

**RESOLUTION NO. 7**

**A RESOLUTION OF THE BOARD OF EDUCATION OF THE  
GALT JOINT UNION ELEMENTARY SCHOOL DISTRICT  
PRESCRIBING THE TERMS AND AUTHORIZING THE ISSUANCE OF BONDS OF  
THE DISTRICT; APPROVING FORMS OF AND AUTHORIZING EXECUTION AND  
DELIVERY OF A PAYING AGENT AGREEMENT, A BOND PURCHASE  
AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE, AND AN OFFICIAL  
STATEMENT; AUTHORIZING DISTRIBUTION OF THE OFFICIAL STATEMENT  
AND SALE DOCUMENTS; AND AUTHORIZING EXECUTION OF NECESSARY  
CERTIFICATES AND RELATED ACTIONS**

**WHEREAS**, pursuant to California Education Code sections 5304, 5322 and 15264 et seq., Article XIII A, Section 1(b), and Article XVI, Section 18(b), of the California Constitution, the Board of Education (the "Board") of the Galt Joint Union Elementary School District (the "District") adopted its Resolution No. 16 on July 27, 2016 (the "Election Resolution"), ordering a school bond election, which was then regularly held in the District on November 8, 2016;

**WHEREAS**, the measure for incurring bonded indebtedness, which was fully described in the Election Resolution, was submitted to the voters at the election and abbreviated on the ballot as follows:

MEASURE K:

"To improve the quality of education for pre-kindergarten through eighth grade students shall Galt Joint Union Elementary School District be authorized to modernize and upgrade classrooms and school facilities for 21<sup>st</sup> Century learning; replace portables and leaky roofs; upgrade outdated electrical, heating/air conditioning and plumbing; make safety/security and technology classroom improvements, by issuing \$19,700,000 of bonds at legal interest rates, with independent citizens' oversight and audits, NO money for employee salaries, and all funds benefitting local schools?"

BONDS-YES

BONDS-NO

**WHEREAS**, the returns of the election were thereafter canvassed pursuant to law, the Certificates of Election received from the Registrars of Voters of Sacramento County and San Joaquin County authenticated that more than 55% (the amount required for passage) of the votes cast were in favor of issuing the general obligation bonds (the "Bonds"), the Board entered that fact upon its minutes on December 14, 2016, and thereafter certified the election proceedings to the Board of Supervisors ("Board of Supervisors") of Sacramento County (the "County"), with a copy to the San Joaquin County Board of Supervisors;

**WHEREAS**, the Board is in the process of establishing and appointing a Citizens' Oversight Committee in accordance with Education Code Section 15278;

**WHEREAS**, the Board has determined that it is necessary and desirable to issue and sell the first series of the Bonds authorized by the electors, such series of the Bonds to be designated generally the "Galt Joint Union Elementary School District, General Obligation Bonds, Election of 2016, Series 2017" (the "Series 2017 Bonds"), in an aggregate principal amount set for the below, according to the terms and in the manner hereinafter set forth;

**WHEREAS**, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of the Series 2017 Bonds of the District; and

**WHEREAS**, the indebtedness of the District, including the proposed issuance of the Series 2017 Bonds, is within all limits prescribed by law.

**NOW, THEREFORE**, be it resolved by the Board of Education of the Galt Joint Union Elementary School District, as follows:

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

**Section 2. Series 2017 Bonds; Issue Authorized.** The Board hereby authorizes the issuance of the Series 2017 Bonds in an aggregate principal amount not to exceed \$9,600,000. The costs of issuance of the Series 2017 Bonds (including estimates of compensation for the underwriter) are estimated to be \$320,000. The premium for bond insurance, to be purchased by the underwriter of the Series 2017 Bonds at the underwriter's option and expense only if financially efficient, is estimated to be \$110,000. The District is issuing the Series 2017 Bonds pursuant to the terms of Article 4.5, Chapter 3, Part 1, Division 1, Title 1 of the California Government Code (commencing with Section 53506). Other terms and conditions of the Series 2017 Bonds and their execution, issuance, and sale, not prescribed by Article 4.5 referred to above, shall be governed by the relevant provisions of the Government Code and Education Code.

