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ABSTRACT

Given that purchasers of Oregon school bonds rely on recommendations of accredited bond attorneys, this document is designed to assist school districts in complying with state statutes regulating the issuance of school bond issues in order that attorney opinions may be favorable. Six initial steps toward a bond sale and Oregon laws regarding bonds in general are given, and Oregon laws related to the following topics are presented: (1) purposes for which school bonds may be issued; (2) school bonds and debt limitations of school districts; (3) bond maturities and denominations; (4) bond maturity dates and principal installments; (5) meetings of District School Boards; (6) school bond elections; (7) notice of election and method of computing time in given notices; (8) model forms for the issuance of Oregon school district bonds; and (9) statutes for school bonding. Reference information for the opinions of the attorney general regarding school bonds, funds, finances, and taxes are listed as well as references to Oregon revised statutes and Supreme Court decisions. (CLA)

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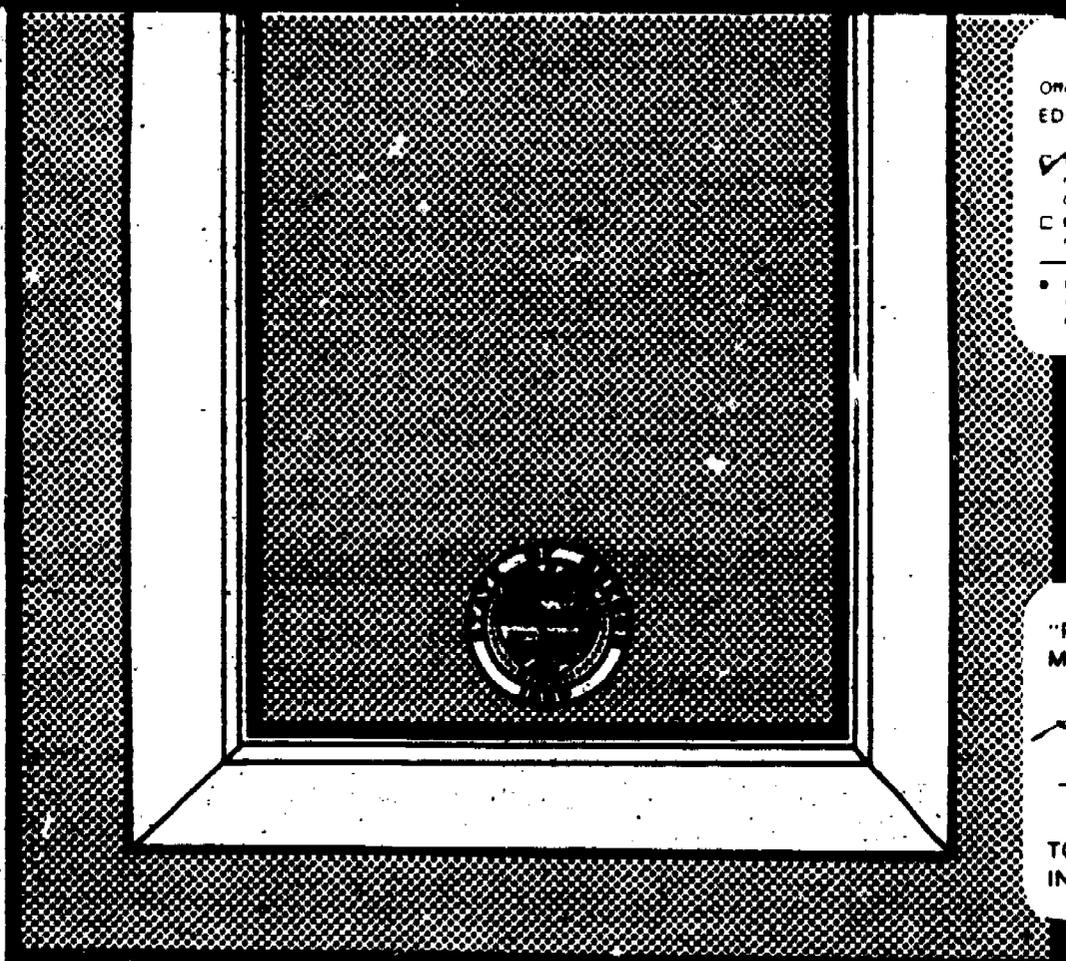
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Oregon School Bond Manual

Verne A. Duncan, State Superintendent of Public Instruction

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OREGON SCHOOL BOND MANUAL

**Sixth Edition
Published October 1985**

**Milt Baum
Associate Superintendent
Office of School District Services**

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FOREWORD

The *Oregon School Bond Manual* provides guidelines for school district personnel and attorneys in the issuance and sale of school district bonds. Purchasers of school bonds rely on the recommendations of accredited bond attorneys, who render opinions regarding the legality of bond issues offered for sale. This manual is designed to assist school districts in complying with state statutes regulating the issuance of school bond issues, in order that attorney opinions may be favorable.

The first edition of this manual was published in 1968 as successor to *Manual for Issuance of Bonds of School Districts of the State of Oregon*, published by the State Treasury Department. This 1985 edition includes applicable statutes enacted through the 1985 legislative session. The assistance of those who gave of their time and experience in preparing this publication is greatly appreciated. It was revised by the Department's Office of School District Services, Phil Rice, Assistant Superintendent and Al Shannon, Coordinator. For more information, call 378-8142.

Verne A. Duncan
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IMPORTANT INITIAL STEPS TOWARD A BOND SALE

1. **Select and retain recognized Oregon bond counsel from the list provided by the Municipal Bond Division of the State Treasurer's office.**
2. **Solicit proposals from and select a financial advisor to assist with the planning and authorization. (It may be helpful to involve a citizen's advisory committee early in the planning process.)**
3. **Resolution authorizing the election and ballot title:**
 - a. **Be sure bond counsel and the financial advisor review the resolution before filing it.**
 - b. **Use language that provides flexibility indicating in general terms the:**
 - 1) **Maximum life of the issue (e.g., not exceeding 30-year maturity);**
 - 2) **Maximum par amount of issue (e.g., not exceeding \$3,000,000); and**
 - 3) **Purpose of the issue (flexible).**
4. **Sizing, in addition to construction costs:**
 - a. **Allow for a discount, if appropriate.**
 - b. **Allow for all bond sale issuance and costs including:**
 - 1) **Bond counsel;**
 - 2) **Financial consultant;**
 - 3) **Disclosure document and bond printing costs; and**
 - 4) **Registration and interest paying costs.**
5. **When estimating the dollar amount and tax levy, include an estimate for uncollected taxes and include a reserve adequate to cover debt service in the next fiscal year.**
6. **Be sure to budget for the bonds in a:**
 - a. **Debt Service Fund to pay the principal and interest. Be sure to have a "carry-over" for the next fiscal year's first payment, since it will occur prior to the collection of taxes.**

FOR EXAMPLE: Bonds are dated October 1, 1985.

Fiscal Year 1985-86 Budget Must Contain:

April 1, 1986

First interest payment.

October 1, 1986

Principal and second interest.

(NOTE: October is in fiscal year 1986-87 but must be budgeted in 1985-86.)

Be sure that the first year budget levies enough taxes to meet the total payments AFTER uncollected taxes at the worst possible level.

- b. **Capital Improvement Fund to expend the bond proceeds on the projects and to collect the earnings on the investment of proceeds. If earnings are planned to offset the debt service levy, there must be a transfer from this fund to the Debt Service Fund. Be very conservative on any estimate of earnings. It is usually more advisable to use earnings to supplement contingency for construction, and after construction is completed use any surplus to offset debt service levies.**

BONDS GENERALLY

ORS 288.515 DEFINITIONS FOR ORS 288.515 TO 288.590.

As used in ORS 288.515 to 288.590:

(1) "Bonds" means general obligation, revenue or tax increment bonds, or notes of a public body.

(2) "Public body" means the State of Oregon, its agencies, institutions or any municipality authorized by law to issue bonds.

(3) "Municipality" means a political subdivision of this state and municipal, quasi-municipal and public corporations authorized by law to issue bonds.

<1981 c.94 s.2; 1983 c.347 s.1>

ORS 288.520 PUBLIC BODY TO DETERMINE INTEREST, DISCOUNT, TERMS; MAXIMUM INTEREST RATE FOR STATE BONDS.

(1) Except as provided in subsection (5) of this section, a public body issuing bonds shall determine:

(a) The maximum effective rate of interest, if any, which the bonds shall bear including variable interest rates if the public body so decides;

(b) The discount or premium, if any, which the public body will allow;

(c) The terms by which the bonds may be redeemed prior to maturity, including, but not limited to, the amount of any permitted premium;

(d) The form of the bonds;

(e) The term of the bonds;

(f) The schedule for payment of bond principal and interest;

(g) The denominations of the bonds; and

(h) For revenue bonds, tax increment bonds or notes, the type of sale.

(2) When issuing general obligation bonds, the public body must sell the bonds in conformance with ORS 287.014 to 287.026.

(3) The schedule required by paragraph (f) of subsection (1) of this section shall provide for substantially equal principal payments, substantially equal combined payments of principal and interest, or payments of principal and interest that are structured to facilitate payment from expected revenues. Before establishing a schedule structured to facilitate payment from expected revenues, a municipality shall prepare a financing plan that reasonably estimates the flow of revenues that are expected to be used to pay bond principal and interest, and demonstrates that the expected flow of revenues are sufficient to pay bond principal and interest when due. Not less often than annually, the governing body shall review and update its financing plan and, if necessary, take appropriate action to provide financial resources to assure timely payment of debt service. For purposes of this subsection, the term "revenues" includes, but is not limited to, assessment payments.

(4) A municipality may establish a sinking fund for the purpose of repaying principal and interest when due and may covenant to make contributions to that fund.

(5) When a public body issuing general obligation bonds is the State of Oregon or one of its agencies, the maximum effective rate of interest which the bonds shall bear is 13 percent per annum. However, if an agency is unable to sell the bonds after a reasonable marketing effort, the maximum effective rate of interest may be increased but shall not exceed 14 percent per annum.

