



CITY OF SANTA ROSA ELEMENTARY SCHOOL DISTRICT

RESOLUTION NO. 2021/22-56

AUTHORIZING THE ISSUANCE AND SALE OF A GENERAL OBLIGATION REFUNDING BOND OF THE DISTRICT AND RELATED ACTIONS

WHEREAS, a duly called election was held in City of Santa Rosa Elementary School District (the "District"), County of Sonoma (the "County"), State of California, on November 4, 2014 and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite fifty-five per cent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$54,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization");

WHEREAS, the District has previously issued the City of Santa Rosa Elementary School District (Sonoma County, California) General Obligation Bonds, 2014 Election, 2016 Series C (the "Series C Bonds"), in the aggregate principal amount of \$15,000,000

WHEREAS, the Board of Supervisors of the County on behalf of the District has previously issued the City of Santa Rosa Elementary School District (Sonoma County, California) General Obligation Bonds, 2014 Election, 2018 Series D in the aggregate principal amount of \$10,000,000 (the "Series D Bonds" and together with the Series C Bonds, the "Prior Bonds") under the Authorization;

WHEREAS, prudent management of the fiscal affairs of the District requires that the District issue a refunding bond (the "Bond") under the provisions of Article 9 (Sections 53550 and following) and Article 11 (Sections 53580 and following) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code to refund a portion of the Prior Bonds (the "Refunded Bonds"), provided that a sufficient level of present value savings may be achieved by doing so;

WHEREAS, as the Refunded Bonds will be redeemed on a date that is greater than ninety days after the issuance of the Bond, federal tax rules require that the Bond be issued on a federally taxable basis but it is intended that the District will have an option during the term of the Bond to convert the interest rate to a tax-exempt rate upon satisfaction of certain conditions contained in the Agreement (defined below);

WHEREAS, it appears to the Board of Trustees of the District that the total net interest cost to maturity plus the principal amount of the Bond (plus any costs of issuance not funded from proceeds of the Bond) will not exceed the total net interest cost to maturity plus the principal

amount of the Refunded Bonds, which, pursuant to California Government Code Sections 53552 and 53556, will permit the Board to issue the Bond without approval of the electorate;

WHEREAS, the following documents relating to the issuance and sale of the Bond, which are incorporated herein by reference, have been presented to the Board for its review and approval:

(a) the Bond Purchase Agreement (the "Agreement"), among the District, First Foundation Public Finance, a Delaware statutory trust and wholly owned subsidiary of First Foundation Bank, including its successors and assigns, or such other lender as may be selected by the District (the "Lender") and The Bank of New York Mellon Trust Company, N.A. a paying agent thereunder; and

(b) the Escrow and Deposit Agreement (the "Escrow Agreement") by and between the District and The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent"), which provides for the payment and redemption of the Refunded Bonds;

NOW, THEREFORE, be it resolved by the Board of Trustees of the City of Santa Rosa Elementary School District as follows:

Section 1. Recitals. The Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. Designation and Form; Payment.

(a) A Bond entitled to the benefit, protection and security of this Resolution is hereby authorized in an aggregate principal amount not to exceed Twenty-Three Million One Hundred Thousand Dollars (\$23,100,000). Such Bond shall be a general obligation of the District, payable as to principal and interest from *ad valorem* taxes to be levied upon all of the taxable property in the District without limitation as to rate or amount (except certain personal property which is taxable at limited rates).

(b) The form of the Bond shall be substantially in conformity with the standard forms of registered school district bonds, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference.

(c) Principal, premium, if any, and interest with respect to any Bond are payable in lawful money of the United States of America. So long as the Bond is owned by the Lender, the Paying Agent shall pay principal of and premium on, if any, on the Bond when due by wire transfer in immediately available funds to the Lender in accordance with such wire transfer instructions as shall be filed by the Lender with the Paying Agent from time to time.

(d) Good faith estimates of (a) the true interest cost of the Bond; (b) the sum of all fees and charges paid to third parties; (c) the amount of proceeds to be received by the District (less the Finance Charge and any reserves and capitalized interest, if any); and (d) the total debt service payments on the Bond through the final maturity of the Bond are set forth on Exhibit B attached hereto and incorporated herein.

