

## **RESOLUTION NO. 2324-02**

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE CAPISTRANO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$30,000,000 AGGREGATE PRINCIPAL AMOUNT OF COMMUNITY FACILITIES DISTRICT NO. 90-2 OF THE CAPISTRANO UNIFIED SCHOOL DISTRICT (TALEGA) (IMPROVEMENT AREA NO. 2002-1) SPECIAL TAX REFUNDING BONDS, SERIES 2023, APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE AND THE PREPARATION OF AN OFFICIAL STATEMENT AND OTHER MATTERS RELATED THERETO

### **Community Facilities District No. 90-2 of the Capistrano Unified School District (Talega)(Improvement Area No. 2002-1)**

**WHEREAS**, the Board of Trustees (the “Board”) of the Capistrano Unified School District (“CUSD”) has formed Community Facilities District No. 90-2 of the Capistrano Unified School District (Talega) (the “Community Facilities District”) under the provisions of the Mello-Roos Community Facilities Act of 1982 (the “Act”); and

**WHEREAS**, the Board has, pursuant to Section 53350 of the Act, designated a portion of the Community Facilities District as an improvement area, which improvement area is known as Improvement Area No. 2002-1 of Community Facilities District No. 90-2 of the Capistrano Unified School District (the “Improvement Area”); and

**WHEREAS**, the Community Facilities District is authorized under the Act to levy special taxes (the “Special Taxes”) within the Improvement Area to pay for the costs of certain public facilities (the “Facilities”) and to issue bonds payable from the Special Taxes; and

**WHEREAS**, in 2013, in order to provide funds to finance and refinance a portion of the Facilities, the Community Facilities District issued \$43,110,000 aggregate principal amount of Community Facilities District No. 90-2 of the Capistrano Unified School District (Improvement Area No. 2002-1) Series 2013 Special Tax Refunding Bonds of which \$29,460,000 principal amount remains outstanding (the “Prior Bonds”), pursuant to the Fiscal Agent Agreement, dated as of July 1, 2013, by and between the Community Facilities District and U.S. Bank Trust Company, National Association (successor in interest to U.S. Bank National Association), as fiscal agent; and

**WHEREAS**, the Community Facilities District has determined that it would be advantageous to refund the outstanding Prior Bonds; and

**WHEREAS**, in order to provide funds to refund the outstanding Prior Bonds, the Community Facilities District desires to provide for the issuance of Community Facilities District No. 90-2 of the Capistrano Unified School District (Talega) (Improvement Area No.

2002-1) Special Tax Refunding Bonds, Series 2023 (the “Bonds”), in the aggregate principal amount of not to exceed \$30,000,000; and

**WHEREAS**, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured, and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Community Facilities District proposes to enter into an Indenture with U.S. Bank Trust Company, National Association, as trustee (the “Trustee”) (such Indenture, in the form presented to this meeting, with such changes, insertions, and omissions as are made pursuant to this Resolution, being referred to herein as the “Indenture”); and

**WHEREAS**, in order to provide for the defeasance and redemption of the Prior Bonds, the Community Facilities District proposes to enter into a form of Irrevocable Refunding Instruction and Agreement with the Fiscal Agent as Escrow Agent (such Irrevocable Refunding Instruction and Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Refunding Escrow Agreement”); and

**WHEREAS**, in order to provide for the sale, and conditions for sale, of the Bonds, the Community Facilities District proposes to enter into a Bond Purchase Agreement, with a broker-dealer, to be selected pursuant to a competitive bidding process, serving as underwriter of the Bonds (the “Underwriter”), pursuant to which the Underwriter will purchase the Bonds from the Community Facilities District (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Purchase Agreement”); and

**WHEREAS**, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Bonds, the Underwriter must have reasonably determined that the Community Facilities District or an obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Bonds to provide disclosure of certain financial and operating data and certain material events on an ongoing basis; and

**WHEREAS**, in order to assist in providing for the satisfaction of such requirement, the Community Facilities District desires to enter into a Continuing Disclosure Certificate (such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Continuing Disclosure Certificate”); and

**WHEREAS**, a Preliminary Official Statement to be used in connection with the offering and sale of the Bonds has been prepared (such Preliminary Official Statement in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”); and