(6) Notice of any redemption authorized under paragraph (c) of subsection (1) of this section shall be given in the manner directed by the public body, which shall include publication in at least one issue of a business and financial newspaper published within the City of Portland, Oregon.

<1981 c.94 s.3; 1981 c.661 s.4; 1981 c.879 s.1; 1983 c.347 s.2; 1985 c.441 s.3>

ORS 288.525 EXPENDITURE OF BOND PROCEEDS FOR INTEREST OR REDEMPTION.

(1) A public body may expend bond proceeds for the payment of interest on the bonds for the period established by the public body.

(2) A public body may expend bond proceeds to purchase or redeem the bonds from which proceeds are derived.

<1981 c.94 s.4; 1983 c.347 s.3>

ORS 288.530 DEFERRAL OF INITIAL PAYMENT OF PRINCIPAL ON BONDS; DETERMINATION OF INTEREST PERIODS.

A public body may defer initial payment of principal on bonds for a period of time it reasonably determines, and shall determine whether interest should be paid semiannually or otherwise.

<1981 c.94 s.5>

ORS 288.535 USE OF SEAL.

A public body authorized by law to possess a seal shall cause such seal to be imprinted, attached, impressed or otherwise evidenced on any bond of which it is the issuer. However, the failure to imprint, attach, impress or otherwise evidence a seal on any bond shall not affect the validity thereof.

<1981 c.94 s.6>

ORS 288.540 AUTHORIZED SIGNATURES.

Bonds of a public body shall be executed by the signature or signatures of one or more officers as specified by the public body. Signatures of the designated officers may be either manual or facsimile, but at least one such signature shall be manual in form. However, all signatures of the public body may be by facsimile if the bonds are to be authenticated by at least one manual signature.

<1981 c.94 s.7>

ORS 288.545 FORM OF BONDS.

Bonds may be issued in coupon form, with or without privilege of registration, or may be in registered form, or both, with the privilege of converting and reconverting from one form to another, upon such terms and conditions as provided by the public body and applicable provisions of federal law. As evidence of indebtedness, the public body may utilize immobilized or book-entry delivery systems and may use depositories for these purposes.

<1981 c.94 s.8; 1983 c.129 s.1>

ORS 288.550 PRELIMINARY OFFICIAL STATEMENT NOT REQUIRED IN CERTAIN CIRCUMSTANCES.

The preliminary official statement required for general obligation bonds by ORS 287.018 shall not be

required for any issue for which a commitment to purchase has been received from any state or federal agency unless such state or federal agency requires the preparation of such document. If any other purchaser is awarded the sale of general obligation bonds offered at a sale for which a commitment to purchase such bonds has been received from a state or federal agency, an official statement shall be prepared prior to the delivery of the bonds if such other purchaser so requests.

<1981 c.94 s.9>

Current federal law requires that district obligations which mature over one year must be issued in registered form.

PURPOSES FOR WHICH SCHOOL BONDS MAY BE ISSUED

ORS 328.205 POWER TO CONTRACT BONDED INDEBTEDNESS; USE OF PROCEEDS TO PAY EXPENSES OF ISSUE.

(1) Common and union high school districts may contract a bonded indebtedness for any one or more of the following purposes in and for the district:

(a) To acquire, construct, reconstruct, improve, repair, equip or furnish a school building or school buildings or additions thereto;

(b) To acquire or to improve all property, real and personal, appurtenant thereto or connected therewith, including school busses;

(c) To fund or refund outstanding indebtedness; and

(d) To provide for the payment of the debt.

(2) However, when a common or union high school district is found under ORS 327.103 not to be a standard school or when a school district is operating a conditionally standard school under ORS 327.103 (3), the school district may contract a bonded indebtedness only for the purposes enumerated in subsection (1) of this section that are approved by the Superintendent of Public Instruction.*

(3) The school district may use the proceeds received from the sale of school district bonds to pay for any costs incurred by such school district in issuing and selling such bonds including, but not limited to,

attorney fees and the cost of publishing notices of bond elections, printing such bonds and advertising such bonds for sale.

<Amended by 1957 c.658 s.1; 1959 c.447 s.1; 1965 c.100 s.49; 1971 c.513 s.61>

ORS 328.210 BOND ELECTIONS.

(1) The board of directors of a common or union high school district shall call an election on a date specified in ORS 255.345 for the purpose of submitting to the electors of the district a question of contracting bonded indebtedness under ORS 328.205 when:

(a) A majority of the board of directors decides to call such an election; or

(b) A petition requesting such an election is filed with the board of directors as provided in this section.

(2) The requirements for preparing, circulating and filing a petition under this section shall be as provided for an initiative petition in ORS 255.135 to 255.205. The petition shall specify the proposed amount of bonded indebtedness.

<Amended by 1957 c.658 s.2; 1965 c.100 s.50; 1971 c.513 s.62; 1973 c.57 s.1; 1973 c.796 s.25; 1979 c.424 s.1; 1983 c.83 s.46; 1983 c.350 s.138>

SCHOOL BONDS AND DEBT LIMITATIONS OF SCHOOL DISTRICTS

ORS 328.230 and 328.235, which relate to the issuance, execution of and interest on school bonds, read as follows:

ORS 328.230 ISSUE OF BONDS UPON FAVORABLE VOTE.

If the electors of the district approve the contracting of bonded indebtedness, the board of directors, without further vote of the electors, shall issue negotiable coupon bonds of the district, at such time or times as the board directs.

<Amended by 1965 c.100 s.53; 1971 c.140 s.1; 1983 c.350 s.139>

ORS 328.235 INTEREST RATE: SIGNATURE: SIGNED INTEREST COUPONS.

The bonds shall:

(1) Bear interest, not exceeding the rate established pursuant to ORS 288.515 to 288.590, payable semiannually.

(2) Be signed by the chairman of the district school board and attested by the district clerk or deputy clerk. Bonds of issues of \$1 million or more may be executed with the facsimile signature of the chairman of the district school board and attested by the original signature of the district clerk or deputy clerk.

(3) Have annexed interest coupons bearing the original or facsimile signatures of the chairman of the district school board and district clerk or deputy clerk.

<Amended by 1971 c.140 s.2; 1977 c.311 s.1; 1981 c.94 s.27>

*Note: Before submitting a bond issue to the voters for approval, the school district should apply to the School Standardization Section of the Oregon Department of Education on forms supplied by the Department, for approval of the proposed bonded indebtedness.

ORS 328.240 PLACE OF PAYMENT.

The principal and interest on district bonds are payable in lawful money of the United States of America at the office of the treasurer or fiscal officer of the county in which the major portion of the assessed valuation of the district is located at the time the bonds are issued.

<Amended by 1965 c.100 s.54; 1983 c.347 s.22>

If the district is a consolidated or reorganized district, the district school board, before calling a bond election, should determine definitely that the proposed bond issue, including bonds for which the consolidated or reorganized district remains liable, is within the bond limitations prescribed by law. The limitations are contained in ORS 328.245 and ORS 328.250, which read as follows:

ORS 328.245 LIMITATION ON BONDED DEBT OF DISTRICTS GENERALLY.

The aggregate amount of such district bonded indebtedness, including indebtedness authorized under ORS 328.213, shall not exceed the following percentages of true cash value of all taxable property within the district, computed in accordance with ORS 308.207:

(1) For each grade from kindergarten to eighth for which the district operates schools, fifty-five one-hundredths of one percent (.0055) of the true cash value.

(2) For each grade from the 9th to 12th for which the district operates schools, seventy-five one-hun-

dredths of one percent (.0075) of the true cash value

<Amended by 1953 c.697 s.2; 1953 c.325 s.1; 1957 c.639 s.1; 1959 c.641 s.34; 1963 c.9 s.16; 1965 c.100 s.55; 1971 c.513 s.64; 1975 c.770 s.5a>

ORS 328.250 LIMITATION ON BONDED INDEBTEDNESS OF ENLARGED OR REORGANIZED SCHOOL DISTRICTS.

In any school district created by merger or reorganization, the amount of bonded indebtedness and negotiable interest-bearing warrant indebtedness which may be incurred under ORS 328.245 shall be reduced by the amount of premerger, prereorganization, bonded indebtedness and negotiable interest-bearing warrant indebtedness for which any school district included in an enlarged or reorganized school district remains liable.

<Amended by 1965 c.100 s.56>

ORS 287.010 APPRAISED VALUE OF TIMBER USED IN DETERMINING BORROWING AND BONDING CAPACITIES OF EASTERN OREGON COUNTIES, CITIES AND DISTRICTS.

Notwithstanding any provision of ORS 321.405 to 321.520, timber in eastern Oregon shall be considered as though it remained on the tax rolls at the appraised values established pursuant to ORS 321.485 (3) for the purpose of determining the borrowing and bonding capacities of counties, cities and taxing districts in eastern Oregon.

<1961 c.627 s.27>

BOND MATURITIES AND DENOMINATIONS

ORS 287.008 ISSUANCE OF BONDS OF MUNICIPALITIES.

All bonds issued by municipalities shall be issued in accordance with the provisions of ORS 288.515 to 288.560.

<Amended by 1967 c.408 s.1; 1969 c.25 s.2; 1971 c.325 s.2; 1975 c.642 s.17; 1981 c.526 s.1; 1983 c.347 s.9>

ORS 288.515 DEFINITIONS FOR ORS 288.515 TO 288.590.

As used in ORS 288.515 to 288.590:

(1) "Bonds" means general obligation, revenue or tax increment bonds, or notes of a public body.

(2) "Public body" means the State of Oregon, its agencies, institutions or any municipality authorized by law to issue bonds.

(3) "Municipality" means a political subdivision of this state and municipal, quasi-municipal and public corporations authorized by law to issue bonds.