Section 3. Authorization of Officers to Execute and Deliver Agreement. The Board hereby authorizes the President and the Clerk of the Board and the Superintendent and the Deputy Superintendent, Business Services of the District (the "Authorized Officers"), and each of them individually, for and in the name of and on behalf of the District, to approve, execute, and deliver the Agreement in substantially the form presented to this meeting, which

Agreement is hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer or officers executing the Agreement for the District. The execution of the Agreement by an Authorized Officer or Officers of the District shall constitute conclusive evidence of such officer's or officers' and the Board's approval of any such changes, insertions, revisions, corrections, or amendments to the form of the Agreement presented to this meeting. The terms of redemption and other terms of the Bond shall be as provided in the Agreement as finally executed.

Section 4. Approval of Escrow Agreement. The forms, terms and provisions of the Escrow Agreement are hereby approved. Any Authorized Officer is hereby authorized on behalf of the Board and in its name to execute and deliver the Escrow Agreement to the Escrow Agent, in substantially the form presented to and considered by this Board, with such changes therein as may be approved by the Authorized Officer executing the same, such approval to be conclusively evidenced by the execution thereof.

Section 5. Valid Obligation. The Board hereby determines that all acts and conditions necessary to be performed by the District or to have been met precedent to and in issuing of the Bond in order to make it the valid and binding general obligation of the District have been performed and have been met, or will at the time of delivery of the Bond have been performed and have been met, in regular and due form as required by law; that the full faith and credit of the District are hereby pledged for the timely payment of the principal of and interest on the Bond; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bond.

Section 6. Municipal Advisor. Isom Advisors, a Division of Urban Futures, Inc., is hereby retained as Municipal Advisor to the District with respect to the refunding of the Refunded Bonds. The Authorized Officers, and each of them individually, are hereby authorized to execute and deliver a financial advisory services agreement with such firm in the form of the agreement on file with the Superintendent.

Section 7. Bond Counsel. The law firm of Dannis Woliver Kelly is hereby retained as bond counsel to the District with respect to the refunding of the Refunded Bonds. The Authorized Officers, and each of them individually, are hereby authorized to execute and deliver a legal services agreement with such firm in the form of the agreement on file with the Superintendent.

Section 8. Security for the Bond. The Bond is a general obligation of the District. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the Bond is outstanding in an amount sufficient to pay the principal of and interest on the Bond when due, which monies when collected will be placed in the "City of Santa Rosa Elementary School District 2022 General Obligation Bond Debt Service Fund" (the "Debt Service Fund") to be administered by the County, which *ad valorem* taxes, together with the amounts on deposit in the Debt Service Fund, are irrevocably pledged for the payment of the principal of and interest on the Bond when and as the same fall due. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* tax and to cause the proceeds from such levy to be deposited as described above and be transferred to the Debt Service Fund to pay the principal of and interest on the Bond when and as the same fall due.

Additionally, in accordance with Section 53515(a) of the California Government Code, the Bond shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the Bond. The lien shall automatically attach without further action or authorization by the District or the County. The lien shall be valid and binding from

the time the Bond is executed and delivered. The revenues received pursuant to the levy and collection of the tax shall be immediately subject to the lien, and the lien shall automatically attach to the revenues and be effective, binding, and enforceable against the District, its successors, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

Section 9. Execution of the Bond.

(a) The Bond shall be executed in the name of the District by the manual or facsimile signature of the President of the Board and the manual or facsimile signature of the Secretary or the Clerk of the Board or by a deputy of either of such officers. In case any one or more of the officers who shall have signed the Bond shall cease to be such officer before the Bond so signed shall have been issued by the District, such Bond may, nevertheless, be issued, as herein provided, as if the persons who signed or sealed such Bond had not ceased to hold such offices. The Bond may be signed and sealed by such persons as at the time of the execution of such Bond shall be duly authorized to hold or shall hold the proper offices in the District, although at the date borne by the Bond such persons may not have been so authorized or have held such offices.

