



Agenda

Tuesday, February 12, 2019

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m.

1. **CALL TO ORDER**
ROLL CALL – Clerk to the Board
2. **ELECTION OF OFFICERS**
3. **APPROVAL OF MINUTES**
Approval of the minutes from the December 18, 2018 regular meeting.
4. **CONSENT CALENDAR**
A. Consideration of approving resolution 19-01M for the addition of program participants to the Authority.
B. Consideration of Invoice request 19-01IR for WIPFLi for financial statement audit June 30, 2018.
5. **NEW BUSINESS**
A. Consideration of approving resolution 19-01A for Trinity Classical Academy, City of Santa Clarita, County of Los Angeles; up to \$20,000,000 of revenue bonds. (Staff – Caitlin Lanctot)
6. **PUBLIC COMMENT**
Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.
7. **STAFF UPDATES**
8. **ADJOURNMENT**
Adjourn as the California Public Finance Authority.



CALIFORNIA
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3. APPROVAL OF MINUTES

Approval of the minutes from the December 18, 2018 regular meeting.



Action Summary

Tuesday, December 18, 2018

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m.

B 1

1. **CALL TO ORDER**
ROLL CALL – Clerk to the Board
ALL MEMBERS PRESENT

2. **APPROVAL OF MINUTES**
Approval of the minutes from the December 4, 2018 regular meeting.
ACTION: APPROVED AS PRESENTED (DV/RF/JN/CP/RV-Aye)

3. **CONSENT CALENDAR**
A. Consideration of approving the 2019 CalPFA calendar.
ACTION: APPROVED AS PRESENTED (DV/CP/JN/RF/RV-Aye)

4. **NEW BUSINESS**
A. Consideration and approval of the CalPFA Audited Financial Statements for the fiscal year ending June 30, 2018. (Staff – Mike LaPierre/Audrey Hall)
ACTION: APPROVED AS PRESENTED (RF/JN/DV/CP/RV-Aye)

5. **PUBLIC COMMENT**
Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.
None

6. **STAFF UPDATES**
None

7. **ADJOURNMENT**
The meeting was adjourned at 11:02 a.m.



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4. **CONSENT CALENDAR**

- A. Consideration of approving resolution 19-01M for the addition of program participants to the Authority.

RESOLUTION NO. 19-01M

**RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY APPROVING
AND RATIFYING THE ADDITION OF PROGRAM PARTICIPANTS TO THE
AUTHORITY**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Kings County and the Housing Authority of Kings County entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized;

WHEREAS, pursuant to Section 12 of the Agreement, the Authority may add a qualifying public agency to become a Non-Charter Member (an "Additional Member") upon the filing by such public agency with the Authority of a resolution of the governing body of such public agency requesting to be added as an Additional Member of the Authority and adoption of a resolution of the Board approving the addition of such public agency as an Additional Member;

WHEREAS, the Cities and/or Counties listed on Exhibit A hereto (the "City/County") have by resolution requested to join the Authority and the Authority has authorized each such City/County to become an Additional Member pursuant to the provisions of the Agreement;

WHEREAS, the Board hereby finds and determines that each City/County is qualified to be added as an Additional Member to the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of the California Public Finance Authority, as follows:

Section 1. This Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The addition of the Cities and/or Counties listed on Exhibit A hereto as Additional Members of the Authority is hereby approved, confirmed and ratified, and any actions heretofore taken on behalf of each City/County is hereby approved, confirmed and ratified.

Section 3. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Public Finance Authority this 12th day of February 2019.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called meeting of the Board of Directors of the Authority held in accordance with law on February 12, 2019.

By: _____
Authorized Signatory
California Public Finance Authority

EXHIBIT A

**ADDITION OF CITIES AND/OR COUNTIES AS ADDITIONAL MEMBERS OF THE
CALIFORNIA PUBLIC FINANCE AUTHORITY**

1. City of Montebello
2. County of Sonoma
3. City of Hayward



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4. **CONSENT CALENDAR**

B. Consideration of Invoice request 19-01IR for WIPFLi for financial statement audit June 30, 2018.



CPAs and Consultants

2501 West Beltline Highway, Ste 401
PO Box 8700
Madison WI 53713
Federal ID# 39-0758449

INVOICE

California Public Finance Authority
2999 Oak Rd Ste 710
Walnut Creek CA 94597

Date: 12/31/18
Page: 1
Client #: 425645
Invoice #: 1352375
Billor: Zachary Mayer
Phone: (608) 270-2909
Email: zmayer@wipfli.com