<1981 c.94 s.2; 1983 c.347 s.1>

ORS 288.520 PUBLIC BODY TO DETERMINE INTEREST, DISCOUNT, TERMS; MAXIMUM INTEREST RATE FOR STATE BONDS.

(1) Except as provided in subsection (5) of this section, a public body issuing bonds shall determine:

(a) The maximum effective rate of interest, if any, which the bonds shall bear including variable interest rates if the public body so decides;

(b) The discount or premium, if any, which the public body will allow;

(c) The terms by which the bonds may be redeemed prior to maturity, including, but not limited to, the amount of any permitted premium;

(d) The form of the bonds;

(e) The term of the bonds;

(f) The schedule for payment of bond principal and interest;

(g) The denominations of the bonds; and

(h) For revenue bonds, tax increment bonds or notes, the type of sale.

(2) When issuing general obligation bonds, the public body must sell the bonds in conformance with ORS 287.014 to 287.026.

(3) The schedule required by paragraph (f) of subsection (1) of this section shall provide for substantially equal principal payments, substantially equal combined payments of principal and interest, or payments of principal and interest that are structured to facilitate payment from expected revenues. Before establishing a schedule structured to facilitate payment from expected revenues, a municipality shall prepare a financing plan that reasonably estimates the flow of revenues that are expected to be used to pay bond principal and interest, and demonstrates that the expected flow of revenues are sufficient to pay bond principal and interest when due. Not less often than annually, the governing body shall review and update its financing plan and, if necessary, take appropriate action to provide financial resources to assure timely payment of debt service. For purposes of this subsection, the term "revenues" includes, but is not limited to, assessment payments.

(4) A municipality may establish a sinking fund for the purpose of repaying principal and interest when due and may covenant to make contributions to that fund.

(5) When a public body issuing general obligation bonds is the State of Oregon or one of its agencies, the maximum effective rate of interest which the bonds shall bear is 13 percent per annum. However, if an agency is unable to sell the bonds after a reasonable marketing effort, the maximum effective rate of interest may be increased but shall not exceed 14 percent per annum.

(6) Notice of any redemption authorized under paragraph (c) of subsection (1) of this section shall be given in the manner directed by the public body, which shall include publication in at least one issue of a business and financial newspaper published within the City of Portland, Oregon.

<1981 c.94 s.3; 1981 c.661 s.4; 1981 c.879 s.1; 1983 c.347 s.2; 1985 c.441 s.3>

ORS 287.012 USE AND DISPOSITION OF BOND PROCEEDS.

(1) Notwithstanding any other provision of law, when bonds, obligations or other evidence of indebtedness issued by any district, authority or public corporation after August 9, 1961, are sold the proceeds may be used to pay attorneys' fees and other expenses incurred in the preparation, authorization, issuance and sale of, and in all proceedings relating to, such bonds, obligations or other evidence of indebtedness.

(2) When bonds are sold, the proceeds received in excess of the principal shall be placed with the principal in the improvement fund for which the bonds were issued or in a debt service fund to repay the bond.

<1961 c.70 s.1; 1971 c.515 s.1>

ORS 288.525 EXPENDITURE OF BOND PROCEEDS FOR INTEREST OR REDEMPTION.

(1) A public body may expend bond proceeds for the payment of interest on the bonds for the period established by the public body.

(2) A public body may expend bond proceeds to purchase or redeem the bonds from which proceeds are derived.

<1981 c.94 s.4; 1983 c.347 s.3>

ORS 288.530 DEFERRAL OF INITIAL PAYMENT OF PRINCIPAL ON BONDS; DETERMINATION OF INTEREST PERIODS.

A public body may defer initial payment of principal on bonds for a period of time it reasonably determines, and shall determine whether interest should be paid semiannually or otherwise.

<1981 c.94 s.5>

ORS 288.535 USE OF SEAL.

A public body authorized by law to possess a seal shall cause such seal to be imprinted, attached, impressed or otherwise evidenced on any bond of which it is the issuer. However, the failure to imprint, attach, impress or otherwise evidence a seal on any bond shall not affect the validity thereof.

<1981 c.94 s.6>

ORS 288.540 AUTHORIZED SIGNATURES.

Bonds of a public body shall be executed by the signature or signatures of one or more officers as specified by the public body. Signatures of the designated officers may be either manual or facsimile, but at least one such signature shall be manual in form. However, all signatures of the public body may be by facsimile if the bonds are to be authenticated by at least one manual signature.

<1981 c.94 s.7>

ORS 288.545 FORM OF BONDS.

Bonds may be issued in coupon form, with or without privilege of registration, or may be in registered form, or both, with the privilege of converting and reconverting from one form to another, upon such terms and conditions as provided by the public body and applicable provisions of federal law. As evidence of indebtedness, the public body may utilize immobilized or book-entry delivery systems and may use depositories for these purposes.

<1981 c.94 s.8; 1983 c.129 s.1>

ORS 288.550 PRELIMINARY OFFICIAL STATEMENT NOT REQUIRED IN CERTAIN CIRCUMSTANCES.

The preliminary official statement required for general obligation bonds by ORS 287.018 shall not be required for any issue for which a commitment to purchase has been received from any state or federal agency unless such state or federal agency requires the preparation of such document. If any other purchaser is awarded the sale of general obligation bonds offered at a sale for which a commitment to purchase such bonds has been received from a state or federal agency, an

official statement shall be prepared prior to the delivery of the bonds if such other purchaser so requests.
<1981 c.94 s.9>

ORS 288.560 DESTRUCTION OF BONDS AND COUPONS.

At the option of the treasurer or other fiscal officer of a subdivision making use of a paying agent other than the state's fiscal agency, bonds and coupons may be held for destruction as are state bonds and coupons under ORS 288.120 and may be destroyed in the same manner as state bonds and coupons are destroyed under ORS 288.120.
<1981 c.252 s.2>

BOND MATURITY DATES AND PRINCIPAL INSTALMENTS

A material saving in interest upon the bonds may be effected by scheduling the maturity and interest-payment dates thereof with tax-turnover dates. While that may necessitate the use of an odd or fractional first interest payment upon each bond, it will eliminate the period during which funds for bond retirement lie idle or are invested at low interest rates while interest upon the issue continues to accrue. December and January are suggested as the most favorable months of the year

for maturities of school bonds. Bonds should preferably be dated the first day of the month.

Inasmuch as the interest rate upon short-term municipal bonds is usually lower than upon long-term bonds, preference should be given to the issuance of bonds running over a period of from one to ten or fifteen years rather than to long-term bonds, provided the principal and interest instalments of such maturities do not entail too heavy a tax burden.

MEETINGS OF DISTRICT SCHOOL BOARDS*

Meetings of district school boards should be called or held strictly in accordance with the provisions of ORS 332.045, which reads as follows:

upon the request of three members of the board at least 24 hours before such meeting is to be held or by common consent of the board members.
<Formerly 332.410; 1965 c.100 s.135; 1975 c.770 s.19>

ORS 332.045 BOARD MEETINGS.

The district school board must provide for the time and place of its regular meetings, at any of which it may adjourn to the next succeeding regular meeting or to some specified time prior thereto. Regular and special meetings may be convened upon notice in the manner required by ORS 192.640 by order of the chairman,

ORS 192.640 PUBLIC NOTICE REQUIRED; SPECIAL NOTICE FOR EXECUTIVE SESSIONS, SPECIAL OR EMERGENCY MEETINGS.

(1) The governing body of a public body shall provide for and give public notice, reasonably calculated to give actual notice to interested persons including news media which have requested notice, of the time and place for holding regular meetings. The notice shall also include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.

(2) If an executive session only will be held, the notice shall be given to the members of the governing body, to the general public and to news media which have requested notice, stating the specific provision of law authorizing the executive session.

**Note: If possible, elections for the purpose of voting upon bond issues should be called by the district school board at regular rather than at special meetings of the board. If, however, the election must be called at a special meeting of the board and it is not possible to obtain the attendance of every member of the board at the meeting, care should be exercised to call and hold the meeting strictly in accordance with ORS 332.045 and ORS 192.610 to 192.650. If the board has previously fixed, by resolution of motion, a regular time and place of the holding of its meetings, the transcript should include a certified copy of the minutes of the meeting of the board at which the resolution or motion was adopted and an exact copy of the resolution or motion, as the case may be.*



ORS 255.215 NOTICE BY MAIL IN LIEU OF OR IN ADDITION TO NEWSPAPER PUBLICATION.

In lieu of or in addition to publication of notice under ORS 255.085 and 255.095, if it is expedient to do so the election officer may give notice by mail to each elector of the district. The notice shall have postage prepaid, and shall be considered given when mailed. Mailed notice of a district election shall be made not sooner than the 15th day nor later than the 10th day before the election. Proof of mailing shall be by affidavit of the election officer. The affidavit shall state the time and place the notice was mailed.

<Formerly 259.110; 1981 c.173 s.33; 1981 c.639 s.7; 1985 c.808 s.45, eff. Jan. 1, 1986>

In computing the period of time for which the information required by ORS 255.095 must be published, the initial date of publication as well as the date of the proposed election, should be excluded. (ORS 193.060; In Re Board of Directors of North Unit Irrigation District, 91 Or 33, 178 Pac 186 1919)

Suggested forms for notices and information to be published are shown on pages 11 and 12 of this manual.

The bond transcript should contain publisher's affidavits of publication of the notice and information required to be published by ORS 255.085 and 255.095, as well as certificate of the election officer acknowledging the date of receipt of the notice required by ORS 255.085.

SCHOOL BOND ELECTIONS

ORS 332.118 ELECTION LAWS APPLICABLE; RECALL.

(1) Unless specifically provided otherwise, ORS chapter 255 governs the following:

(a) The nomination and election of school directors and local school committee members.

(b) The conduct of all school district elections.

(2) ORS 249.865 to 249.880 govern the recall of school board members and local school committee members.

<Formerly 331.002>

ORS 255.345 SPECIAL ELECTION DATES.