Section 10. Paying Agent, Appointment and Acceptance of Duties. The Board hereby consents to and confirms the appointment of The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent") to act as Paying Agent for the Bond under this Resolution. All fees and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District.

Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of principal of, premium, if any, and interest on the Bond.

Section 11. Liability of Paying Agent. The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of the Bond issued hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

Section 12. Evidence on Which Paying Agent May Act. The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

Section 13. Compensation. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution. In no event shall the Paying Agent be required to expend its own funds hereunder. The fees and expenses of the Paying Agent not paid from the proceeds

of the sale of the Bond shall be paid each year from the Debt Service Fund, insofar as permitted by law, including specifically by Section 15232 of the Education Code.

Section 14. Resignation or Removal of Paying Agent and Appointment of Successor. The Paying Agent initially appointed hereunder may resign from service as Paying Agent and the District may remove such Paying Agent or any subsequent Paying Agent as provided in the respective Paying Agent's service agreement. Without further action by the District, if at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which, if not the County, shall be a bank or trust company doing business in and having a corporate trust office in San Francisco or Los Angeles, California, with at least \$50,000,000 in net assets. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, provided, however, that removal of the Paying Agent shall require the prior written consent of the Lender.

Section 15. Costs of Issuance. The Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by The Bank of New York Mellon Trust Company, N.A. as costs of issuance custodian (the "Costs of Issuance Custodian"), proceeds of the sale of the Bond, as shall be set forth in the Agreement, for the purposes of paying any costs of issuance of the Bond including all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Bond including, but not limited to, legal fees and charges, fees and expenses of the Paying Agent, Costs of Issuance Custodian, financial and other professional consultant fees, fees for execution, transportation and safekeeping of the Bond and charges and fees in connection with the foregoing. Additional costs authorized to be paid from the proceeds of the Bond are all of the authorized costs set forth in Sections 53550(e) and (f) of the Government Code. The Authorized Officers are each hereby further authorized to execute and deliver an agreement with the Costs of Issuance Custodian to effectuate the foregoing.

Section 16. Defeasance. If the Bond shall be paid and discharged in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of and interest on the Bond, as and when the same become due and payable;

(b) by depositing with the Paying Agent, in trust, at or before maturity, cash which is fully sufficient to pay the Bond on its redemption date or at maturity thereof, including any premium and all interest thereon, notwithstanding that the Bond shall not have been surrendered for payment; or

(c) by depositing with an institution to act as escrow agent selected by the District and which meets the requirements of serving as Paying Agent hereunder, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America and described under Section 149(b) of the Code and

Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bond, in such amount as will, together with the interest to accrue thereon, be fully sufficient, in the opinion of a verification agent satisfactory to the District, to pay and discharge the Bond at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bond shall not have been surrendered for payment;

(d) then all obligations of the District and the Paying Agent under this Resolution with respect to such Bond shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the owners of the Bond all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent hereunder.

Section 17. Investment of Certain Funds. Moneys held in all funds and accounts established hereunder shall be invested and reinvested by the Treasurer-Tax Collector of the County in Authorized Investments to the fullest extent practicable as shall be necessary to provide moneys when needed for payments to be made from such funds or accounts. Nothing in this Resolution shall prevent any investment securities acquired as investments of funds held hereunder from being issued or held in book-entry form on the books of the Department of the Treasury of the United States. All investment earnings on amounts on deposit in the Debt Service Fund shall remain.

Section 18. Authorization of Officers. The Board hereby authorizes and directs its officers and the officials and staff of the District, and each of them individually, to do any and all things and to execute and deliver any and all documents that they may deem necessary or advisable in order to complete the sale, issuance, and delivery of the Bond and otherwise to carry out, give effect to, and comply with the terms and intent of this Resolution. All actions heretofore taken by such officers, officials and staff that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.

Section 19. Amendments. This Resolution may be modified or amended at any time by a Supplemental Resolution adopted by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express written consent of the Lender, reduce the principal amount of any Bond, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable or otherwise directly and adversely affect the repayment of the Bond by or on behalf of the District to the Lender.