**WHEREAS**, there have been prepared and submitted to this meeting forms of:

- (a) the Indenture;

- (b) the Refunding Escrow Agreement;
- (c) Purchase Agreement;
- (d) the Continuing Disclosure Certificate; and
- (e) the Preliminary Official Statement;

**WHEREAS**, the Board desires to authorize the issuance of the Bonds and the execution and delivery of such documents and the performance of such acts by or on behalf of the Community Facilities District as may be necessary or desirable to effect the offering, sale and issuance of the Bonds and the execution and delivery of such documents; and

**WHEREAS**, on November 8, 2017, the Board adopted a local debt policy for CUSD, Board Policy 3461 (the "Debt Management Policy"), that complies with Government Code Section 8855(i), and the Community Facilities District wishes to adopt the Debt Management Policy as its local debt policies, with references to the District therein meaning the Community Facilities District, and the Community Facilities District's sale and issuance of the Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

**WHEREAS**, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") requires that the Board obtain from an underwriter, municipal advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

**WHEREAS**, in compliance with SB 450, the Board has obtained from Government Financial Services Joint Powers Authority, Sacramento, California, as public finance consultant to CUSD and the Community Facilities District (the "Public Finance Consultant"), the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Capistrano Unified School District as follows:

**Section 1.** Subject to the provisions of Section 2 hereof, the issuance of the Bonds, in an aggregate principal amount of not to exceed \$30,000,000, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, is hereby authorized and approved. The Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be subject to call and redemption, shall be issued in the form, and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution.

**Section 2.** The Indenture, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the President

of the Board, and such other member of the Board as the President may designate, the Superintendent of CUSD, the Deputy Superintendent, Business and Support Services, of CUSD, and such other officer or employee of CUSD as the Superintendent may designate (the "Authorized Officers"), is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Indenture in the form submitted to this meeting, with such changes, insertions, and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Indenture by such Authorized Officer; provided, however, that such changes, insertions, and omissions shall not authorize an aggregate principal amount of Bonds in excess of \$30,000,000, shall not result in a final maturity date of the Bonds later than September 1, 2032 and shall not result in a true interest cost for the Bonds in excess of 6.00%.

**Section 3.** The Refunding Escrow Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Refunding Escrow Agreement in the form presented to this meeting, with such changes, insertions, and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Refunding Escrow Agreement by such Authorized Officer.

**Section 4.** The Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Purchase Agreement in the form presented to this meeting, with such changes, insertions, and omissions as the Authorized Officer of the Community Facilities District executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Purchase Agreement by such Authorized Officer; provided, however, that aggregate net present value savings, expressed as a percentage of the par amount of the refunded Prior Bonds, is not less than 3.00%, and that such changes, insertions, and omissions shall not result in an aggregate underwriter's discount (not including any original issue discount) from the principal amount of the Bonds in excess of 2.00% of the aggregate principal amount of the Bonds. The Board hereby authorizes the District to award the Bonds to that Underwriter selected through a competitive bidding process to be conducted by the Public Finance Consultant as further provided in the Purchase Agreement and hereby finds and determines that the sale of the Bonds as so contemplated will result in a lower overall cost.

**Section 5.** The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Continuing Disclosure Certificate in the form presented to this meeting, with such changes, insertions, and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.



**Section 6.** The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes therein as may be approved by an Authorized Officer, be and the same is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to certify to the Underwriter that the Preliminary Official Statement has been “deemed final” for purposes of Rule 15c2-12.

**Section 7.** The preparation and delivery of a final Official Statement (the “Official Statement”), and its use in connection with the offering and sale of the Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions, and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute the final Official Statement and any amendment or supplement thereto.

**Section 8.** The assessed values of the property within the Improvement Area are set forth in the Preliminary Official Statement and the value-to-lien information with respect thereto is set forth therein and, based thereon, the Board, for purposes of Section 53345.8 of the Act, hereby finds and determines that the value of the real property that would be subject to the Special Tax to pay debt service on the Bonds will be at least three times the principal amount of the Bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within the Improvement Area or a special assessment levied on property within the Improvement Area.