(1) Except as provided in ORS 255.355 and subsection (2) of this section, a special election called by a district election authority shall not be held on any date other than:

(a) The last Tuesday in March;

(b) The third Tuesday in May;

(c) The last Tuesday in June;

(d) The second Tuesday in August;

(e) The third Tuesday in September; or

(f) The first Tuesday after the first Monday in November.

(2) A special election may be held on a date other than that provided in subsection (1) of this section, if the district election authority by resolution finds that an election sooner than the next available election date is required on a measure to finance repairs to property damaged by fire, vandalism or a natural disaster.

(3) As used in this section, "district election authority" means the body or officer authorized or required to call an election for a public corporation formed under, and deriving its powers solely from, the statutes of this state, but does not include a city or county.

<Formerly 259.260; 1981 c.639 s.9>

The foregoing does not apply to new tax base elections. They are governed by Article XI, Section 11 (5) of the Oregon Constitution and ORS 310.402.

For conduct of elections see also ORS 255.265 to 255.335.

A specimen of minutes taken at a meeting of the district school board providing for the calling of an election therein for the purpose of voting on a bond issue:

Minutes of meeting of the District School Board of School District No. _____ County, Oregon, held _____, 19____. The District School Board of School District No. _____ of _____ County, Oregon, convened in session (regular or special, as the case may be) at _____ (Place) _____ in such district, county and state, at the hour of _____ p.m. on _____, 19____.

At the meeting the following-named persons were present:

*Chairman of the Board Member of Board
Member of Board Member of Board
Member of Board District Clerk*

(If the clerk or any member of the board was absent, statement should be made at this point to that effect, giving the name and official title of the person or persons absent.)

The meeting was called to order by _____, Chairman of the board, after which motion was made by _____ was seconded by _____, and was unanimously adopted, that the following resolution be approved:

RESOLUTION

BE IT RESOLVED that the District School Board of School District No. _____ in the County of _____ State of Oregon, call an election to be held at the polling place or places designated by the County Clerk of such county, on the _____ day of _____, 19____, between the hours of 8 a.m. and 8 p.m., for the purpose of submitting to the qualified voters of such district, the question of issuing general obligation bonds according to the provisions of ORS 328.210, ORS 328.215, and ORS 328.230 to ORS 328.270, in the sum not to exceed _____ dollars (\$_____), to mature serially over a period not to exceed _____ years from issue date, for the purpose of providing funds with which to (The exact purpose for which the indebtedness is to be incurred under authority of ORS 328.205, as shown on page 1 of this manual, should be stated in the foregoing paragraph, and the election notice and ballot should conform strictly thereto.)*

*BE IT FURTHER RESOLVED that all notices of such election be published in the _____ a newspaper published and of general circulation in the district** and that not less than 34*** days before the election, the County Clerk of _____ County, Oregon, be notified of the designation by the board of such newspaper as the paper in which the election notices are to be published; and*

BE IT FURTHER RESOLVED that within the time required by ORS 255.095 the facsimile of the sample ballot, the list of polling places, and the hours the polls are to be open for such election be published in such newspaper.

There being no further business to consider, upon motion duly made, seconded and unanimously adopted, the meeting adjourned.

*Chairman of District School Board
School District No. _____
_____ County, Oregon*

**Note: ORS 255.005 designates the County Clerk in which the administrative office of the district is located, the election officer of the district. The officer determines the polling places and appoints the election boards for school district elections. See ORS 255.085 concerning elections held on primary or general election dates.*

***Note: If no newspaper is published in the district, the wording should be changed to read: "a newspaper of general circulation in the district."*

****34 days for all elections, except for the primary and general elections, in which case 40 days before election (see ORS 255.085).*

Continued on next page.



ATTEST:

Clerk

State of Oregon)
County of _____) ss.
School District No. _____)

I, _____ District Clerk of School District No. _____, _____ County, Oregon, hereby certify that the attached, consisting of _____ pages, is an exact copy of such portion of the minutes of a (regular or special) meeting of the District _____ School Board of such district held at _____, beginning at _____ p.m. on the _____ day of _____ 19____, as pertains to a bond election to be held in such district on _____, 19____.

Dated and signed at _____, Oregon, this _____ day of _____ 19____.

District Clerk of _____
School District No. _____
_____ County, Oregon

**NOTICE OF ELECTION AND METHOD
OF COMPUTING TIME IN THE GIVING OF NOTICES***

ORS 328.215 specifies that notices of school district elections to vote upon bonds under ORS 328.205, or on negotiable interest-bearing warrants under ORS 328.213, shall be given as provided in ORS 255.075 to ORS 255.215.

ORS 255.085 NOTICE OF DISTRICT ELECTION ON ISSUANCE OF BONDS OR ON OTHER MEASURE.

(1) Not later than the 40th day before a district election on a measure to be held on the same day as a primary or general election, or a regular district election, or the 34th day before a district election on a measure to be held on any other day, the district election authority shall deliver to the election officer a notice stating the date of the election and a ballot title. The district election authority shall prepare the ballot title for a measure referred by the authority with the assistance of the district attorney for the county of the election officer or an attorney employed by the district election authority.

(2) A notice of election called to approve the issuance of bonds shall include:

(a) The purpose for which the bonds are to be used;

*Publication should be not more than 5 days after notice is received by the election officer if the paper is published daily and not more than 7 days after receipt if the paper is published weekly.

(b) The amount and the term of the bonds;
(c) The kind of bonds proposed to be issued; and
(d) If the bond election is authorized by ORS 450.900, the additional notice requirements in ORS 450.905.

(3) The election officer shall publish the notice in the next available edition of a newspaper of general circulation in the district after the deadline for filing the notice.

<Formerly 259.090; 1981 c.173 s.32; 1981 c.391 s.11; 1983 c.379 s.2; 1985 c.808 s.42, eff. Jan. 1, 1986>

ORS 255.095 PUBLICATION OF ELECTION NOTICE AND FACSIMILE OF SAMPLE BALLOT.

(1) Notice of any district election shall be published once in a newspaper of general circulation in the district.

(2) Not later than the day of the election nor sooner than the 15th day before the election, the election officer shall publish a facsimile, except as to size, of the sample ballot, a list of the polling places and the hours the polls are to be open. The information shall be published once in the newspaper in which the notice is published under subsection (1) of this section, at the current published local display advertising rate.

(3) The Secretary of State by rule may establish the procedure for preparing election notices for publication in a newspaper.

<Formerly 259.100; 1983 c.379 s.3>

**NOTICE OF BOND ELECTION OF SCHOOL DISTRICT NO. _____
_____ COUNTY, OREGON, TO BE HELD _____, 19____**

NOTICE

A bond election will be held in School District No. _____, _____ County, Oregon, between the hours of 8 a.m. and 8 p.m. on _____, at which the following question will be submitted to the legal voters of such district under the ballot title reading as follows:

SCHOOL DISTRICT NO. _____, BUILDING BONDS

Shall the School District issue \$_____ in bonds to mature within _____ years to construct and equip a school building?

EXPLANATION OF THE BALLOT QUESTION

The purpose for which the proceeds of the bond issue will be used is to construct, furnish and equip a school building; the principal amount of the bond issue will not exceed \$_____; the term of the bonds will not exceed _____ years from issue date; and the bonds will be general obligations of the district.

The foregoing notice and ballot title for such election shall be published in the (name of newspaper) _____ at the times required by law.

Dated _____, 19____

Board of Directors and Election Authority of School District No. _____, _____ County, Oregon.

*By _____
Chairman*

ATTEST:

District Clerk

Note: If the purpose of providing funds is other than as hereinabove shown, a statement of such purpose should be substituted for that stated.

A signed or certified copy of the foregoing notice should be delivered to the appropriate County Clerk in

accordance with ORS 255.085. For method of computing such period of time, see page 10 of this manual.

The following is a sample of a suggested form of letter to the county clerk, transmitting to the clerk such notice and certificate.

County Clerk of _____ County Courthouse
 _____, Oregon 97_____

Dear _____

In conformity with ORS 255.085 we hand you herewith, notice of a bond election to be held by School District No. _____ County, Oregon, on _____, 19____, together with facsimile of sample ballot for such election.

The notice is to be published in the next available issue of the _____ following the date of receipt by you of this letter with enclosures.

The facsimile of the sample ballot, with list of the polling places and statement of the hours that the polls for such elections will be open, are to be published by you as elections officer, within the time limit prescribed by ORS 255.095.

Very truly yours,

Clerk of School
 District No. _____
 _____ County, Oregon

Receipt of the original of this letter with enclosures is hereby acknowledged this _____ day of _____ 19____

County Clerk of
 _____ County, Oregon

The county clerk will publish the sample ballot and will prepare the form of the official ballot for the bond election. The following is a form of such sample ballot:

**SAMPLE OFFICIAL BALLOT
 FOR
 SCHOOL DISTRICT BOND ELECTION**
 held in
 School District No. _____ of the County of
 _____ State of Oregon
 on the
 _____ Day of _____, 19____

CAPTION

**SCHOOL DISTRICT NO. _____
 BONDING ISSUE**

QUESTION

Shall the School District issue \$_____ in bonds to mature within _____ years to construct and equip a school building?

EXPLANATION

The purpose for which the proceeds of the bond issue will be used is to acquire real and personal property, construct, furnish and equip buildings and improvements; the principal amount of the bond issue will not exceed \$_____; the term of the bonds will not exceed _____ years from issue date; and the bonds will be general obligations of the district. (If the purpose of providing funds is other than as hereinabove shown, a statement of such purpose should be substituted for that stated.)

The voter shall place a cross (X) or a check mark (✓) between the word "BONDS" and the word "YES" or between the word "BONDS" and the word "NO," whichever indicates the voter's choice.

BONDS YES
 BONDS NO

Note: The ballot caption shall not exceed 10 words, the ballot question shall not exceed 20 words and the explanation shall not exceed 75 words (ORS 250.035).

