RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF BUTTE, STATE OF CALIFORNIA, AUTHORIZING THE CHICO UNIFIED SCHOOL DISTRICT TO SELL BONDS DIRECTLY, AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL

WHEREAS, the Chico Unified School District (the "District") is a unified school district located within the County of Butte (the "County"), State of California (the "State"), and is organized and operating pursuant to the Constitution and laws of the State; and

WHEREAS, an election was duly and regularly held in the District (the "District") on November 8, 2016, in accordance with Section 1(b)(3) of Article XIII A of the California Constitution, for the purpose of submitting Measure K (the "Bond Measure") to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of $152,000,000, and more than the requisite 55% of votes cast were in favor of the Bond Measure; and

WHEREAS, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code ("the Bond Law"), general obligation bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to voters in the Bond Measure; and

WHEREAS, on April 25, 2017, the District issued its $20,000,000 aggregate principal amount of General Obligation Bonds Election of 2016, Series A-1 and its $25,000,000 aggregate principal amount of General Obligation Bonds Election of 2016, Series A-2, all pursuant to the authorization of the Bond Measure and the Bond Law; and

WHEREAS, the Board of Supervisors of the County (the "Board") has received a certified, adopted copy of Resolution No. 1499.19 of the Board of Education of the District (the "District Resolution"), authorizing the issuance of a third series of bonds pursuant to the Bond Measure in an aggregate principal amount not-to-exceed $55,000,000 to be designated the "Chico Unified School District (Butte County, California) General Obligation Bonds Election of 2016, Series B" (the "Bonds"); and

WHEREAS, the District has not received a qualified or negative certification in its most recent interim report; and

WHEREAS, California Education Code Section 15140(b) authorizes a county board of supervisors to adopt a resolution providing that, in specified circumstances, the governing board of a school district over which the county superintendent of schools has jurisdiction may issue and sell bonds on its own behalf and without further action by the board of supervisors or other offices of the county; and

WHEREAS, this Board desires to make such procedures available to the Board of Education of the District with regard to the Bonds; and
WHEREAS, pursuant to the District Resolution, the District has formally requested to have the Auditor-Controller of the County (the “Auditor-Controller”) levy ad valorem taxes in an amount sufficient to pay the principal of and interest on the Bonds when due, and to place on its 2019-20 tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule for the Bonds that will be provided to the Auditor-Controller and Treasurer-Tax Collector of the County (the "Treasurer") by the District following the sale of the Bonds.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Supervisors of the County of Butte as follows:

Section 1. Issuance of Bonds. This Board authorizes the District to issue and sell the Bonds on its own behalf under the Authorization, in one or more series of bonds, and in the maximum principal amount of $55,000,000, without further action by this Board.

Section 2. Levy and Collection of Tax for Payment of Bonds. This Board authorizes the levy and collection, on all taxable property in the County situated within the District, during the period when any of the Bonds are outstanding, ad valorem taxes in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, shall be paid to the Treasurer pursuant to Section 15251 of the Education Code.

Section 3. Preparation of Tax Roll. The Auditor-Controller is further authorized and directed to maintain on its 2019-20 tax roll, and all subsequent tax rolls until the Bonds are paid in accordance with their terms, taxes in an amount not less than sufficient to fulfill the requirements of the debt service schedule for the Bonds.

Section 4. Coordination with District on Tax Levy. The Board of Education of the District has requested this Board to establish an annual reserve for the purpose of avoiding fluctuating tax levies, as permitted under California Education Code Section 15250. This Board hereby authorizes the office of the Auditor-Controller to coordinate with the Assistant Superintendent, Business Services, of the District regarding the rate of the taxes to be levied.

Section 5. Other Actions. The Chair of the Board, the Clerk of the Board, the County Auditor-Controller, the County Counsel, and the Treasurer and the deputies and designees of such officers, are hereby authorized and directed to execute and deliver any and all certificates, representations or agreements as may be acceptable to County Counsel, and which are deemed necessary and desirable to accomplish the transactions authorized herein or to otherwise comply with the terms of this Resolution. Such actions heretofore taken by such officers, officials or staff are hereby ratified, confirmed and approved.

Section 6. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Butte County Board of Supervisors this 21st day of May, 2019, by the following vote:

AYES: Supervisors Connelly, Lucero, Ritter, Teeter, and Chair Lambert
NOES: None
ABSENT: None
NOT VOTING: None

Steve Lambert, Chair
Butte County Board of Supervisors

ATTEST:
Shari McCracken, Chief Administrative Officer
and Clerk of the Board of Supervisors

By: Deputy