

1 RESOLUTION NO. 09/10-2811

2 BOARD OF EDUCATION

3 SANTA ANA UNIFIED SCHOOL DISTRICT

4 ORANGE COUNTY, CALIFORNIA

5
6 AUTHORIZING THE ISSUANCE OF SAUSD 2009 GENERAL OBLIGATION
7 REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED
8 \$55,000,000
9

10 WHEREAS, a duly called election was held in the Santa Ana Unified School
11 District, Orange County, State of California (hereinafter referred to as the
12 "District"), on November 2, 1999 and thereafter canvassed pursuant to law;

13 WHEREAS, at such election there was submitted to and approved by the
14 requisite two-thirds vote of the qualified electors of the District a question as
15 to the issuance and sale of general obligation bonds of the District for various
16 purposes set forth in the ballot submitted to the voters, in the maximum principal
17 amount of \$145,150,000 payable from the levy of an ad valorem tax against the
18 taxable property in the District (the "Authorization");

19 WHEREAS, pursuant to the Authorization, the Board of Supervisors of Orange
20 County issued on behalf of the District the \$56,320,000 Santa Ana Unified School
21 District General Obligation Bonds, Election of 1999, Series 2000 (the "Series 2000
22 Bonds");

23 WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2
24 of Title 5 of the California Government Code, the District is authorized to issue
25 refunding bonds to advance refund the outstanding Series 2000 Bonds.

26 WHEREAS, all acts, conditions and things required by law to be done or
27 performed have been done and performed in strict conformity with the laws
28 authorizing the issuance of general obligation refunding bonds of the District, and

1 the indebtedness of the District, including the proposed issue of refunding bonds,
2 is within all limits prescribed by law;

3 NOW, THEREFORE, THE BOARD OF THE SANTA ANA UNIFIED SCHOOL DISTRICT DOES
4 HEREBY, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

5 Section 1. Purpose of Bonds. To refund all or a portion of the outstanding
6 Series 2000 Bonds and to pay all necessary legal, financial, and contingent costs
7 in connection therewith, the District authorizes the issuance of its 2009 General
8 Obligation Refunding Bonds (the "Refunding Bonds") in an amount not to exceed
9 \$55,000,000. Additional costs authorized to be paid from the proceeds of the
10 Refunding Bonds are all of the authorized costs of issuance set forth in Section
11 53550(e) and (f) and Section 53587 of the Act as hereinafter defined.

12 Section 2. Terms and Conditions of Sale. Pursuant to Government Code
13 Section 53583(c)(2)(B) the Refunding Bonds shall be sold at a negotiated sale upon
14 the direction of the District Superintendent. The Refunding Bonds shall be sold
15 pursuant to the terms and conditions set forth in the Purchase Contract, as
16 described below.

17 Section 3. Approval of Bond Purchase Contract. The form of the Bond
18 Purchase Contract (the "Purchase Contract") by and between the District and the
19 underwriting firm submitting the lowest true interest cost bid to purchase the
20 Refunding Bonds as calculated by the District's financial advisor (the
21 "Underwriter"), substantially in the form on file with the Clerk of the Board is
22 hereby approved, and each of the Superintendent of the District (the
23 "Superintendent"), the Deputy Superintendent of the District (the "Deputy
24 Superintendent") and their written designees (each an "Authorized Officer") is
25 hereby authorized and requested to execute and deliver such Purchase Contract, with
26 such changes therein, deletions therefrom and modifications thereto as the
27 Authorized Officer executing the Purchase Contract may approve, such approval to be
28 conclusively evidenced by the execution and delivery thereof; provided, however,
29 that the Underwriter's discount, excluding original issue discount or premium on

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1 the Refunding Bonds, shall not exceed 2% of the aggregate of principal amount of
2 Refunding Bonds issued and the Refunding Bonds shall be issued only if the total
3 net interest cost to maturity on the Refunding Bonds plus the principal amount of
4 the Refunding Bonds does not exceed the total net interest cost to maturity plus
5 the principal amount of the Series 2000 Bonds being refunded and only if the net
6 present value savings as a percentage of the Refunded Bonds is not less than 3%.
7 Each Authorized Officer is further authorized to determine the specific maturities
8 of Series 2000 Bonds to be refunded, the principal amount of the Refunding Bonds to
9 be sold pursuant to the Purchase Contract, up to \$55,000,000 and to enter into and
10 execute the Purchase Contract with the Underwriter, if the conditions set forth in
11 this Resolution are satisfied.