Accompanying the sample ballot should be a list of the polling places and the hours the polls are to be open (ORS 255.095).

Both the resolution providing for the calling of the bond election and the ballot should state the purpose for which the funds to be derived from the sale of school bonds are to be used. ORS 328.205 provides that such funds may be used to: (a) acquire, construct, reconstruct, improve, repair, equip, or furnish a school building or school buildings or additions thereto; (b) to acquire or to improve all property, real and personal, appurtenant thereto or connected therewith, including school busses; (c) to fund or refund outstanding indebtedness; and (d) to provide for the payment of the debt. Such funds also may be used to pay the costs of issuing and selling the bonds. See page 5 of this manual.

**DETERMINATION AND DECLARATION BY
DISTRICT SCHOOL BOARD OF
RESULT OF SCHOOL BOND ELECTION**

State of Oregon)
County of _____) ss.
School District No. _____)

We, the undersigned, constituting the District School Board of School District No. _____ in the County of _____, State of Oregon, hereby certify that on _____, 19____, we received from the County Clerk of the County of _____, State of Oregon, copies of abstracts of the votes cast at the bond election held in such district on the ____ day of _____, 19____; that we have determined therefrom that _____ votes were cast at such election of which _____ were "Bonds X Yes" and _____ were "Bonds X No"; and that the majority of votes cast at such election in favor of the issuance of such bonds was _____. We, therefore, declare that issuance of \$_____ in general obligation bonds of such district to mature serially over a period not to exceed _____ years from issue date was approved by the qualified voters of such district at such election.

Signed in triplicate this _____ day of _____, 19____

**DISTRICT SCHOOL BOARD OF SCHOOL
DISTRICT NO. _____
_____ COUNTY, OREGON**

Chairman of Board
Member of Board
Member of Board

Member of Board
Member of Board

ATTEST:

District Clerk

State of Oregon)
County of _____) ss.
School District No. _____)

I, _____, District Clerk of School District No. _____ in _____ County, Oregon, hereby certify that the attached copy of Determination and Declaration of Result of the election held in such district on _____ is a true copy of the whole of the original thereof.

Dated and signed at _____, Oregon, this _____ day of _____, 19____

The District School Board of School District No. _____ County, Oregon, met in (regular or special) session at the _____ on _____, 19____, with chairman _____ presiding.

Director _____ moved adoption of the following resolution authorizing issuance of \$_____ in general obligation building bonds of the district.

**MODEL FORMS FOR ISSUANCE OF BONDS OF
SCHOOL DISTRICTS OF THE STATE OF OREGON**

Callable and Noncallable School Bonds

These procedures may be used in the authorization and issuance of callable or noncallable bonds of school districts of the State of Oregon. Information pertaining to redemption provisions is highlighted in model documents for convenience.

If the bonds are registered in a home-rule county, the exact name of the county financial officer should be

substituted for that of county treasurer.

If the school district is a newly formed or a consolidated district, the written opinion of accredited bond attorneys approving the legality of the formation or consolidation of the district should be obtained before calling an election to issue bonds or negotiable interest-bearing warrants.

RESOLUTION OF THE SCHOOL BOARD OF SCHOOL DISTRICT NO. _____
_____ COUNTY, OREGON, AUTHORIZING THE ISSUANCE OF
BONDS FOR THE PURPOSE OF

WHEREAS, this School Board submitted to the legal voters of the District the question of contracting a general obligation bonded indebtedness in the sum of \$_____ to finance _____; and

WHEREAS, the election was duly and legally held on the _____ day of _____, 19____, and the county elections officer has certified and reported the result thereof to this Board, and this School Board has declared that issuance of bonds in such sum has been approved by a majority of the qualified voters of the District voting at the election,

BE IT RESOLVED by the School Board of School District No. _____, _____ County, Oregon, as follows:

Section 1. Issue. For the above purposes, the District shall issue its General Obligation _____ Bonds, Series 19____, in the amount of _____ Dollars (\$_____), to be dated _____, 19____, to be in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof, to bear interest payable on _____ 1 and _____ 1 of each year, commencing _____, and to mature serially on _____ of each year as follows:

Year	Amount	Year	Amount
------	--------	------	--------

Note to Issuer: The "Redemption" paragraphs below are for your reference; use the language that is applicable to the issue.

[Section 2. Redemption. The District reserves the right to redeem all or any portion of the Bonds maturing after _____, 19____, in inverse order of maturity and by lot within a maturity on _____, 19____, and on any interest payment date thereafter, at par plus accrued interest to the redemption date.

Continued on next page.

Section 2. Redemption. The District reserves the right to redeem all or any portion of the Bonds then outstanding in inverse order of maturity and by lot within a maturity on the following dates at the following prices expressed as percentages of the principal amount, plus accrued interest to the redemption date:

IF REDEEMED ON

REDEMPTION PRICE

Section 3. Security. The full faith and credit of the District are pledged to the successive owners of each of the bonds for the punctual payment of such obligations, when due. The District shall levy annually, as provided by law, a direct ad valorem tax upon all of the taxable property within the District in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other monies reasonably available for the payment of debt service on the bonds, to pay the bonds promptly as they mature, and that the District covenants with the owners of its bonds to levy such a tax annually during each year that any of the bonds, or bonds issued to refund them, are outstanding.

Section 4. Form of Registered Bonds. The bonds shall be in substantially the following form:

R-_____ \$_____

UNITED STATES OF AMERICA
STATE OF OREGON
SCHOOL DISTRICT NO. _____
COUNTY OF _____

GENERAL OBLIGATION _____ BOND, SERIES 19_____

DATED	INTEREST	% PER ANNUM	MATURITY DATE	CUSIP
-------	----------	-------------	---------------	-------

SCHOOL DISTRICT NO. _____ in the County of _____, State of Oregon, for value received acknowledges itself indebted and hereby promises to pay to _____, or registered assigns, the principal amount of _____ Dollars (\$_____) on the above maturity date together with interest thereon from the date hereof at the rate per annum indicated above. Interest is payable semi-annually on the first day of _____ and the first day of _____ in each year until maturity or prior redemption, commencing _____, 19_____. Interest upon this bond is payable through the office of the District's paying agent and registrar (the "Registrar") by check or draft; checks or drafts will be mailed to the name and address of the registered owner as it appears on the bond register on the fifteenth day of the month prior to the date on which interest comes due. Bond principal is payable upon presentation and surrender of this bond to the Registrar.

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON THE REVERSE SIDE; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED HEREIN.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all conditions, acts, and things required to exist, to happen, and to be performed precedent to and in the issuance of this bond have existed, have happened, and have been performed in due time, form, and manner as required by the Constitution and statutes of the State of Oregon; that the issue of which this bond is a part, and all other obligations of such District, are within every debt limitation and other limit prescribed by such Constitution and statutes; and that the School Board has provided for the levying annually of a direct ad valorem tax upon all the property within the District so taxable for its purposes, in an amount sufficient with other available funds, to pay the interest on and the principal of the bonds of such issue as such obligations become due and payable.

IN WITNESS WHEREOF, the School Board of School District No. _____ County, Oregon, has caused this bond to be signed by facsimile signature of its Chairman and attested by facsimile signature of its Clerk, as of this _____ day of _____, 19_____

Continued on next page.

Chairman of the School Board of
School District No. _____
_____ County, Oregon

ATTEST:

Clerk

**THIS BOND SHALL NOT BE VALID UNLESS PROPERLY AUTHENTICATED BY THE REGISTRAR
IN THE SPACE INDICATED BELOW.**

DATED: _____

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This is one of the District's General Obligation _____ Bonds, Series 19_____, issued pursuant to the Resolution described herein.

(Name of Registrar) _____ as Registrar
By _____
Authorized Officer

Note to Printer: The following language should be printed on the reverse of the bond:

This bond is one of the General Obligation _____ Bonds, Series 19_____, of the District, and is issued by the District for the purpose of _____ in full and strict accordance and compliance with all of the provisions of the Constitution and Statutes of the State of Oregon.

Note to Issuer: The "Redemption" paragraphs below are for your reference; use the language that is applicable to the issue.

[The District reserves the right to redeem all or any portion of the Bonds maturing after _____, 19_____, in inverse order of maturity and by lot within a maturity on _____, 19_____, and on any interest payment date thereafter, at par plus accrued interest to the redemption date.

The District reserves the right to redeem all or any portion of the Bonds then outstanding in inverse order of maturity and by lot within a maturity on the following dates at the following prices expressed as percentages of the principal amount, plus accrued interest to the redemption date:

IF REDEEMED ON

REDEMPTION PRICE

Notice of redemption shall be mailed to the registered owners of the bonds to be redeemed not less than thirty days prior to the intended redemption date, and otherwise given as required by law; however, any failure to give notice shall not invalidate the redemption of the bonds. All bonds called for redemption shall cease to bear interest from the date designated in the notice.

The bonds are issuable in the form of registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof. Bonds may be exchanged for bonds of the same aggregate principal amount, but different authorized denominations.

Continued on next page.

Any transfer of this bond must be registered, as provided in the resolution of the District, authorizing the issuance of its General Obligation _____ Bonds, Series 19____ (the "Resolution"), upon the bond register kept for that purpose at the office of the Registrar. The District and the Registrar may treat the person in whose name this bond is registered as its absolute owner for all purposes, as provided in the Resolution.

The bondowner may exchange or transfer any bond only by surrendering it, together with a written instrument of exchange or transfer which is satisfactory to the Registrar and duly executed by the registered owner or his duly authorized attorney, at the office of the Registrar in the manner and subject to the conditions set forth in the Resolution.

ASSIGNMENT

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

Please insert social security or other identifying number of assignee

the within Bond and does hereby irrevocably constitute and appoint _____ as attorney to transfer this Bond on the books kept for registration thereof with the full power of substitution in the premises.

Dated: _____

NOTICE: The signature to 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

(Bank, Trust Company or Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM — tenants in common

TEN ENT — as tenants by the entireties

JT TEN — as joint tenants with right of survivorship and not as tenants in common.