**Section 3. Approval of Paying Agent Agreement.** The Board hereby approves the form of the Paying Agent Agreement (the "Paying Agent Agreement") between the District and Zions Bank, a division of ZB, National Association (the "Paying Agent"), as presented to this meeting and on file with the Secretary of the Board. The President, Vice President, Clerk, and Secretary of the Board, the Superintendent, and the Director of Business Services/CBO (the "Designated Officers"), or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to execute and deliver to the Paying Agent, the Paying Agent Agreement in substantially that form, with such changes therein as the Designated Officer or Officers executing the Paying Agent Agreement, with the advice of Parker & Covert LLP ("Bond Counsel"), may require or approve. The execution of the Paying Agent Agreement by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of such changes. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, form,

registration privileges, place or places of payment, terms of redemption, and other terms of the Series 2017 Bonds shall be as provided in the Paying Agent Agreement, as finally executed.

**Section 4. Approval of Method of Sale and Bond Purchase Agreement.** The Board hereby approves and authorizes Government Financial Strategies inc. (the "Financial Advisor") to conduct a negotiated sale of the Series 2017 Bonds following a competitive bidding process to select, with the approval of a Designated Officer, a firm to underwrite the Series 2017 Bonds. The Board hereby further authorizes the sale of the Series 2017 Bonds with an underwriter's discount, net of the cost of bond insurance, if any, in an amount not to exceed 2.0% of the principal amount of the Series 2017 Bonds. The method of sale described above has been selected by the Board since it offers greater flexibility than a public sale process in setting and changing the time and terms of the sale. The Board hereby further approves the form of the Bond Purchase Agreement relating to the Series 2017 Bonds (the "Bond Purchase Agreement") between the District and the underwriter to be designated in the Bond Purchase Agreement (the "Underwriter"), in the form as presented to this meeting, and on file with the Secretary of the Board. The Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to negotiate the final terms of the sale of the Series 2017 Bonds with the Underwriter, selected by such Designated Officers, upon the recommendation of the District's Financial Advisor, and based on a competitive bidding process conducted by the Financial Advisor. Further, the Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to sell the Series 2017 Bonds pursuant to the Bond Purchase Agreement, and to execute and deliver to the Underwriter, the Bond Purchase Agreement in substantially that form, with such changes therein as the Designated Officer or Officers executing the Bond Purchase Agreement, with the advice of Bond Counsel, may require or approve. The execution of the Bond Purchase Agreement by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of such changes.

**Section 5. Approval of Continuing Disclosure Certificate.** The Board hereby approves the form of the Continuing Disclosure Certificate relating to the Series 2017 Bonds (the "Continuing Disclosure Certificate"), as presented to this meeting and on file with the Secretary of the Board. The Designated Officers, or their designees, and each of them individually, are hereby authorized for and in the name of and on behalf of the District, to execute and deliver to the other parties thereto, the Continuing Disclosure Certificate in substantially that form, with such changes therein as the Designated Officer or Officers executing the Continuing Disclosure Certificate, with the advice of Bond Counsel, may require or approve. The execution of the Continuing Disclosure Certificate by a Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of such changes.

**Section 6. Official Statement.** The Board hereby approves the form of the Preliminary Official Statement relating to the Series 2017 Bonds (the "Preliminary Official Statement"), with such additions, changes, and deletions as permitted hereunder and under applicable law (the "Official Statement"), presented to this meeting and on file with the Secretary of the Board. The Designated Officers, or their designees, and each of them individually, are hereby authorized and directed to execute the Official Statement in substantially that form, with such changes as the Designated Officer or Officers, upon the advice of the Financial Advisor, may require or approve. The execution of the Official Statement by a

Designated Officer or Officers shall constitute conclusive evidence of such officer's or officers' and the Board's approval of such changes. The Board hereby authorizes and directs the Financial Advisor to distribute copies of the Preliminary Official Statement to underwriters, who in turn may distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Series 2017 Bonds, and authorizes and directs the Underwriter to deliver copies of the final Official Statement to all purchasers of the Series 2017 Bonds. The Board hereby authorizes and directs the Designated Officer or Officers to deliver to the Underwriter certification to the effect that the Board deems the Preliminary Official Statement, with such changes approved by the Designated Officer or Officers, to be final and complete as of its date, except for certain final pricing and related information that may be omitted pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

**Section 7. Valid Obligations.** 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 the issuing of the Series 2017 Bonds in order to make them legal, valid, and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Series 2017 Bonds 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 and interest on the Series 2017 Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Series 2017 Bonds.

