67-2322, the Board may authorize the transfer of Person Field and Bryan Playfield to the City of Coeur d'Alene for an amount that is less than their appraised values where the Board determines that such a transfer is in the best interest of the District.

N. WHEREAS, the Board finds that the possession and maintenance of Person Field and Bryan Playfield does not serve the educational mission of the District.

O. WHEREAS, the Board finds that the District has an immediate need to liquidate Person Field and Bryan Playfield and forego additional costs associated with Person Field and Bryan Playfield.

P. WHEREAS, the Board finds that the preservation of Person Field and Bryan Playfield as open recreational spaces is in the best interest of the District and the public.

Q. WHEREAS, the Board finds that the conveyance of Person Field and Bryan Playfield to the City of Coeur d'Alene serves the City's park mission.

R. WHEREAS, the Board finds that the conveyance of Person Field and Bryan Playfield to the City of Coeur d'Alene ensures that both properties will be maintained and operated as open recreational spaces to be enjoyed by the public at large.

S. WHEREAS, the Board finds that the City's willingness to pay \$750,000 for the purchase of both Person Field and Bryan Playfield is a reasonable amount for the District to accept in light of the District's immediate needs and the public's interest in the preservation of these properties as open spaces.

T. WHEREAS, the Board finds that it is in the best interest of the District, the community and the public at large to convey Person Field and Bryan Playfield to the City of Coeur d'Alene in exchange for consideration of \$750,000.

NOW, THEREFORE, it is resolved as follows:

That the District may convey, by an appropriate instrument, Person Field and Bryan Playfield to the City of Coeur d'Alene for the total consideration of Seven Hundred Fifty Thousand Dollars (\$750,000).

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed  
the day and year above set forth.

BOARD OF TRUSTEES  
COEUR D'ALENE SCHOOL DISTRICT

By:

  
Chairman

ATTEST:

  
Clerk

# **SCHOOL DISTRICT 271 – RESOLUTION 12-13-005**

## **RESOLUTION TO SUPPORT EDUCATORS' RIGHT TO KNOW AND EQUAL ACCESS FOR PROFESSIONAL ASSOCIATIONS**

WHEREAS, right to work is the public policy of the state of Idaho; and

WHEREAS, educators are free to join professional educator associations of their choice; and

WHEREAS, knowledge regarding the rights and legal consequences of violating Idaho's right to work statute should be freely available to educators so that they understand their right to be free of harassment, intimidation, and coercion by others; and

WHEREAS, schools should be free of bullying behaviors against both students and adults; and

WHEREAS, school districts should facilitate educators' access to information about professional educator association alternatives for providing liability insurance and legal services for employment rights issues; and

WHEREAS, school districts should promote freedom of speech and association in order to fairly implement Idaho's right to work statute so as to advance informed decision making; and

WHEREAS, promoting knowledge of educators' statutory rights related to the right to work policy of the state of Idaho and educators' association options for professional associations providing liability insurance and legal assistance for employment rights issues shall inculcate a work environment that promotes mutual respect, collaboration, and effective leadership; and

WHEREAS, as democratic environments, schools should provide equal access to professional educator associations that provide liability insurance and legal services for employment rights issues without showing favoritism or discrimination; and

WHEREAS, school districts do not consistently provide information about teachers' rights and association options or equal access professional associations providing liability insurance and legal services for employment rights issues,

NOW, THEREFORE, BE IT RESOLVED, that the Idaho School Boards Association will work with the State Department of Education, the Governor's Office, and the Idaho Legislature to support legislation to implement Idaho's right to work statute by 1) informing education employees about their rights under Idaho's right to work statute, 2) informing education employees of their association options for professional liability insurance and legal services for employment rights issues, and 3) requiring that school districts provide equal access to education employees by any professional association providing professional liability insurance and legal services for employment rights issues.

## **SCHOOL DISTRICT 271 – RESOLUTION 12-13-005**

STATEMENT OF PURPOSE: Right to Work is the public policy of the state of Idaho. Idaho code makes it illegal to harass, intimidate or coerce in regards to an employee's decision to join or refrain from joining any professional association. Because school districts do not consistently provide information to employees regarding their rights, protections and association options, employees may not be fully and uniformly informed regarding their rights, protections and association options. Accordingly, to ensure informed decision making, legislation is needed to implement Idaho's right to work statute by informing education employees of their rights, protections and association options, and to provide equal access to professional associations providing professional liability insurance and legal services for employment rights issues.

Submitted by Coeur d'Alene School District #271

Approved: June 3, 2013

Board Chair: Tom Hamilton

Board Members: Terri Seymour, Ann Seddon, Jim Hightower, Brent Regan