OREGON CUSTODIANS use the following:

_____ CUST UL OREG as custodian under the laws of

Oregon for _____ MIN

(Minors Name)

Additional abbreviations may also be used though not in the list above.

Section 5. Authentication, Registration and Transfer.

(1) No bond shall be entitled to any right or benefit under this resolution (the "Resolution") unless it shall have been authenticated by an authorized officer of the District's paying agent and registrar (the "Registrar"). The Registrar shall authenticate all bonds to be delivered at closing of this bond issue, and shall additionally authenticate all bonds properly surrendered for exchange or transfer pursuant to this Resolution.

(2) All bonds shall be in registered form. The District hereby appoints _____ to serve as Registrar for the bonds. A successor Registrar may be appointed for the bonds by ordinance or

Continued on next page.

resolution of the District. The Registrar shall provide notice to bondowners of any change in the Registrar not later than the bond payment date following the change in Registrar.

- (3) The ownership of all bonds shall be entered in the bond register maintained by the Registrar, and the District and the Registrar may treat the person listed as owner in the bond register as the owner of the bond for all purposes.
- (4) The Registrar shall mail each bond payment to the name and address of the bondowner as it appears on the bond register on the fifteenth day of the month preceding a bond payment date (the "Record Date"). If payment is so mailed, neither the District nor the Registrar shall have any further liability to any party for such payment.
- (5) Bonds may be exchanged for an equal principal amount of bonds of the same maturity which are in different denominations, and bonds may be transferred to other owners if the bondowner submits the following to the Registrar:
 - (a) written instructions for exchange or transfer satisfactory to the Registrar, signed by the bondowner or his attorney in fact and guaranteed or witnessed in a manner satisfactory to the Registrar; and
 - (b) the bonds to be exchanged or transferred.
- (6) The Registrar shall not be required to exchange or transfer any bonds submitted to it during any period beginning with a Record Date and ending on the next following payment date; however, such bonds shall be exchanged or transferred promptly following that payment date.
- (7) The Registrar shall note the date of authentication on each bond. The date of authentication shall be the date on which the bondowner's name is listed on the bond register.
- (8) For purposes of this section, bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described in subsection (5) of this section.
- (9) The District may alter these provisions regarding registration and transfer by mailing notification of the altered provisions to all bondowners. The altered provisions shall take effect on the date stated in the notice, which shall not be earlier than 45 days after notice is mailed.

Section 6. Sale of Bonds. The Clerk shall cause to be published in the (Local Publication) _____ and in the *Daily Journal of Commerce* *Portland Business Today*, Portland, Oregon, [and *The Bond Buyer*, New York, New York, for issues of \$3,000,000 or more] notices of sale of the bonds in the form substantially as shown on Exhibit A attached hereto and by this reference incorporated herein, or summaries, as provided by law. The bonds shall be sold upon the terms provided in the attached Exhibit A. The bonds shall be sold on the date and at the time and place stated in Exhibit A, unless the Chairman or Clerk establishes a different date, time, or place.

PASSED by the unanimous vote of the School Board, with a quorum in attendance, this ____ day of _____, 19____

APPROVED by the Chairman this ____ day of _____, 19____

Chairman

Executed this ____ day of _____, 19____

ATTEST:

Clerk

EXHIBIT A

OFFICIAL NOTICE OF BOND SALE

SCHOOL DISTRICT NO. _____ COUNTY OF _____ STATE OF OREGON
GENERAL OBLIGATION _____ BONDS, SERIES 19_____

Notice is hereby given that sealed bids will be received on behalf of School District No. _____ County, Oregon, until _____ o'clock _____ m. (Pacific Time) on _____ at the offices of _____ Portland, Oregon _____ at which time they will be publicly opened and announced.

The bids shall be considered and acted upon by the District within four hours.

ISSUE: _____ DOLLARS (\$_____) consisting of registered bonds in denominations of FIVE THOUSAND DOLLARS (\$5,000) or integral multiples thereof, all dated _____

INTEREST RATE: Maximum not to exceed a net effective rate of _____ percent (____%) per annum. Interest is payable semiannually on _____ 1 and _____ 1 of each year, commencing _____ Bidders must specify the interest rate or rates which the bonds hereby offered for sale shall bear. The bids shall comply with the following conditions: (1) Each interest rate specified in any bid must be a multiple of 1/8th or 1/20th of one percent (1%); (2) No bond shall bear more than one rate of interest; (3) Each bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; (4) All bonds maturing at any one time shall bear the same rate of interest; (5) No rate of interest may exceed _____ percent (____%); and (6) [Add additional constraints if any].

MATURITIES: The bonds shall mature serially on the _____ day of _____ of each year as follows:

Date Amount Date Amount

REGISTRATION: The bonds will be issued in fully registered form, and may be exchanged at the expense of issuer for similar bonds of different authorized denominations. Bonds may not be converted to bearer form.

Note to Issuer: The "Redemption" paragraphs below are for your reference if the issue has a call feature; use the language that is applicable to the issue.

[REDEMPTION: The District reserves the right to redeem all or any portion of the Bonds maturing after _____, 19_____, in inverse order of maturity and by lot within a maturity on _____, 19_____, and on any interest payment date thereafter, at par plus accrued interest to the redemption date.

- or -

REDEMPTION: The District reserves the right to redeem all or any portion of the Bonds then outstanding in inverse order of maturity and by lot within a maturity on the following dates, at the following prices expressed as percentages of principal amount, plus accrued interest to the redemption date:

IF REDEEMED ON

REDEMPTION PRICE

Notice of redemption shall be given by mailing notice thereof to the registered owners not less than 30 days prior to the redemption date, and as otherwise required by law. Interest on any bond or bonds so called for redemption shall cease on the redemption date designated in the notice.

PAYMENT: Principal and interest are payable, either at maturity or upon earlier redemption, by check through the office of the registrar and paying agent of the District, which is currently the office of _____ in Portland, Oregon.

Continued on next page.



PURPOSE: The bonds are being issued to _____ The bonds were authorized at a special election held within the District on _____

SECURITY: The bonds are general obligations of the District. The District has covenanted to levy an ad valorem tax annually which, with other available funds, will be sufficient to pay bond principal and interest as they come due.

LEGAL OPINION: The approving opinion of _____, Lawyers, of Portland, Oregon, will be provided at no cost to the purchaser, and will be printed on the bonds at the expense of the District.

TAX EXEMPT STATUS: Interest on the bonds, in the opinion of bond counsel, is exempt from taxation by the United States under present federal income tax laws and from personal income taxation by the State of Oregon under present state law.

BEST BID: The bonds will be awarded to the responsible bidder whose proposal will result in the lowest net cost to the District. The successful bid will be determined by computing the total amount of interest which the District would be required to pay from the date of each bond to its respective maturity date at the rate or rates specified in the bid assuming no bonds are called prior to maturity, less premium offered (and plus discount), if any. Each bidder is requested to supply the total interest cost and net effective interest rate that the District will pay upon the issue if the bid is accepted. The purchaser must pay accrued interest, computed on a 360-day basis, from the date of the bonds to the date of delivery. The cost of printing the bonds will be borne by the District.

DELIVERY: Delivery of the bonds will be made without cost to the successful bidder at such bank in the City of Portland, Oregon, as the successful bidder shall name. Payment for the bonds must be made in Federal funds. Delivery will be made within thirty days.

FORM OF BID: All bids must be for not less than all the bonds hereby offered for sale, and for not less than _____ percent (____%) of the par value thereof and accrued interest to the date of delivery. Each bid together with bidder's check as herein specified must be enclosed in a sealed envelope addressed to the District and designated "Proposal for Bonds".

BID CHECK: All bids must be unconditional and accompanied by a certified or cashier's check on a bank doing business in the State of Oregon for _____ (\$_____) (2%) payable to the order of the District to secure the District from any loss resulting from the failure of the bidder to comply with the terms of its bid. Checks will be forfeited to the District as liquidated damages in case the bidder to whom the bonds are awarded withdraws its bid or fails to complete its purchase in accordance with the terms thereof. No interest shall be allowed on the deposit but the check of the successful bidder will be retained as part payment of the bonds or for liquidated damages as described above. Checks of the unsuccessful bidders will be returned by the District promptly.

RIGHT OF REJECTION: The District reserves the right to reject any or all bids, and to waive any irregularities.

OFFICIAL STATEMENT: The District has prepared an official statement relating to the bonds, a copy of which will be furnished upon request to its financial consultant, _____

POTENTIAL BID: The financial consultant may submit a bid or participate in a bidding syndicate (optional).

CUSIP: CUSIP numbers will be imprinted upon all bonds of this issue at the District's expense. Failure to print, or improperly imprinted numbers will not constitute basis for the purchaser to refuse to accept delivery.

NO LITIGATION: At the time of payment for the delivery of said bonds, the District will furnish the successful bidder a certificate that there is no litigation pending affecting the validity of the bonds.

