DEPARTMENT: County Counsel  
BY: Jeffrey G. Green  
PHONE: 966-3625

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes___ No_X)

Adopt this Resolution declining participation in the issuance of Tax and Revenue Anticipation Notes on behalf of the Mariposa County Unified School District. Further authorize the Clerk of the Board to attest that the Board does not wish to participate in this program by signing the attached memorandum to the School District. Counsel’s letter to the Board, which is attached to this action, provides justification of this recommendation. A brief synopsis of the program is outlined in a letter from Piper Jaffray, Inc. which is also attached.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

None on this action.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve this Resolution. Direct Counsel to prepare a Resolution authorizing the issuance of Tax and Revenue Anticipation Notes on behalf of the Mariposa County Unified School District.

COSTS: (x) Not Applicable  
A. Budgeted current FY  
B. Total anticipated costs  
C. Required additional funding  
D. Internal transfers  

SOURCE: ( ) 4/5ths Vote Required  
A. Unanticipated revenues  
B. Reserve for contingencies  
C. Source description:  
Balance in Reserve for Contingencies, if approved: $  

SPECIAL INSTRUCTIONS:  
List the attachments and number the pages consecutively:  
Counsel’s letter to Board of 4/12/93  
Memorandum to School District  
Piper Jaffray letter of 4/5/93

CLERK’S USE ONLY:  
Res. No.:  
Ord. No.:  
Vote - Ayes:  
Noes:  
Absent:  
Abstained:  
Approved: ( ) Denied:  
( ) Minute Order Attached ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Date:  
ATTEST:  
MARGIE WILLIAMS, Clerk of the Board  
County of Mariposa, State of California

By:  
Deputy

ADMINISTRATIVE OFFICER’S RECOMMENDATION:
This item on agenda as:

Recommended  
Not Recommended  
For Policy Determination  
Submitted with Comment  
Returned for Further Action

Comment:  

A.O. Initials:  

Action Form Revised 5/92
MEMORANDUM TO: Mariposa County Unified School District

Pursuant to California Government Code Section 53853(b), this will serve as notice that the Board of Supervisors of the County of Mariposa will not authorize issuance of Tax and Revenue Anticipation Notes on behalf of the above named District within 45 calendar days following its receipt of the resolution of the above named District.

[Signature]

Clerk of the Board of Supervisors of the County of Mariposa

April 21, May 1, 1993
TO: Board of Supervisors
FROM: Jeffrey G. Green, County Counsel
RE: Letter from Piper Jaffray dated April 5, 1993
re Mariposa County Unified School District

Dear Board Members:

We have received the above request on behalf of the Mariposa County Unified School District to have the County participate in the issuance of revenue anticipation notes. If the County declines to participate in this, then the school district can cause the bonds to be issued. It is my recommendation that we decline so that the school district can go through their process and issue the bonds without County involvement.

Very truly yours,

[Signature]
Jeffrey G. Green
County Counsel

vk

Enc. 2
April 5, 1993

BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jeffrey G. Green
Mariposa County Counsel
5100 Boullion
Mariposa, CA 95338

Don Z. Phillips
Treasurer-Tax Collector
4982 10th Street
Mariposa, CA

Bill Pettus
Mariposa County Unified School District
5081 Highway 140
Mariposa, CA 95338

Dear Mr. Green, Mr. Phillips and Mr. Pettus:

Pursuant to the provisions of California Government Code Section 53853 we are writing to you on behalf of the following district listed below (as used hereinafter, the "District"):

Mariposa County Unified School District

The District has elected to participate in a cash flow borrowing program (the "Program") sponsored by the California School Boards Association Finance Corporation. As in prior years, the Program is structured to provide participating school districts, community college districts and county boards of education with economies of scale in reducing the staff time and issuance costs incurred in tax and revenue anticipation note ("TRAN") borrowings. A TRAN will be issued by or on behalf of the District and either pooled with some or all of the other participating districts in the Program or sold on a stand-alone basis. The stand-alone option is a new feature this year, although expected to be used only in extraordinary cases (if any). In addition, the Program has undergone a structural modification. Rather than marketing the TRANs of all participating districts through the sale of Certificates of Participation, a newly created joint powers authority, the California School Cash Reserve Program Authority, in connection with TRANs that are pooled, will issue one or more series of Bonds (a single series of Bonds corresponding to each pool if there is more than one), the principal of and interest on which will be paid from principal and interest payments on the TRANs in the corresponding pool. Alternatively, the Authority may market a participating district's TRAN on a stand-alone basis. Such a TRAN would be issued in
conjunction with the pooled TRANs and other stand-alone TRANs. Enclosed is an Executive Summary of the Program prepared by Orrick, Herrington & Sutcliffe, bond counsel, which provides an overview as to how the Program is structured.

The District respectfully requests that the County Board of Supervisors adopt resolutions authorizing issuance of a TRAN on its behalf. To that end, we are enclosing the following with respect to the District:

(1) Resolution of District Governing Board approving borrowing; and

(2) Form of Resolution of the Board of Supervisors of the County approving issuance of Note and directing officials to take certain actions.

We are also enclosing forms of Indentures, a form of Purchase Agreement and forms of Credit Agreements which will be used in connection with the Program. These documents are referenced in the resolutions.

Under California Government Code Section 53853, the County Board of Supervisors must issue the TRANs on behalf of districts or boards of education that do not have fiscal accountability status. **AN EXCEPTION APPLIES TO TRANS ISSUED IN CONJUNCTION WITH OTHER TRANS: IF THE BOARD DOES NOT ADOPT THE AUTHORIZING RESOLUTION (FORM ENCLOSED) WITHIN 45 DAYS FOLLOWING RECEIPT OF THE ENCLOSED DISTRICT (OR BOARD OF EDUCATION) RESOLUTION OR NOTIFIES THE DISTRICT (OR BOARD OF EDUCATION) THAT IT WILL NOT DO SO WITHIN THAT 45 DAY PERIOD, THE DISTRICT (OR BOARD OF EDUCATION) MAY ISSUE THE TRAN IN ITS OWN NAME. THEREFORE, THE COUNTY HAS THE OPTION TO DO NOTHING.**

If the County determines that it will not adopt a resolution for the District within the 45 day period, it would be greatly appreciated if notice to that effect (a form of which is enclosed in County Counsel's packet) is signed and returned to Orrick, Herrington & Sutcliffe in the enclosed letter-sized self-addressed, stamped envelope.

Alternatively, if the Board of Supervisors will adopt a resolution for the District, please return a certified original of the each county resolution after it is adopted to Orrick, Herrington & Sutcliffe in the large self-addressed envelope enclosed in County Counsel's packet. In such case, following adoption of the resolutions, Orrick, Herrington & Sutcliffe will send Notes and Closing Certificates to the County for signatures. This will occur in mid-June.
Should you have any questions regarding the enclosed materials, please call the following individuals at Orrick, Herrington & Sutcliffe:

(1) Lee Sutherland, legal assistant (415) 773-5480
(2) Adrienne Weil, Esq. (415) 773-5738.

On behalf of the District, we thank you for your cooperation in effecting a successful financing.

Very truly yours,

PIPER JAFFRAY INC.