

RESOLUTION NO. 20-85

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, SAN BERNARDINO COUNTY, CALIFORNIA, MAKING DETERMINATIONS THAT THE ISSUANCE AND SALE OF NOT TO EXCEED \$21,500,000 INSTALLMENT PURCHASE CERTIFICATES, SERIES B, IS NOT SUBJECT TO PRIOR INVESTIGATION, REPORT AND APPROVAL BY THE STATE TREASURER UNDER THE DISTRICT SECURITIES INVESTIGATION LAW OF 1965

WHEREAS, the Lake Arrowhead Community Services District (the "District") has heretofore financed construction and acquisition of certain public facilities for the transmission, treatment and disposal of sewage, waste and wastewaters by causing the issuance and sale of \$10,700,000 Installment Purchase Certificates, Series A (the "Series A Certificates"); and

WHEREAS, the District proposes to finance construction and acquisition of certain additional public facilities for the transmission, treatment and disposal of sewage, waste and wastewaters; and

WHEREAS, the District proposes to cause the issuance and sale of not to exceed \$21,500,000 Installment Purchase Certificates, Series B (the "Series B Certificates") to accomplish an advance refunding of the Series A Certificates and to provide financing to complete construction and acquisition of the original facilities and additional facilities (the "Project").

WHEREAS, the Board of Directors has determined that it is in the best interests and for the common benefit of the residents and landowners of the District that the Project be constructed and financed as follows:

- (a) The Project shall be constructed by and acquired from the Independent Public Facilities Corporation (the "Corporation"), pursuant to an Installment Purchase Agreement by and between the District and Corporation;
- (b) The construction of the Project shall be supervised by the District, pursuant to an Agency Agreement by and between the District and Corporation;
- (c) The Installment Purchase Agreement shall be assigned to Security Pacific National Bank (the "Bank"), pursuant to an Assignment Agreement by and between the Corporation and Bank;
- (d) The Series B Certificates shall be issued by the Bank, pursuant to a Trust Agreement by and among the District, Corporation and Bank;
- (e) The interest and principal on the Series B Certificates shall be paid by Installment Payments to be made by the District to the Bank from any lawfully available revenues of the District;
- (f) The Bank will act as Trustee for and on behalf of the owners of the Series B Certificates and the net proceeds from the sale of the Series B Certificates will be disbursed by the Bank, pursuant to written requisition, for the construction and acquisition of the Project as set forth in the Installment Purchase Agreement; and
- (g) The payment of interest and principal on the Series A Certificates will be secured by monies deposited, pursuant to an Escrow Deposit and Trust Agreement by and between the District and Bank.

WHEREAS, the Board of Directors desires to exempt the issuance and sale of the Series B Certificates from the provisions of the District Securities Investigation Law of 1965:

NOW, THEREFORE, the Board of Directors of the Lake Arrowhead Community Services District does hereby RESOLVE, DETERMINE AND ORDER as follows:

Section 1. The above recitals are all true and correct.

Section 2. The Board of Directors hereby finds and determines as follows:

- (a) The Series B Certificates are secured by Installment Payments which may be made from any lawfully available revenues of the District;
- (b) The assessed valuation of land and improvements for the District as shown on the last equalized county assessment roll is \$990,051,694;
- (c) The amount of outstanding District indebtedness plus the principal amount of the proposed Series B Certificates does not exceed 200 percent of the assessed value of land or 200 percent of the assessed value of land and improvements within the District as shown on the last equalized county assessment roll; and
- (d) The conditions specified in Section 58752 and/or Section 58753 of the Government Code are not present with respect to the proposed issuance of the Series B Certificates.

Section 3. Pursuant to Section 58756, the Board of Directors hereby finds and determines that the issuance of the Series B Certificates is not subject to prior investigation, report and

approval by the State Treasurer.

Section 4. The Secretary is hereby authorized and directed to cause a certified copy of this Resolution to be filed with the State Treasurer, pursuant to Section 58756 of the Government Code.


Section 5. This Resolution shall take effect upon adoption.

ADOPTED this 22nd day of August, 1985.



President

ATTEST:

  
Secretary

(SEAL)

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

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) ss.  
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I, BARBARA ADAMSON, Secretary of the Board of Directors of the Lake Arrowhead Community Services District DO HEREBY CERTIFY that the foregoing resolution, being Resolution No. 20-85, was duly passed, approved and adopted at a duly called meeting of this Board of Directors held on the 22nd day of August, 1985, by the following vote:

AYES: DIRECTORS: Kirk, Furness, Neville, Haase  
NOES: DIRECTORS:  
ABSENT: DIRECTORS:  
ABSTAIN: DIRECTORS: Longthorne

  
Barbara W. Adamson  
Secretary

(SEAL)