ACCOUNTS DUE AND PAYABLE WITHIN 30 DAYS

Final billing for CalPFA June 30, 2018, financial statement audit	5,000.00
Total	<u>\$ 5,000.00</u>

***** Please return remittance coupon with payment *****

All business or commercial accounts will be charged interest at the lesser of one percent (1%) per month or the maximum rate permitted by law, except where prohibited by law.

Remit payment to:

WIPFLI LLP
PO BOX 3160
MILWAUKEE WI 53201-3160

California Public Finance Authority
Client #: 425645
Invoice #: 1352375
Amount Due: \$5,000.00

0425645 1352375 00005000005



CALIFORNIA
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5. **NEW BUSINESS**

A. Consideration of approving resolution 19-01A for Trinity Classical Academy, City of Santa Clarita, County of Los Angeles; up to \$20,000,000 of revenue bonds. (Staff – Caitlin Lanctot)



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DATE:	FEBRUARY 12, 2019
APPLICANT:	TRINITY CLASSICAL ACADEMY
AMOUNT:	UP TO \$20 MILLION OF TAX-EXEMPT AND TAXABLE BONDS
PURPOSE:	FINANCE, REFINANCE OR REIMBURSE THE ACQUISITION OF EDUCATIONAL FACILITIES
PRIMARY ACTIVITY:	K-12 SCHOOL
LEGAL STRUCTURE:	NONPROFIT PUBLIC BENEFIT CORPORATION

Trinity Classical Academy (the “Borrower” or “Trinity”) is a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code. The Borrower operates a private Christian school that currently serves approximately 550 students grades pre-kindergarten through 12.

Trinity is a coeducational, college preparatory, independent, liberal arts K-12 school that was founded in 2001 on the classical educational model. The mission of Trinity Classical Academy is to offer a challenging education grounded in the Classical tradition to produce young men and women of virtue, wisdom, purpose, and courage.

The school operates from a leased campus located at 28310 Kelly Johnson Parkway, Valencia (Santa Clarita), California 91355 that will be purchased with bond proceeds.

Description of Proposed Project:

The Borrower will use the proceeds of the Series 2019 Bonds to finance, refinance or reimburse costs of acquisition of all but the northwest 2.25 acres of an approximate 11 acre site and the 48,559 square foot two-story building located thereon, all located at 28310 Kelly Johnson Parkway, Valencia (Santa Clarita), California 91355 (the “Facilities”), and other costs and reserves in connection with such acquisition and the issuance of the Bonds (collectively, the “Project”).

The Borrower has requested CalPFA to issue up to \$20,000,000 to assist the Borrower in paying the costs in acquiring the Facilities; funding a debt service reserve fund for the Bonds; and paying certain Bond issuance expenses. The Borrower anticipates contributing approximately \$800,000 of equity for the cost of the acquisition.

TEFRA Information:

A TEFRA hearing will be held by Kings County on February 12, 2019 and the City of Santa Clarita on February 26, 2019.

Financing Structure:

The Bonds will mature in no more than 35 years and bear interest at an average coupon rate not to exceed 10.00%. The Bonds will be sold through a limited offering to qualified institutional or accredited buyers. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Tax-Exempt Bond Proceeds	\$	15,470,000
Taxable Bond Proceeds	\$	330,000
Borrower Equity Contribution	\$	<u>800,000</u>
Total Sources:	\$	16,600,000

Uses:

Building Acquisition	\$	14,800,000
Cost of Issuance	\$	698,000
Reserves	\$	<u>1,102,000</u>
Total Uses:	\$	16,600,000

Recommendations:

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of an obligation;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefit:

The public benefits provided by the Trinity Classical Academy School project are numerous. Trinity provides exceptional and challenging educational experiences through extracurricular activities, Advanced Placement courses, gifted programs, special education offerings and optional home school programs. Students that attend Trinity constantly score high on standardized tests and college entrance exams, with 100% of the school's graduates having been accepted to a four-year college or university. The school currently employs 130 staff members, including 53 teachers with a 95%+ retention rate. Acquisition of the School building helps the future of the organization and allows the School to grow and expand.

