

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 78-20

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKE
ARROWHEAD COMMUNITY SERVICES DISTRICT SELLING
\$4,930,000 PRINCIPAL AMOUNT OF LAKE ARROWHEAD
COMMUNITY SERVICES DISTRICT 1978 WATER REVENUE
BONDS AND FIXING THE DEFINITIVE INTEREST RATES
THEREON

WHEREAS, the Board of Directors of Lake Arrowhead Community Services District has duly authorized the issuance of \$4,930,000 principal amount of Lake Arrowhead Community Services District 1978 Water Revenue Bonds (herein called the "Bonds") and further duly authorized the sale of the Bonds at public sale to the highest bidder therefor; and

WHEREAS, notice of the sale of the Bonds has been duly given and the following bids for the Bonds were and are the only bids received, to wit:

<u>Name of Bidder</u>	<u>Net Interest Cost</u>
Merrill Lynch White Weld Capital Markets Group	\$7,132,246.50
Smith Barney, Harris Upham & Co., Inc.	\$7,206,476.55

is the highest bid for the Bonds, considering the interest rates specified and the discount offered;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Lake Arrowhead Community Services District, as follows:

Section 1. Said bid of Merrill Lynch White

Weld Capital Markets Group

for the Bonds is hereby accepted and the Secretary of the Board of Directors of the District is hereby authorized and directed to deliver the Bonds to said purchaser thereof upon payment to the Secretary of the purchase price, to wit: The par value thereof, less a discount of \$99,759, together with accrued interest at the following rates:

<u>Bond Numbers (inclusive)</u>	<u>Principal Amount</u>	<u>Maturity Date July 1</u>	<u>Interest Rate</u>
1 - 6	\$ 30,000	1980	8 %
7 - 16	50,000	1981	8
17 - 31	75,000	1982	8
32 - 46	75,000	1983	8
47 - 61	75,000	1984	8
62 - 76	75,000	1985	6
77 - 91	75,000	1986	6.10
92 - 111	100,000	1987	6.20
112 - 131	100,000	1988	6.30
132 - 151	100,000	1989	6.40
152 - 171	100,000	1990	6.50
172 - 196	125,000	1991	6.60
197 - 221	125,000	1992	6.70
222 - 246	125,000	1993	6.75
247 - 276	150,000	1994	6.80
277 - 306	150,000	1995	6.80
307 - 341	175,000	1996	6.80
342 - 376	175,000	1997	6.90
377 - 416	200,000	1998	6.90
417 - 456	200,000	1999	6.90
457 - 501	225,000	2000	6.90
502 - 551	250,000	2001	7
552 - 601	250,000	2002	7
602 - 656	275,000	2003	7
657 - 716	300,000	2004	7
717 - 776	300,000	2005	7
777 - 841	325,000	2006	7
842 - 911	350,000	2007	7
912 - 986	375,000	2008	7

The Bonds shall bear interest at the rates hereinabove set forth, payable annually the first year on July 1, 1979 and semiannually thereafter on January 1 and July 1 of each year.

Section 2. All bids except said accepted bid are hereby rejected and the Secretary of the Board of Directors of the District is hereby directed to return to the unsuccessful bidders their several checks accompanying their respective bids.


Section 3. This resolution shall take effect from and after its passage and approval.

PASSED AND ADOPTED on July 27, 1978, by the following vote:

AYES: Directors Furness, Leo, Vernon, Wagner

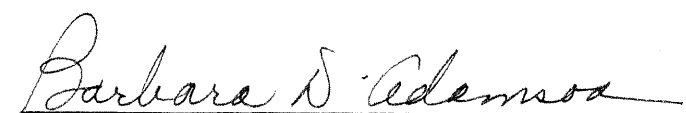
NOES: none

ABSENT: Pearce


President of the Board of Directors
of Lake Arrowhead Community Services
District

[Seal]

Attest:


Secretary of the Board of Directors
of Lake Arrowhead Community Services
District