

**RESOLUTION NO. CP-03092023-01**

**AMENDED AND RESTATED RESOLUTION AUTHORIZING  
THE ISSUANCE AND SALE OF ELECTION OF 2022  
GENERAL OBLIGATION BONDS, SERIES 2023, AND APPROVING  
RELATED DOCUMENTS AND ACTIONS WITH RESPECT THERETO**

**WHEREAS**, more than two-thirds of the qualified voters of the Carmichael Recreation and Park District (the "District"), located in Sacramento County (the "County"), voting at a district election held on November 8, 2022 (the "Bond Election"), authorized the issuance by the District of general obligation bonds in the principal amount of \$31,900,000 to upgrade, construct, renovate and expand park facilities (collectively, the "Projects"); and

**WHEREAS**, the Board of Supervisors of the County of Sacramento (the "County Board") is the ex-officio board of directors of the District and manages and conducts the affairs of the District in accordance with Resolution No. 2017-1000 of the County Board, adopted on January 10, 2017 (the "Advisory Resolution"); and

**WHEREAS**, all powers not expressly delegated to the Advisory Board of Directors (the "Board") in the Advisory Resolution are expressly reserved to the County Board; and

**WHEREAS**, pursuant to Resolution No. 2023-0040 of the County Board, adopted on January 24, 2023, the County Board expressly delegated the authority to issue all bonds authorized at the Bond Election, without further action of the County Board; and

**WHEREAS**, the District is authorized to issue general obligation bonds pursuant to Article 11, commencing with Section 5790, of Chapter 4 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the "Bond Law"); and

**WHEREAS**, on February 16, 2023, the Board adopted Resolution CP-02162023-01 (the "Original Resolution"), authorizing the issuance and sale of its Election of 2022 General Obligation Bonds, Series 2023, in an aggregate principal amount not to exceed \$10,000,000 (the "Bonds") pursuant to the authority of the Bond Election and the Bond Law; and

**WHEREAS**, the District has been advised that, because a portion of the Projects to be financed with proceeds of the Bonds will be leased by non-governmental entities, a portion of the Bonds must be issued on a federally taxable basis (such portion, the "Taxable Bonds") and the remaining portion can be issued on a federally tax-exempt basis (such portion, the "Tax-Exempt Bonds" and, together with the Taxable Bonds, the "Bonds"); and

**WHEREAS**, the Original Resolution authorized the sale of the Bonds by a negotiated sale, provided the interest rate on the Bonds did not exceed 6.0%; and

**WHEREAS**, due to volatility in the municipal bond markets, the District's financing consultants have advised the District that the interest rates on certain of the Taxable Bonds may exceed 6.0%, and have recommended that the District authorize the issuance of the Taxable Bonds at interest rates not to exceed 8.0%; and

**WHEREAS**, the Bonds will be issued pursuant to a Paying Agent Agreement (the "Paying Agent Agreement"), between the District and The Director of Finance of the County, as paying agent, registrar and transfer agent for the Bonds (the "Paying Agent"); and

**WHEREAS**, as required by Government Code Section 5852.1, attached hereto as Exhibit A is updated information relating to the Bonds that has been obtained by the Board and is hereby disclosed and made public;

**WHEREAS**, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

**WHEREAS**, the Board wishes to amend and restate the Original Resolution, in its entirety, and to take the necessary actions to re-authorize the issuance and sale of the Bonds and documents and actions relating thereto;

**NOW, THEREFORE**, the Advisory Board of Directors of the Carmichael Recreation and Park District hereby finds, determines, declares and resolves as follows:

**Section 1. Issuance of Bonds; Approval of Paying Agent Agreement.** The Bonds are hereby authorized to be issued by the District under and subject to the terms of the Bond Law and the Paying Agent Agreement, in the maximum aggregate principal amount of \$10,000,000, for the purpose of financing the Projects and paying certain costs in connection therewith. The Bonds shall be issued as current interest bonds, capital appreciation bonds, or a combination thereof, upon the terms and conditions set forth in the Paying Agent Agreement in substantially the form on file with the Board, together with any changes therein or modifications thereof which are approved by the District Administrator or the Administrative Services Manager of the District (each, a "District Officer"), whose execution thereof shall be conclusive evidence of the approval of any such changes or modifications. The Paying Agent Agreement shall be executed in the name and on behalf of the District by a District Officer, who is hereby authorized and directed to execute and deliver the Paying Agent Agreement on behalf of the District.

