

CITY OF PORTERVILLE

RESOLUTION NO. ____

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BONDS TO REFUND CERTAIN PENSION OBLIGATIONS OF THE CITY, APPROVING THE FORM AND AUTHORIZING DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the City Council (the "Council") of the City of Porterville (the "City"), Tulare County, State of California, as follows:

WHEREAS, the City has previously elected to become a contracting member of the California Public Employees' Retirement System ("CalPERS");

WHEREAS, the Public Employees' Retirement Law (commencing with section 20000 of the California Government Code) and the contract (the "CalPERS Contract") between the Board of Administration of CalPERS and the City Council of the City (the "City Council") obligate the City to (i) make contributions to CalPERS to fund pension benefits for certain City employees, (ii) amortize the unfunded accrued actuarial liability with respect to such pension benefits, and (iii) appropriate funds for the foregoing purposes;

WHEREAS, the City desires to authorize the issuance of its City of Porterville Pension Obligation Bonds, Series 2022 (Federally Taxable) (the "Bonds"), in a principal amount not to exceed \$58,500,000, pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with section 53570 of said Code, for the purpose of refunding all or a portion of the City's obligation to CalPERS, as evidenced by the CalPERS Contract, to pay the unfunded accrued actuarial liability of the City with respect to pension benefits for its Miscellaneous and Safety Plans under the Public Employees' Retirement Law, and paying the costs of issuance of the Bonds;

WHEREAS, on April 5, 2022, the City adopted its Resolution No. 42-2022 authorizing issuance of the Bonds subject to final approval by the Council;

WHEREAS, a preliminary official statement to be used in connection with the offering and sale of the Bonds has been prepared and it is appropriate at this time for the Council to approve the form thereof and its distribution to prospective purchasers of the Bonds; and

WHEREAS, pursuant to section 5852.1 of the Government Code, certain information relating to the Bonds is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTERVILLE AS FOLLOWS:

SECTION 1. Authorization. The Bonds are hereby authorized to be issued by the City under and subject to the terms of the Bond Law for the purpose of refunding the City's

obligation to CalPERS evidenced by the CalPERS Contract and paying the costs of issuance of the Bonds.

SECTION 2. Approval of the Preliminary Official Statement. The Council hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, a preliminary official statement describing the Bonds in the form on file with the City Clerk (the "Preliminary Official Statement"). Distribution of the Preliminary Official Statement by Oppenheimer & Co. Inc. (the "Underwriter") to prospective purchasers of the Bonds is hereby approved. The Mayor, the City Manager and the Finance Director, or any designee thereof (each, an "Authorized Officer"), each acting alone, are hereby authorized to execute the final form of an official statement, including as it may be modified by such additions thereto and changes therein as an Authorized Officer shall deem necessary, desirable or appropriate (the "Final Official Statement"), and the execution of the Final Official Statement by an Authorized Officer shall be conclusive evidence of the approval of any such additions and changes. The Council hereby authorizes the distribution of the Final Official Statement by the Underwriter. The Final Official Statement shall be executed in the name and on behalf of the City by an Authorized Officer.

SECTION 3. Approval of Bond Purchase Agreement. The Council hereby authorizes the sale of the Bonds to the Underwriter so long as the true interest rate on the Bonds does not exceed ____% per annum and Underwriter's discount, excluding original issue discount which does not constitute compensation to the Underwriter, does not exceed 0.30%. A bond purchase agreement, by and between the City and the Underwriter (the "Bond Purchase Agreement"), in the form on file with the City Clerk, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Bond Purchase Agreement in such form together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, subject to the advice of Bond Counsel and the City Attorney, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. Under no circumstances shall the elected Mayor be authorized to make any such changes on his or her own. The Council hereby authorizes the delivery and performance of the Bond Purchase Agreement.

SECTION 4. Approval of Continuing Disclosure Certificate. The continuing disclosure certificate, in the form on file with the City Clerk (the "Continuing Disclosure Certificate"), is hereby approved and any Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Certificate in such form together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Continuing Disclosure Certificate. The Council hereby authorizes the delivery and performance of the Continuing Disclosure Certificate.

SECTION 5. Official Actions. The Mayor, the City Manager, the Finance Director, the City Clerk, and all other officers of the City are each authorized and directed in the name and on behalf of the City to make any and all assignments, certificates, agreements, notices, consents, instruments of conveyance and other documents, which they or any of them might deem necessary or appropriate in order to consummate the issuance of the Bonds, and any of the other transactions approved or contemplated by this Resolution and Resolution No. 6021. Whenever in this Resolution any officer of the City is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

SECTION 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

SECTION 7. Certification. The City Clerk shall certify to the passage and adoption hereof.

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I, the undersigned hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the City Council of the City of Porterville in a regular meeting assembled on the 20th day of September, 2022, by the following vote to wit:

YAES:

NOES:

ABSENT:

ABSTENTIONS:

City Clerk

EXHIBIT A**GOVERNMENT CODE SECTION 5852.1 DISCLOSURE**

The following information consists of estimates that have been provided by the City's municipal advisor which has been represented to have been provided in good faith:

- (A) True Interest Cost of the Bonds: ____%
- (B) Finance Charges (Costs of Issuance): \$____
- (C) Net Proceeds to be Received for the Bonds (net of finance charges): \$____
- (D) Total Payment Amount through Maturity: \$____

The foregoing estimates constitute good faith estimates only.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates with respect to the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.