RESOLUTION NO. 19-01A

CALIFORNIA PUBLIC FINANCE AUTHORITY

**A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN A
PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000 TO FINANCE THE
ACQUISITION OF EDUCATIONAL FACILITIES BY TRINITY CLASSICAL
ACADEMY AND OTHER MATTERS RELATING THERETO**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Kings County and the Housing Authority of Kings County (the "Charter Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized;

WHEREAS, the City of Santa Clarita, California (the "City") has by resolution requested to join the Authority and the Authority has authorized the City to become an Additional Member pursuant to the provisions of the Agreement;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with and to make loans to assist in the financing of certain projects;

WHEREAS, Trinity Classical Academy, a California nonprofit religious corporation (the "Corporation"), wishes to finance the acquisition by the Corporation of all but the northwest 2.25 acres of an approximate 11 acre site and the 48,559 square foot two-story building located thereon, all located at 28310 Kelly Johnson Parkway, Valencia (Santa Clarita), California 91355 (the "Facilities"), and other costs and reserves in connection with such acquisition and the issuance of the Bonds (collectively, the "Project"), the Facilities to be owned and operated by the Corporation and located in the City of Santa Clarita, California;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing the Project;

WHEREAS, pursuant to an Indenture (the "Indenture"), between the Authority and Wilmington Trust, National Association (the "Trustee"), the Authority will issue its California Public Finance Authority Educational Facilities Revenue Bonds, Series 2019 (Trinity Classical Academy Project) (the "Bonds") in one or more series for the purpose, among others, of financing the Project;

WHEREAS, pursuant to a Loan Agreement (the "Loan Agreement"), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of financing the Project;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith

estimates from the Corporation and has disclosed such good faith estimates as set forth on Exhibit A attached hereto;

WHEREAS, pursuant to a Bond Purchase Agreement, to be dated the date of sale of the Bonds (the “Purchase Agreement”), among B.C. Ziegler and Company, as underwriter (the “Underwriter”), the Authority and the Corporation, the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project;

WHEREAS, the Bonds will be offered for sale by the Underwriter to Qualified Institutional Buyers, Accredited Investors and Qualified Institutional Managers (as such terms are defined in the Indenture) through the Limited Offering Memorandum (defined below);

WHEREAS, Bond Counsel has advised the Authority that assisting the Corporation in the financing of the Project is authorized by the Act and other applicable provisions of law;

WHEREAS, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) A proposed form of the Indenture;
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Purchase Agreement; and
- (4) A proposed form of Limited Offering Memorandum (the “Limited Offering Memorandum”) to be used by the Underwriter in connection with the offering and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

Section 1. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Educational Facilities Revenue Bonds, Series 2019 (Trinity Classical Academy Project)” in one or more series in an aggregate principal amount not to exceed twenty million dollars (\$20,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 18-01C of the Authority, adopted on December 4, 2018 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Indenture, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the

execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed form of Loan Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Purchase Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Agreement, in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of Limited Offering Memorandum, as made available to the Board of Directors, is hereby approved. The Underwriter is hereby authorized to distribute the Limited Offering Memorandum in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Limited Offering Memorandum in final form, in substantially the form of the preliminary Limited Offering Memorandum, to the purchasers of the Bonds.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City of Santa Clarita, California, and Kings County have each held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing for the Project.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 12th day of February, 2019

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on February 12, 2019.

By: _____
Authorized Signatory
California Public Finance Authority

EXHIBIT A

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Public Financing Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its board of directors (the "Board") at which Meeting the Board will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: **Trinity Classical Academy**
2. Authority Meeting Date: **February 12, 2019**
3. Name of Obligations: **2019 Trinity Classical Academy Bonds, Series A (tax-exempt) and Series B (taxable).**
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - [(A)] The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): **6.40% estimated all-in True Interest Cost**
 - [(B)] The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$695,750.**
 - [(C)] The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: **\$14,000,000.**
 - [(D)] The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): **\$38,299,280 from 03/01/2019 to 03/01/2054**
5. The good faith estimates [provided above / attached as Schedule A] were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

EXHIBIT A

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, 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 variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend 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 Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: 2/12/2019