**Section 8. Paying Agent's Fees.** In accordance with Education Code section 15232, the District hereby requests the Board of Supervisors of the County, in cooperation with the Board of Supervisors of San Joaquin County, to include within the annual tax levy for the Series 2017 Bonds the fees and expenses payable to the Paying Agent.

**Section 9. Building Fund and Tax Collection Fund.** (A) **Building Fund.** The District shall establish and create and/or maintain the "Galt Joint Union Elementary School District, Building Fund" (the "Building Fund"), and keep the fund separate and distinct from all other District and County funds. The District shall deposit the proceeds of the sale of the Series 2017 Bonds (except any premium or accrued interest received from the sale) into the Building Fund for use by the District to pay the costs of the school facilities described in the bond measure approved by the voters of the District, and to pay costs of issuance of the Series 2017 Bonds.

(B) **Tax Collection Fund.** The District hereby requests that the Sacramento County Director of Finance (the "Director of Finance") establish and create and/or maintain the "Galt Joint Union Elementary School District, General Obligation Bonds, Tax Collection Fund (the "Tax Collection Fund"), and keep the fund separate and distinct from all other District and County funds. The District hereby further requests that the Director of Finance deposit any premium received from the sale of the Series 2017 Bonds into the Tax Collection Fund. The District hereby further requests that the Director of Finance withdraw from the Tax Collection Fund and transfer to the Paying Agent at the times requested by the District the amounts required to pay debt service on the Series 2017 Bonds, and to pay the fees and expenses of the Paying Agent.

**Section 10. Identification of Professionals Involved.** The Board hereby approves the firm of Government Financial Strategies inc. to act as Financial Advisor; Zions Bank, a division of ZB, National Association to act as Paying Agent; and the firm of Parker & Covert LLP, to act as bond counsel to the District, with respect to the sale and delivery of the Series 2017 Bonds.

**Section 11. Official Intent.** The District intends to undertake the construction, repair and acquisition of school facilities and equipment, described in the bond measure, to serve the District (the "Improvements"). The District intends to use the proceeds of its Series 2017 Bonds described in this Resolution to finance the Improvements. The District expects to pay certain capital expenditures (the "Reimbursement Expenditures") in connection with the Improvements prior to the issuance by it of the indebtedness for the purpose of financing the costs of the Improvements on a long-term basis. The District reasonably expects that the Series 2017 Bonds debt obligations will be issued by it for the purpose of financing the cost of the Improvements on a long-term basis, and that certain of the proceeds of such debt obligations will be used to reimburse the District for the Reimbursement Expenditures.

The Board hereby declares the District's official intent to use a portion of the proceeds of the proposed indebtedness to reimburse the District for the Reimbursement Expenditures. The foregoing statement is a declaration of official intent that is made under and only for the purpose of establishing compliance with the requirements of Treasury Regulations section 1.150-2 and Section 54A(d)(2)(D) of the Internal Revenue Code of 1986, as amended.

**Section 12. Authorization of Officers to Execute Documents.** The Board hereby authorizes and directs the Designated Officers or their respective designees, and each of them individually, to do any and all things, to take any and all actions, 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 Series 2017 Bonds, 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 and staff that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.


**Section 13. Effective Date.** This resolution shall take effect immediately upon its passage.

*[Signature Page Follows]*

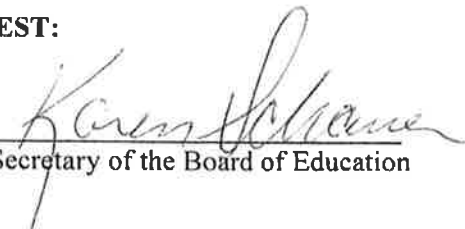
**APPROVED, PASSED, AND ADOPTED** on April 26, 2017, by the Galt Joint Union Elementary School District Board of Education, by the following vote:

AYES	<u>5</u>
NOES	<u>0</u>
ABSENT	<u>0</u>
ABSTAIN	<u>0</u>

**GALT JOINT UNION ELEMENTARY  
SCHOOL DISTRICT**

By:   
President of the Board of Education

**ATTEST:**

By:   
Secretary of the Board of Education