FURTHER INFORMATION: Additional information regarding the District and this sale may be obtained from _____, District Clerk, _____, telephone _____

_____, Clerk
School District No. ____
_____ County, Oregon

**MINUTES OF MEETING OF DISTRICT SCHOOL BOARD OF SCHOOL DISTRICT NO. _____
 _____ COUNTY, _____ OREGON, _____ 19____**

*Pursuant to adjournment of a meeting of the District School Board of School District No. _____
 County, Oregon, held on _____, 19____, and by common consent of the members of such board, a
 meeting of such board was held at the school building in such district beginning at the hour of _____ m. on
 _____, 19____. The following named members of such board and the clerk of the district were present:*

<i>Chairman of the Board</i>	<i>Member of the Board</i>
<i>Member of the Board</i>	<i>Member of the Board</i>
<i>Member of the Board</i>	<i>District Clerk</i>

*The meeting was called to order by the chairman of the board. Following the reading of the minutes of the
 previous meeting of the board, the board opened the sealed bids received by the clerk of the district, pursuant to
 advertisement of sale of bonds of the district.*

The following bids for such bonds were received:

<i>Name of Bidder</i>	<i>Total Cost to District If Bid Is Accepted</i>
<i>Interest Rate Offered</i>	<i>Effective Interest Rate Based Upon Price Offered</i>
<i>On Maturities</i>	

*The board determined that the most favorable bid received for the bonds was that of _____
 Accordingly, upon motion duly made, seconded, and unanimously adopted, such bid was accepted. Thereupon,
 _____ offered and moved approval of the following resolution, which motion was duly seconded and
 unanimously adopted, to wit:*

RESOLUTION

*BE IT RESOLVED that the \$_____, in bonds of School District No. _____ County, State of
 Oregon, sold on the _____ day of _____, 19____, be issued to bear the date of _____, 19____,
 and interest at the following rates: _____ percent per annum for bonds maturing in the years _____ to
 _____ inclusive, _____ percent per annum for bonds maturing in the years _____ to _____
 inclusive. (Show the interest rates for the respective maturities.)*

*There being no further business to come before the meeting, upon motion duly made, seconded, and adopted,
 the meeting adjourned.*

*Approved _____, 19____
 Chairman of District School Board,
 School District No. _____
 County, Oregon*

ATTEST:

 Clerk

ASSESSOR'S CERTIFICATE OF TRUE CASH VALUE*
OF ALL TAXABLE PROPERTY IN SCHOOL DISTRICT NO. _____ COUNTY

State of Oregon)
 County of _____) ss.

I, the undersigned, County Assessor of _____ County, Oregon, hereby certify that according to the assessment records of such county, the true cash value of all taxable property within School District No. _____ of _____ County, Oregon, as of January 1 of the year _____, the latest year for which such value has been officially determined, was \$_____

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19_____
 _____ County Assessor of _____ County, _____ Oregon

*Note: The certificate should show true cash value, not just assessed value.

SIGNATURE AND NON-LITIGATION CERTIFICATE

We, the undersigned officers of _____ School District No. _____, _____ County, Oregon, indicated by the official title opposite our respective signatures,

DO HEREBY CERTIFY that we have signed by facsimile signature _____ Dollars (\$_____), _____ Bonds, Series _____, of _____ School District No. _____, _____ County, State of Oregon, dated _____, 19_____, bearing interest payable _____ 1 and _____ 1 of each year, commencing _____, and maturing annually from _____, 19_____, to _____, inclusive. We were, at the date of signing the bonds, and are on this _____ day of _____, 19_____, the date of actual delivery of the bonds to _____, Portland, Oregon, the duly chosen, qualified and acting officers indicated therein and authorized to execute the same.

We further certify that no litigation of any nature is now pending or threatened restraining or enjoining the issuance and delivery of the Bonds or the levy and collection of taxes to pay the interest and principal or in any manner questioning the proceedings and authority by which same is made, or affecting the validity of the Bonds thereunder, and that neither the corporate existence nor boundaries, nor the title of the present officers to their respective offices is being contested.

Our facsimile signatures, as Chairman and Clerk of _____ School District No. _____, _____ County, Oregon, are upon the bonds.

Done and delivered at Portland, Oregon, this _____ day of _____, 19_____

Signature	Official Title
_____	Chairman
_____	Clerk

I HEREBY CERTIFY that I am _____ of _____ School District, _____ County, Oregon, and that I am personally acquainted with the officers whose signatures appear above; also that I know they ARE NOW the duly qualified and acting officials of the _____ School District, _____ County, State of Oregon as indicated by the titles appended to said signatures, and that I hereby identify said signatures, together with those on the above described Bonds, as being in all respect true and genuine.

DATED at Portland, Oregon this _____ day of _____, 19_____

 (Title)

**CLERK'S CERTIFICATE OF OUTSTANDING
INDEBTEDNESS OF SCHOOL DISTRICT NO. _____
_____ COUNTY, OREGON, AND OF
_____ GRADES TAUGHT THEREIN**

State of Oregon)
County of _____) ss.
School District No. _____)

I, the undersigned, clerk of School District No. _____, _____ County, Oregon, hereby certify that the present indebtedness of such school district, including the indebtedness of all school districts that have been consolidated with such district, but excluding the issue of \$_____ of _____ bonds of such district, to be dated _____ is as follows:

Bonds Outstanding	\$ _____
Negotiable Interest-Bearing Warrant	\$ _____
Indebtedness Outstanding	\$ _____
Other Indebtedness Outstanding	\$ _____
Total	\$ _____

I further certify that such school district operates a school (or schools) for grades numbered _____ to _____ inclusive.

WITNESS MY HAND this _____ day of _____, 19_____

Clerk of School District No. _____
_____ County, Oregon

**COUNTY TREASURER'S CERTIFICATE OF
OUTSTANDING INDEBTEDNESS OF
SCHOOL DISTRICT NO. _____
_____ COUNTY, OREGON**

State of Oregon)
County of _____) ss.

I, _____, hereby certify that I am the duly chosen, qualified, and acting county treasurer of the county of _____, State of Oregon, and that according to records in my official custody, the total indebtedness of School District No. _____, in such county outstanding on the date hereof, including indebtedness of school districts that have been consolidated with such district but not including the bonds of such district amounting to \$_____ to be dated _____, is \$_____

Dated at _____, in the county of _____, State of Oregon, this _____ day of _____, 19_____

Treasurer or Fiscal Officer of
_____ County, Oregon

The following or similar language will appear in the bond attorney's opinion approving the bonds.

In our opinion the aforesaid bonds have been legally authorized, sold and issued under and pursuant to the Constitution and Statutes of the State of Oregon and constitute valid and legally binding obligations of (Name of District) _____, _____ County, Oregon.

In our opinion these school district bonds, unless paid from other sources, are payable from ad valorem taxes levied upon all of the taxable property in the school district without limitation as to rate or amount, and the interest thereon is exempt from federal and State of Oregon personal income taxes under existing laws.

ORS 328.255 concerning registration, delivery, and disposition of the proceeds of sale of school bonds reads as follows:

ORS 328.255 REGISTRATION OF BONDS AND NEGOTIABLE INTEREST-BEARING WARRANTS; DELIVERY; DISPOSITION OF PROCEEDS; NONCONTESTABILITY.

(1) The county treasurer or county fiscal officer shall register each school district bond, including refunding bonds, and negotiable interest-bearing warrants in a book kept for that purpose, noting the school district, amount, date, time and place of payment, rate of interest and such other facts as may be deemed proper. The county treasurer or fiscal officer shall cause the bonds or warrants to be delivered promptly to the purchasers thereof upon payment therefor, and if

the place of delivery is outside the city in which the county treasurer or county fiscal officer's office is situated, the cost of delivery of the bonds or warrants shall be paid by the issuing school district.

(2) The county treasurer or county fiscal officer or a custodial officer as defined in ORS 294.004 may hold the proceeds of the sale of the bonds or warrants for all school districts except county school districts subject to the order of the district school board to be used solely for the purpose for which the bonds or warrants were issued. If the treasurer or fiscal officer holds the proceeds initially, then the treasurer or fiscal officer, as soon as practicable, shall deliver the proceeds of the sale of the bonds and warrants to the person designated as custodian of the school district funds under ORS 328.441.

(3) When the bonds or warrants have been so executed, registered and delivered, their legality shall not be open to contest by the school district, or by any person for or on its behalf, for any reason whatever.

<Amended by 1953 c.236 s.2; 1955 c.312 s.1; 1965 c.100 s.57; 1981 c.441 s.1>

The school district should obtain from the bond attorneys approving the legality of the bonds a form of Arbitrage Certificate outlining the status of projects to be financed from the proceeds of the bonds. The certificate should be dated and signed as of the date the bonds are delivered to the purchaser.

OFFICIAL RECEIPT

I, _____, County Treasurer or Fiscal Officer of _____ County, State of Oregon, hereby certify that the _____ Dollars (\$ _____) in bonds of School District No. _____ of _____ County, Oregon, dated _____, and maturing in installments of \$ _____ on the _____ day of _____ in each of the years _____ to _____ inclusive have been paid for to the undersigned in full by _____, the original purchasers thereof, in accordance with the terms of sale and award of such bonds to such purchasers, as follows:

Principal	\$ _____
*Premium Offered	\$ _____
Accrued interest from date of the bonds	\$ _____
Total Sale Price	\$ _____

I further certify that such purchasers have complied in all respects with their contract and agreement for the purchase of such bonds.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19____, Treasurer or Fiscal Officer of _____ County, Oregon.

*Modify, if bonds were sold at a discount.

One copy of a receipt in the form below should be executed and delivered by the county treasurer concerned, to the original purchaser of the bonds, only upon full payment by the purchaser to such treasurer, of the par value of the bonds, less discount or plus premium, as the case may be, and the full amount of accrued interest on the bonds computed from the date of the bonds to the date of delivery thereof. If the initial payment for the bonds has been made by application to the purchase price of the bonds, of the deposit made with the bid for the bonds, the amount so applied should be paid to the county treasurer before the county treasurer executes a receipt in the foregoing form.

ORS 288.570 APPOINTMENT OF PAYING AGENTS.

(1) In connection with the issuance of bonds, any municipality may appoint one or more paying agents to serve as paying agent on all bonds issued after the May 26, 1983. The same agents must serve as paying agent for all bonds issued by the municipality.

(2) The paying agents designated under subsection (1) of this section shall either be a financial institution authorized to do business in Oregon or the state's fiscal agent as provided for in ORS 288.020.

(3) Any municipality which is required by law to use the county treasurer as paying agent may appoint a paying agent and registrar. The municipality shall provide the county treasurer written notice of such appointment no later than 20 days following the appointment.

(4) Any municipality appointing a paying agent under the authority of ORS 288.545 and 288.570 to 288.590 may:

- (a) Provide for powers, duties and functions and compensation of such paying agent.
- (b) Limit the liabilities of such paying agent.
- (c) Prescribe a method for resignation, removal, merger or consolidation of such paying agent, appointment of a successor paying agent and transfer of right and properties to such successor paying agent.