12 Section 4. Certain Definitions. As used in this Resolution, the terms
13 set forth below shall have the meanings ascribed to them, unless otherwise provided
14 in the Purchase Contract:

15 (a) "Accreted Interest" means, with respect to the Capital
16 Appreciation Bonds, the Accreted Value thereof minus the Denominational Amount
17 thereof as of the date of calculation.

18 (b) "Accreted Value" means with respect to the Capital Appreciation
19 Bonds, as of the date of calculation, the Denominational Amount thereof, plus
20 Accreted Interest thereon to such date of calculation, compounded semiannually on
21 each February 1 and August 1 at the stated yield to maturity thereof, assuming in
22 any such semiannual period that such Accreted Value increases in equal daily
23 amounts on the basis of a 360-day year of twelve 30-day months.

24 (c) "Act" means Articles 9 and 11 of Chapter 3 of Part 1 of
25 Division 2 of Title 5 of the California Government Code.

26 (d) "Authorization" means the authorization received by the District
27 to issue the Series 2000 Bonds at an election held on November 2, 1999.

28 (e) "Board" means the Board of Education of the District.

1 (f) "Bond Insurer" means any insurance company which issues a
2 municipal bond insurance policy insuring the payment of Denominational Amount and
3 Accreted Interest of and interest on the Refunding Bonds.

4 (g) "Bond Obligation" means, from time to time as of the date of
5 calculation, with respect to any Current Interest Bond, the Principal Amount
6 thereof and, with respect to any Capital Appreciation Bond, the Accreted Value
7 thereof.

8 (h) "Bond Payment Date" means, with respect to the Current Interest
9 Bonds, February 1 and August 1 of each year commencing on the date set forth in the
10 Purchase Contract with respect to the interest on the Current Interest Bonds and,
11 with respect to the principal payments on the Current Interest Bonds, as set forth
12 in the Purchase Contract, and, with respect to the Capital Appreciation Bonds, the
13 stated maturity dates thereof, as applicable.

14 (i) "Bond Register" means the listing of names and addresses of the
15 current registered owners of the debt, as maintained by the Paying Agent in
16 accordance with Section 7 hereof.

17 (j) "Business Day" means a day which is not a Saturday, Sunday or a
18 day on which banking institutions in the State or the State of New York and the New
19 York Stock Exchange are authorized or required to be closed.

20 (k) "Capital Appreciation Bonds" means the Refunding Bonds the
21 interest component of which is compounded semiannually on each Bond Payment Date to
22 maturity as shown in the table of Accreted Value for such Refunding Bonds in the
23 Purchase Contract. "Capital Appreciation Term Bonds" means those Capital
24 Appreciation Bonds for which mandatory sinking fund redemption dates have been
25 established in the Purchase Contract.

26 (l) "Code" means the Internal Revenue Code of 1986, as amended.

27 (m) "Costs of Issuance" means all of the costs of issuing the
28 Refunding Bonds, including, but not limited to, all printing and document
29 preparation expenses in connection with this Resolution, the Refunding Bonds and

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1 the Official Statement pertaining to the Refunding Bonds and any and all other
2 agreements, instruments, certificates or other documents prepared in connection
3 therewith; financial advisory fees; underwriter's fees; rating agency fees;
4 auditor's fees; CUSIP service bureau charges; legal fees and expenses of counsel
5 with respect to the financing; the initial fees and expenses of the Paying Agent;
6 fees for credit enhancement relating to the Refunding Bonds; and other fees and
7 expenses incurred in connection with the issuance of the Refunding Bonds, to the
8 extent such fees and expenses are approved by the District.

9 (n) "County" means County of Orange, California.

10 (o) "Current Interest Bonds" means the Refunding Bonds the interest
11 on which is payable on each Bond Payment Date and which mature in the years and in
12 the amounts set forth in the Purchase Contract.

13 (p) "Current Interest Term Bonds" means those Current Interest Bonds
14 for which mandatory sinking fund redemption dates have been established in the
15 Purchase Contract.

16 (q) "Date of Issuance" means the date on which the Refunding Bonds
17 are delivered to the Underwriter thereof.