**Section 9.** With the passage of this Resolution, the Community Facilities District hereby certifies that the Debt Management Policy complies with Government Code Section 8855(i), and that the Bonds authorized to be issued pursuant to this Resolution are consistent with such policy, and instructs Orrick, Herrington & Sutcliffe LLP, as Bond Counsel, on behalf of the Community Facilities District, with respect to the Bonds issued pursuant to this Resolution, (a) to cause notices of the proposed sale and final sale of the Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Government Code Section 8855, and (b) to check, on behalf of the Community Facilities District, the “Yes” box relating to such certifications in the notice of proposed sale filed pursuant to Government Code Section 8855.

**Section 10.** In accordance with SB 450, good faith estimates of the following have been obtained from the Public Finance Consultant and are set forth on Exhibit A attached hereto: (a) the true interest cost of the Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Bonds, (c) the amount of proceeds of the Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Bonds, and (d) the sum total of all debt service payments on the Bonds calculated to the final maturity of the Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Bonds.

**Section 11.** The Authorized Officers and the officers and employees of CUSD are, and each of them is, hereby authorized and directed, for and in the name of the Community Facilities District, to do any and all things, and to execute and deliver any and all other documents which they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution including, without limitation, negotiating the terms of a bond insurance policy to secure the timely payment of the principal of and interest on the Bonds, and otherwise to carry out, give effect to, and comply with the terms and intent of this Resolution.

**Section 12.** The Board hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

**Section 13.** All actions heretofore taken by the officers and employees of CUSD with respect to the issuance of the Bonds, or in connection with or related to any of the agreements or documents referred to herein, are hereby approved, confirmed, and ratified.


**Section 14.** This Resolution shall take effect immediately upon its adoption.

**PASSED and ADOPTED** this July 19, 2023, by the Capistrano Unified School District Board of Trustees, San Juan Capistrano, Orange County, California.



Krista Castellanos, President of the Board of  
Trustees of the Capistrano Unified School  
District

ATTEST:



Amy Hanacek, Clerk of the Board of  
Trustees of the Capistrano Unified School  
District

## EXHIBIT A

### GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Community Facilities District by Government Financial Services Joint Powers Authority, Sacramento, California, as Public Finance Consultant to CUSD and the Community Facilities District (the "Public Finance Consultant"), with respect to the Bonds.

*Principal Amount.* The Public Finance Consultant has informed the Community Facilities District that, based on the Community Facilities District's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$26,165,000 (the "Estimated Principal Amount").

*True Interest Cost of the Bonds.* The Public Finance Consultant has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.5%.

*Finance Charge of the Bonds.* The Public Finance Consultant has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$833,730.

*Amount of Proceeds to be Received.* The Public Finance Consultant has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the Community Facilities District for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$27,335,000.

*Total Payment Amount.* The Public Finance Consultant has informed the Community Facilities District that, assuming that the Estimated Principal Amount of the Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the Community Facilities District will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$33,028,756.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may

differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Community Facilities District's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the Community Facilities District based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Community Facilities District.



## CLERK'S CERTIFICATE

I, Amy Hanacek, Clerk of the Board of Trustees of the Capistrano Unified School District, hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly adopted at a regular meeting of said Board of Trustees duly and regularly held on July 19, 2023, of which meeting all of the members of said Board of Trustees had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES: 4

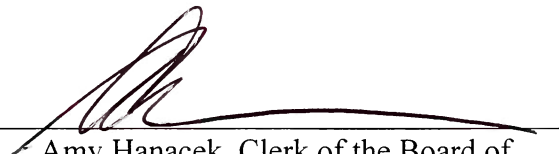
NOES: 0

ABSENT OR NOT VOTING: 1 - Castellanos

An agenda of said meeting was posted at least 72 hours before said meeting at 33122 Valle Road, San Juan Capistrano, California, a location freely accessible to members of the public, and a brief general description of said Resolution appeared on said agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that the foregoing Resolution is a full, true, and correct copy of the original Resolution adopted at said meeting and entered in said minutes; and that said Resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: July 19, 2023



Amy Hanacek, Clerk of the Board of  
Trustees of the Capistrano Unified School  
District