Section 20. Effective Date. This resolution shall take effect immediately upon its passage.

APPROVED, PASSED, AND ADOPTED on May 11, 2022, by a majority of the members of the Board, to wit:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Clerk of the Board of Trustees

EXHIBIT A

FORM OF BOND

No. 1

\$_____

**CITY OF SANTA ROSA ELEMENTARY SCHOOL DISTRICT
(SONOMA COUNTY, CALIFORNIA)
2022 GENERAL OBLIGATION REFUNDING BOND**

INTEREST RATE: _____%

ISSUE DATE: _____, 2022

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ AND 00/100 DOLLARS

The City of Santa Rosa Elementary School District (the "District"), for value received, hereby promises to pay to the Registered Owner named above, or registered assigns (the "Registered Owner"), the principal amount set forth above in installments on the dates set forth below, and to pay interest on such principal amount from the Issue Date set forth above, calculated on the basis of a year comprising twelve (12) months of thirty (30) days each, on ____ 1, 20__, and on each February 1 and August 1 thereafter (each, an "Interest Payment Date"), at the interest rate set forth above, until the principal amount hereof is paid in full. Installments of principal shall be payable in the following amounts on the following dates:

Installment Date (<u>August 1</u>)	Principal Amount
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This Bond is issued pursuant to a Bond Issuance and Sale Agreement dated _____, 2022 (the "Agreement"), among the District, First Foundation Public Finance, a Delaware statutory trust and wholly owned subsidiary of First Foundation Bank, (the "Lender") and The Bank of New York Mellon Trust Company, N.A., as paying agent, and in conformity with the Constitution and laws of California, including the statutory authority of Articles 9 and 11 of

Chapter 13 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Law").

Reference is hereby made to the Agreement and to the Law for a description of the terms on which the Bond is issued and the rights of the Registered Owner. All the terms of the Agreement and the Law are hereby incorporated herein and constitute a contract between the District and the Registered Owner from time to time of this Bond. The Registered Owner, by its acceptance hereof, consents and agrees to all the provisions of the Agreement

The Bond is subject to redemption prior to its maturity date as set forth in the Agreement.

It is certified, recited and declared that all acts and conditions required by the Constitution and laws of the State of California to exist, to be performed or to have been met precedent to and in the issuing of the Bond in order to make it a legal, valid and binding general obligation of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bond; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

So long as this Bond is owned by First Foundation Public Finance, a Delaware statutory trust and wholly owned subsidiary of First Foundation Bank, a California banking corporation (the "Lender"), the following shall apply: (a) this Bond is not required to be presented and surrendered to the Paying Agent for payment at any time prior to the final maturity thereof, and (b) the Paying Agent will pay the principal of and interest on this Bond by wire transfer to the Lender in accordance with the wire transfer instructions provided by the Lender to the Paying Agent from time to time; provided that principal on this Bond which is payable at maturity shall be made only upon presentation and surrender hereof at the Office of the Paying Agent as set forth in the preceding paragraph.

IN WITNESS WHEREOF, the City of Santa Rosa Elementary School District has caused this Bond to be dated the Issue Date shown above, to be signed by the manual or facsimile signature of the President of the Board and countersigned by the manual signature of the Secretary to the Board.

President of the Board

Secretary to the Board

FORM OF ASSIGNMENT

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

Name of Transferee: _____

Address for Payment of Interest: _____

Social Security Number or other Tax Identification No.:

the within-mentioned Bond and hereby irrevocably constitutes and appoints attorney, to transfer the same on the books of the City of Santa Rosa Elementary School District with full power of substitution in the premises.

Registered Owner

Dated:

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

EXHIBIT B

DISCLOSURE OF SPECIFIED INFORMATION

1. Estimated True Interest Cost of the Bond: 3.15%
2. Estimated Finance Charge, i.e., the sum of all fees and charges paid to third parties: \$175,000.00
3. Estimated amount of proceeds to be received by the District, less Finance Charge, reserves and capitalized interest: \$22,749,157.25
4. Estimated total debt service to maturity, including any Finance Charge not paid with proceeds of the Bond (if any): \$32,541,642.97