18 (r) "Denominational Amount" means, with respect to the Capital
19 Appreciation Bonds, the initial principal amount thereof as of the Date of
20 Issuance.

21 (s) "Depository" means the securities depository acting as Depository
22 pursuant to Section 5(c) hereof.

23 (t) "District" means the Santa Ana Unified School District.

24 (u) "DTC" means The Depository Trust Company, New York, New York a
25 limited purpose trust company organized under the laws of the State of New York in
26 its capacity as securities depository for the Refunding Bonds.

27 (v) "Escrow Agreement" means the Escrow Agreement relating to the
28 Series 2000 Bonds by and between the District and The Bank of New York Mellon Trust
29 Company, N.A., as escrow bank, or any successor escrow bank thereunder.

1 (w) "Escrow Bank" means The Bank of New York Mellon Trust Company,
2 N.A., or such other institution appointed by the District as set forth in a
3 certificate of an Authorized Officer.

4 (x) "Escrow Fund" means the Escrow Fund established under the Escrow
5 Agreement.

6 (y) "Federal Securities" means (i) State and Local Government Series
7 issued by the United States Treasury ("SLGS"); (ii) United States Treasury bills,
8 notes, and bonds, as traded on the open market; (iii) Zero Coupon United States
9 Treasury Bonds; and (iv) Refcorp Interest Strips (stripped by the Federal Reserve
10 Bank of New York).

11 (z) "Information Services" means national information services that
12 disseminate securities redemption notices; or, in accordance with then-current
13 guidelines of the Securities and Exchange Commission, such other services providing
14 information with respect to called bonds as the District and the Paying Agent or as
15 the Paying Agent may select.

16 (aa) "Maturity Value" means the Accreted Value of any Capital
17 Appreciation Bond on its maturity date.

18 (bb) "Nominee" means the nominee of the Depository, which may be the
19 Depository, as determined from time to time pursuant to Section 5(c) hereof.

20 (cc) "Outstanding," when used with reference to the Refunding Bonds,
21 means, as of any date, Refunding Bonds theretofore issued or thereupon being issued
22 under this Resolution except:

23 (i) Refunding Bonds canceled at or prior to such date;

24 (ii) Refunding Bonds in lieu of or in substitution for which
25 other refunding bonds shall have been delivered pursuant to this Resolution; or

26 (iii) Refunding Bonds for the payment or redemption of which
27 funds or Federal Securities in the necessary amount shall have been set aside

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1 (whether on or prior to the maturity or redemption date of such Refunding Bonds),
2 in accordance with Section 19 of this Resolution.

3 (dd) "Owner" means the registered owner of a Refunding Bond as set
4 forth on the registration books maintained by the Paying Agent pursuant to Section
5 7 hereof.

6 (ee) "Participants" means those broker-dealers, banks and other
7 financial institutions from time to time for which the Depository holds book-entry
8 certificates as securities depository.

9 (ff) "Paying Agent" means The Bank of New York Mellon Trust Company,
10 N.A., or such other institution that the Superintendent shall appoint.

11 (gg) "Principal" or "Principal Amount" means, with respect to any
12 Current Interest Bond, the principal or principal amount thereof and, with respect
13 to any Capital Appreciation Bond, the Denominational Amount.

14 (hh) "Purchase Contract" means the Bond Purchase Contract by and
15 between the District and the Underwriter relating to the Refunding Bonds.

16 (ii) "Record Date" means, with respect to the Current Interest Bonds,
17 the close of business on the fifteenth day of the month preceding each Bond Payment
18 Date.

19 (jj) "Refunded Bonds" means the portion of the outstanding Series 2000
20 Bonds designated in the Escrow Agreement as the Series 2000 Bonds to be defeased
21 with a portion of the proceeds of the Refunding Bonds.

22 (kk) "Securities Depositories" means The Depository Trust Company, 55
23 Water Street, New York, New York 10041, Attn: Redemption Area, Facsimile
24 transmission: (212) 855 7232, (212) 855 7233, or such other securities
25 depositories as are designated by the District or the Paying Agent and whose
26 business is to perform the functions of a clearing agency with respect to exempted
27 securities, as defined in Section 3(a)(12) of the Securities Exchange Act of 1934,
28 and who is registered as a clearing agency under Section 17A of the Act;

29 (ll) "State" means the State of California.