**Section 2. Approval of Sale Documents.** Pursuant to Section 53508.7 of the Bond Law, the Board hereby authorizes the negotiated sale of the Bonds to Oppenheimer & Co. (the "Underwriter"). The Bonds shall be sold pursuant to a bond purchase agreement (the "Purchase Agreement") in substantially the form on file with the Board, with such changes therein, deletions therefrom and modifications thereto as a District Officer may approve, such approval to be conclusively evidenced by the execution and delivery by a District Officer of the Purchase Agreement, provided that the Purchase Agreement shall contain the following terms:

- (i) the Tax-Exempt Bonds shall bear a rate of interest of not to exceed 6.0% per annum and the final maturity shall not exceed the limits contained in the Bond Law;
- (i) the Taxable Bonds shall bear a rate of interest of not to exceed 8.0% per annum and the final maturity shall not exceed the limits contained in the Bond Law;

- (ii) the Bonds shall have a ratio of total debt service to principal of not to exceed four to one; and
- (iii) the Underwriter's discount shall not exceed 0.80% of the aggregate principal amount of the Bonds.

The Board hereby separately authorizes each District Officer to execute and deliver the final form of the Purchase Agreement in the name and on behalf of the District. The estimated costs of issuance associated with the bond sale are \$160,000, which include bond counsel and disclosure counsel fees, costs of printing the Official Statement, financial advisor fees, rating agency fees, and paying agent fees, but which do not include underwriting fees and the cost of municipal bond insurance, if obtained

In accordance with Section 53508.7 of the Bond Law, the Board has determined to sell the Bonds at a negotiated sale because a negotiated sale will permit the District to work with an Underwriter familiar with the financial condition and operations of the District, and a negotiated sale provides more flexibility to choose the time and date of the sale which is advantageous in a volatile municipal bond market.

As required pursuant to Section 53509.5 of the Bond Law, after the sale of the Bonds, the Board will present actual cost information of the sale at its next scheduled public meeting.

**Section 3. Official Statement.** The Board previously approved the Preliminary Official Statement describing the Bonds in substantially the form on file with the Board, and authorized the District Officers, on behalf of the Board, to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the District and the Bonds. The District Officers, each acting individually, were authorized to execute an appropriate certificate stating such officer's determination the Official Statement has been deemed final within the meaning of such Rule. The Board also authorized the distribution of the Preliminary Official Statement and the final Official Statement by the Underwriter, and the execution of the final Official Statement, in the name and on behalf of the District, by a District Official. The Board hereby ratifies such approvals and authorizations, including the distribution of the Preliminary Official Statement prior to the date of this Amended Resolution.

**Section 4. Continuing Disclosure.** The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be entered into in connection with the issuance of the Bonds. Notwithstanding any other provision of this amended and restated resolution (the "Amended Resolution"), failure of the District to comply with the Continuing Disclosure Certificate does not constitute a default by the District hereunder or under the Bonds; however, any Participating Underwriter (as defined in the Continuing Disclosure Certificate for the Bonds) or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order. The District approves the form of Continuing Disclosure Certificate attached as an appendix to the Official Statement, and authorizes and directs the District Officers, each acting alone, to execute said Continuing Disclosure Certificate, with any changes as may be approved by a District Officer.

**Section 5. Consultants.** The Board hereby affirms the selection of Isom Advisors, a Division of Urban Futures, Inc., as financial advisor to the District (the "Financial Advisor") in connection with the issuance and sale of the Bonds, and Jones Hall, A Professional Law Corporation, as bond and disclosure counsel to the District.

**Section 6. Reimbursements.** This Amended Resolution shall constitute the official intent of the District to reimburse eligible costs expended prior to the issuance of the Tax-Exempt Bonds from the proceeds of the Tax-Exempt Bonds.

**Section 7. Execution of Documents; Official Actions.** Each of the District Officers, and any and all other officers of the District, are each authorized and directed in the name and on behalf of the District to do any and all things and take any and all actions and to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Bonds. Whenever in this Amended Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

**Section 8. Effective Date of Amended Resolution.** This Amended Resolution shall take effect from and after the date of its passage and adoption, and the Original Resolution shall be amended, restated and replaced, in its entirety, by adoption of this Amended Resolution.

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**PASSED AND ADOPTED by the Advisory Board of Directors of the Carmichael Recreation and Park District, this 9th day of March, 2023, by the following vote:**

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RECUSAL:**

**(PER POLITICAL REFORM ACT (§ 18702.5))**

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**Joyce Carroll, Chair  
Advisory Board of Directors**

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**Ingrid Penney, Administrative Services Manager  
Clerk of the Advisory Board of Directors**

## EXHIBIT A

### Government Code Section 5852.1 Disclosure\*

1. True Interest Cost of the Tax-Exempt Bonds: 4.657172%
2. True Interest Cost of Taxable Bonds: 5.979016%
3. Finance charge of the Bonds, being the sum of all fees and charges paid to third parties: \$267,180.00
4. Proceeds of the Tax-Exempt Bonds expected to be received by the District for the Projects: \$5,360,000
5. Proceeds of the Taxable Bonds expected to be received by the District for the Projects: \$4,426,747.10
6. Total Repayment Amount for the Tax-Exempt Bonds: \$12,473,066.67
7. Total Repayment Amount for the Taxable Bonds: \$8,495,824.30

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*\*Information based on estimates made in good faith by the District, based on information provided by the Underwriter, including certain assumptions regarding rates available in the bond market at the time of adoption of the Amended Resolution.*