

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE HILLSBORO INDEPENDENT SCHOOL DISTRICT CALLING CERTAIN CURRENTLY OUTSTANDING OBLIGATIONS DESIGNATED AS “HILLSBORO INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX REFUNDING BONDS, SERIES 2015” FOR REDEMPTION; DIRECTING THAT THE BOARD SECRETARY, OR THE DESIGNEE THEREOF, EFFECTUATE THE REDEMPTION OF THESE OBLIGATIONS; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Board of Trustees (the *Board*) of the Hillsboro Independent School District (the *District*) previously adopted an order (the *Order*) on June 26, 2015 authorizing the issuance of obligations designated as “Hillsboro Independent School District Unlimited Tax Refunding Bonds, Series 2015”, dated August 15, 2015, in the original principal amount of \$7,100,000 (the *Obligations*); and

WHEREAS, certain of the Obligations are currently outstanding in the principal amount of \$4,820,000 (representing the Obligations stated to mature on August 15, 2026); and

WHEREAS, the Obligations are subject to redemption on August 15, 2016, or on any date thereafter, at the option of the District; and

WHEREAS, the Order provides the notice and publication requirements to effectuate the redemption of the Obligations; and

WHEREAS, it is in the best interest of the District and the residents of the District to redeem the Obligations as herein provided in order to terminate the payment of interest thereon and to reduce the District’s aggregate debt service requirements in the years, subsequent to the redemption date; now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE HILLSBORO INDEPENDENT SCHOOL DISTRICT THAT:

SECTION 1: \$1,395,000 in principal amount of the Obligations, being \$455,000 of the sinking fund payment scheduled to occur on August 15, 2023, \$705,000 of the sinking fund payment scheduled to occur on August 15, 2024, and \$235,000 of the sinking fund payment scheduled to occur on August 15, 2025 (together, the *Redeemed Obligations*), are hereby called for redemption. The Redeemed Obligations shall be redeemed as expeditiously as practicable after the hereinafter-described transfer of funds to TIB – The Independent Bankers Bank, Farmers Branch, Texas, as the paying agent/registrar for the Obligations (the *Paying Agent*).

To accomplish the redemption of the Redeemed Obligations, the District shall transfer to the Paying Agent, not later than August 31, 2020, lawfully available District funds in an amount sufficient to effectuate the redemption of the Redeemed Obligations on the identified date of redemption (the *Redemption Date*).

At least 30 days prior to the Redemption Date, the District shall deliver notice of redemption to the holders of the Redeemed Obligations, which notice shall be delivered in the form and manner specified in the District order authorizing the issuance of the Obligations (the

Order). The form of the Notice of Redemption is attached hereto as Exhibit A and incorporated herein by reference for all purposes. Upon delivery its delivery to the holders of the Redeemed Obligations, the Notice of Redemption is irrevocable.

SECTION 2: The District has called for an election to be held on November 5, 2019 for the purpose of considering the issuance of \$29,840,000 in unlimited tax bonds for capital expenditures (the *Bond Election*). If bonds are authorized to be issued at the Bond Election, and the District issues the authorized bonds (the *2020 Bonds*) in a manner that causes principal of such 2020 Bonds to mature prior to August 31, 2020, the District may utilize the funds otherwise available to redeem, and identified for the purpose of causing the redemption of, the Redeemed Obligations to make debt service payments on such 2020 Bonds maturing or otherwise due for payment in the District's 2019-2020 fiscal year. In such event, the principal amount Redeemed Obligations may be reduced by a like amount of principal of 2020 Bonds retired in the District's 2019-2020 fiscal year; provided, however, that in no event shall the District in its 2019-2020 fiscal year retire less than \$1,395,000 in combined principal amount of Redeemed Obligations and 2020 Bonds (which amount is in excess of the District's regularly scheduled unlimited tax debt service obligations that exist prior to its adoption of this Resolution).

SECTION 3: The Board hereby authorizes the District's Superintendent of Schools to determine the Redemption Date pursuant to the provisions of Section 1 hereof and to determine any reduction in the principal amount of Redeemed Obligations pursuant to the provisions of Section 2 hereof.

SECTION 4: After the Superintendent of School determination of the Redemption Date pursuant to Section 3 hereof, the President or Vice President and Secretary of the Board and the Superintendent of Schools are each authorized to give notice of the redemption to the Paying Agent provided in the Obligations and the Order.

SECTION 5: The President or Vice President and Secretary of the Board and the Superintendent of Schools, or any of them, are authorized to evidence adoption of this Resolution and to do any and all things necessary or convenient to effect the redemption described herein and otherwise give effect to the intent hereof.

SECTION 6: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 7: All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 8: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 9: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application

of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 10: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 11: This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

[The remainder of this page intentionally left blank.]

PASSED AND APPROVED, this the 29th day of August, 2019.

HILLSBORO INDEPENDENT SCHOOL
DISTRICT

Vice President, Board of Trustees

ATTEST:

Secretary, Board of Trustees

(DISTRICT SEAL)

EXHIBIT A

NOTICE OF REDEMPTION

NOTICE IS HEREBY GIVEN that the Hillsboro Independent School District (the *District*), acting through its Board of Trustees (the *Board*), has called for redemption the following outstanding obligations:

“Hillsboro Independent School District Unlimited Tax Refunding Bonds, Series 2015” (the *Obligations*), dated August 15, 2015, bearing interest, and stated to mature on February 15 in each year as follows:

<u>CUSIP No.*</u>	<u>Stated Maturity</u>	<u>Principal Amounts (\$)</u>	<u>Interest Rate (%)</u>
N/A	2023 ⁽¹⁾	455,000	2.040
N/A	2024 ⁽¹⁾	705,000	2.040
N/A	2025 ⁽¹⁾	235,000	2.040

⁽¹⁾ Term Bond maturing in 2026 (mandatory sinking fund redemption).

THE _____ (the *Redemption Date*) is the date fixed for redemption of the Obligations as authorized by the order authorizing the issuance of the Obligations and as directed by the Board pursuant to a resolution adopted on August 29, 2019. You are hereby notified that the Obligations should be presented for redemption on or before the Redemption Date and that interest shall cease to accrue from and after that date, and that on such date there shall become due and payable on each of the Obligations the redemption price equal to the principal amount thereof, without premium, plus unpaid accrued interest to the Redemption Date.

NOTICE IS FURTHER GIVEN that the Obligations will be payable at and should be submitted either in person or by certified or registered mail to TIB – The Independent Bankers Bank, Farmers Branch, Texas at the following address:

TIB – The Independent Bankers Bank
11701 Luna Road
Farmers Branch, Texas 75234
1-972-444-3591

In compliance with section 1441 of the Internal Revenue Code and the attendant regulations, the redeeming institution is required to withhold 30% of the principal amount of the bonds being redeemed unless it is provided with a Form W-9 certifying the holders social security number or federal employer tax identification number, a Form W-8 Withholding Certificate establishing a lower rate of withholding, or other documentation acceptable to the redeeming institution and the Internal Revenue Service.

THIS NOTICE is issued and given pursuant to the redemption provisions reserved to the District in the proceedings authorizing the issuance of the Obligations.

WITNESS MY OFFICIAL SIGNATURE this 29th day of August, 2019.

HILLSBORO INDEPENDENT SCHOOL DISTRICT

/s/ John Sawyer

Secretary, Board of Trustees

*The CUSIP number is included solely for the convenience of the Obligationholders. Neither the District, the Bond Counsel, nor the Paying Agent/Registrar shall be responsible for the selection or the use of the CUSIP number, nor is any representation made as to its correctness on the Obligations or as indicated in any redemption notice.