(5) The entity through which bonds are payable shall serve as registrar under such terms and conditions as may be required by rule of the Oregon Municipal Debt Advisory Commission in effect at the time such agreement is executed.

(6) If the municipality's paying agent is the state's fiscal agent, the municipality shall also designate a coregistrar within the State of Oregon. The coregistrar may be either a financial institution authorized to do business in Oregon or a municipality. A municipality may appoint the state's fiscal agent as paying agent for bonds issued by the municipality. The municipality is not required under this section to appoint the state's fiscal agent as paying agent for all bonds issued by the municipality.

(7) Notwithstanding subsection (5) of this section, in cases where the municipality elects to serve as its own paying agent, it may contract with a financial

institution authorized to do business in Oregon or the State of Oregon's fiscal agent to register bonds at the time of original issuance.

(8) The authority granted by ORS 288.545 and 288.570 to 288.590 is in addition to any authority to appoint a paying agent or registrar provided by statute or charter amendment.

<1983 c.129 ss.3, 5; 1985 c.441 s.4>

ORS 288.580 COUNTY TREASURER AS PAYING AGENT.

A county treasurer may enter into agreements with financial institutions to serve as paying agent and registrar, as provided in ORS 288.570 (1) to (8), for any bond issue for which the county treasurer serves as paying agent. A county treasurer may recover costs from the municipality for the service.

<1983 c.129 s.4; 1985 c.441 s.5>

AUTHENTICATION OF TRANSCRIPT

State of Oregon)
County of _____) ss.
School District No. _____)

I, _____, hereby certify that I am the duly chosen, qualified, and acting Clerk of School District No. _____ in the county of _____, State of Oregon, and the legal custodian of the records, books, and files of such district; that the copies of minutes of meetings of the district school board of such district, notice of election held therein on the _____ day of _____, 19____, copy of ballot used at such election, copy of determination of the result thereof and of all other proceedings contained in the foregoing transcript relating to the proposed \$_____ bond issue of such district dated _____ are full, true, and correct copies of the originals thereof as they appear in the records and files of the district in my custody as clerk thereof; and that the proof of publication and posting of notice of election, proof of publication of notice of bond sale, certificates of the county assessor and of the county treasurer or fiscal officer of the county of _____, State of Oregon, and the certificate concerning outstanding indebtedness of the district executed by me as clerk of the district, are original instruments.

Executed in the city of _____, county of _____, State of Oregon, this _____ day of _____, 19____

Clerk, School District No. _____
County, Oregon

STATUTES FOR SCHOOL BONDING

The bonds of school districts are sold in accordance with ORS 287.014 to ORS 287.026.

ORS 328.295 SALE OF BONDS AND INTEREST-BEARING WARRANTS.

All school bonds, including funding and refunding bonds, notes and negotiable interest-bearing warrants which have been specifically authorized by vote of the electors, shall be advertised for sale and sold in the manner prescribed in ORS 287.014 to 287.026.

<Amended by 1965 c.100 s.61; 1975 c.642 s.21>

ORS 287.014 DEFINITIONS FOR ORS 287.014 TO 287.026.

As used in ORS 287.014 to 287.026, unless the context requires otherwise:

(1) "Bond" means a general obligation note or a bond supported by the full faith and credit of the issuer.

(2) "Issuer" includes the state, cities, counties, common and union high school districts, community college districts, special districts, authorities, and other municipal corporations authorized by law to issue general obligation bonds.

<1975 c.642 s.9 (enacted in lieu of 287.002)>

ORS 287.016 MANNER OF ISSUANCE.

Bonds of any issuer shall be issued in the manner provided in ORS 287.014 to 287.026.

<1975 c.642 s.10 (enacted in lieu of 287.002)>

ORS 287.018 PRELIMINARY OFFICIAL STATEMENT REQUIRED FOR GENERAL OBLIGATION ISSUES.*

For general obligation issues:

(1) The issuer shall prepare and make available upon request to bidders and investors a preliminary official statement that includes the following:

(a) Past and current financing and estimated future financing of the issuer;

(b) A brief description of the financial administration and organization of the issuer;

(c) A brief description of the economic and social characteristics of the issuer which will permit bidders and investors to appraise the issuer's ability to assume and service adequately the debt obligation; and

(d) Any other information the issuer may provide or which the Oregon Municipal Debt Advisory Commission may require by rule of any issuer other than the state.

*Note: The transcript of proceedings of the bond issue should contain an acknowledgment from the Oregon Municipal Debt Advisory Commission that a copy of the prospectus referred to in ORS 287.018 was filed with the commission prior to the date of first publication of the notice of bond sale, or a certificate from the school district clerk that the prospectus was available prior to the date of first publication of the notice of bond sale.

(2) The preliminary official statement described in subsection (1) of this section shall be available not later than 14 calendar days preceding the bond sale.

(3) The preliminary official statement shall contain the best available information which shall be accurate to the best knowledge of the issuer. However, any errors or omissions in the preliminary official statement shall not affect the validity of the bond issue.

(4) The statement required by this section of state agencies shall be submitted to the State Treasurer for approval. If not approved, the State Treasurer shall note the revision required. The issuer shall make the noted revisions.

<1975 c.642 s.11 (enacted in lieu of 287.002); 1977 c.266 s.6; 1981 c.660 s.12; 1983 c.347 s.10>

ORS 287.020 ASSISTANCE BY OREGON MUNICIPAL DEBT ADVISORY COMMISSION; EXPENSES.

(1) The issuer may request the Oregon Municipal Debt Advisory Commission to prepare the preliminary official statement described in ORS 287.018 and shall provide the commission with the information required by ORS 287.018.

(2) The issuer may request the Oregon Municipal Debt Advisory Commission to prepare the notice of bond sale required by ORS 287.022 and 287.024. However, the responsibility for publication, advertising and distribution of the notice of bond sale shall remain with the issuer.

(3) The commission may charge the issuer a fee commensurate with expenses incurred in the preparation, publication and distribution of a preliminary official statement or notice of bond sale prepared pursuant to subsection (1) or (2) of this section.

<1975 c.642 s.12 (enacted in lieu of 287.002); 1977 c.266 s.7>

ORS 287.022 REQUIREMENTS FOR NOTICE OF BOND SALE; BIDS REQUIRED.

(1) The issuer shall prepare a notice of bond sale which shall specify:

(a) The time, date and place where bids will be received, and considered and acted upon, the total amount of bonds, and the denominations of the bonds;

(b) The issue date, maturity dates and amounts, interest payment dates, and place of payment of the bonds;

(c) The date of optional redemption, if any, the call price premium, if any, and the order of bond redemption and place of redemption;

(d) The maximum effective rate of interest and the minimum percentage of par value of the bonds which may be bid;

(e) The required good faith deposit by certified or cashier's check on a bank doing business in this state in the amount not less than two percent of the par value of the bonds, or \$500,000, whichever is the lesser;

(f) Such constraints on the coupon rates as the issuer may impose;

(g) The interest basis and definition thereof on which bond bids are to be awarded; and

(h) The name of bond counsel, if any, who will furnish the legal opinion.

(2) The notice of sale may contain:

(a) The name of the person who will furnish financial data;

(b) Coupon rate multiples;

(c) Registration provision, if any;

(d) Bid forms availability;

(e) Estimated delivery date and place;

(f) Procedure for awarding the bids;

(g) Such other conditions as the issuer may impose;

(h) The statute and ordinance, if any, pursuant to which the bonds are to be issued; and

(i) The purpose of the bonds.

(3) Bids submitted must be for all bonds offered for sale. All bids are to be unconditional and to be submitted in writing in a sealed envelope clearly marked as a proposal for bonds.

<1975 c.642 s.13 (enacted in lieu of 287.002); 1981 c.94 s.18>

ORS 287.024 NOTICE; PUBLICATION.

Except for the state:

(1) The issuer shall cause the notice of bond sale, or a summary thereof, to be published in one or more newspapers having general circulation within the boundaries of the issuer.

(2) The notice of bond sale, or the summary, shall be published not less than 14 calendar days preceding the date of the bond sale.

(3) In addition to the publication described in subsection (1) of this section, a notice or summary of the notice shall be published in a business and financial newspaper published in Portland, Oregon, not less than 14 calendar days preceding the date of bond sale.

If a summary is published under this subsection, it must specify the location where the complete notice of sale is available.

(4) For issues of \$3 million or more par value, a notice or summary of the notice of bond sale shall be submitted for publication in at least one issue of a national financial newspaper not less than 14 calendar days preceding the date of bond sale.

(5) Copies of the complete notice of sale shall be furnished upon request to bidders, investors and the public.

(6) If circumstances warrant, the State Treasurer may on an individual sale basis approve other terms and conditions for the public notice of bond sale in lieu of or in addition to those specified in subsections (1) to (4) of this section.

<1975 c.642 s.14 (enacted in lieu of 287.002); 1981 c.661 s.7; 1983 c.347 s.11>

ORS 287.026 BIDS AS PUBLIC RECORD; TO WHOM SALE MADE; TIME OF SALE; REJECTION OF BIDS.

(1) All bonds shall be awarded by public competitive sale on the basis described in the notice of sale. All bids must be entered into the public record of the issuer.

(2) All bids shall be publicly opened at the time and place specified in the notice of sale. The bonds shall be sold to the responsible bidder whose bid will result in the lowest interest cost to the issuer, as defined in the manner set forth in the notice of sale, and taking into consideration any premium or discount bid. Unless all bids are rejected, the sale must be acted upon within four hours of the time the bids are opened.

(3) The issuer may reject any or all bids and readvertise the sale of bonds in the manner required by chapter 642, Oregon Laws 1975. The issuer shall make public the reasons why any or all bids are rejected.

<1975 c.642 s.15 (enacted in lieu of 287.002)>

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