

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

COMMUNITY FACILITIES DISTRICT NO. 1

RESOLUTION NO. 2002-04

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT  
PROVIDING FOR THE SALE OF THE RANCHO MURIETA COMMUNITY  
SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 1  
2002 SPECIAL TAX REFUNDING BONDS AND APPROVING THE  
EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT,  
AN OFFICIAL STATEMENT, AN ESCROW AGREEMENT AND A  
CONTINUING DISCLOSURE CERTIFICATE RELATING  
TO SAID BONDS, AND AUTHORIZING CERTAIN  
OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Board of Directors of the Rancho Murieta Community Services District (the "District") duly adopted Resolution No. 2002-03 on June 12, 2002, authorizing the issuance of its Rancho Murieta Community Services District Community Facilities District No. 1 2002 Special Tax Refunding Bonds (the "Refunding Bonds") in the aggregate principal amount of not to exceed nine million dollars (\$9,000,000) in order to provide funds to refund all the outstanding Rancho Murieta Community Services District Community Facilities District No. 1 Special Tax Bonds (the "Bonds") issued pursuant to Resolution No. 90-31 adopted by the Board of Directors of the District on September 19, 1990, as amended and restated by Resolution No. 91-4 adopted by the Board of Directors of the District on February 20, 1991; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the sale of the Refunding Bonds do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to sell the Refunding Bonds in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, AS FOLLOWS:

Section 1. The District hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the District and that the findings of the District set forth above are true and correct, and the District hereby authorizes the sale of the Refunding Bonds as provided herein and finds that a private sale of the Refunding Bonds will result in a lower overall cost to the District.

Section 2. The form of the Bond Purchase Agreement (the “Bond Purchase Agreement”) providing for the sale of the Refunding Bonds proposed to be entered into between E. Wagner & Associates, Inc. (the “Underwriter”) and the District, presented to this meeting and on file with the Secretary of the Board of Directors of the District, is hereby approved, and the General Manager of the District is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver to the Underwriter the Bond Purchase Agreement in substantially said form (which Bond Purchase Agreement shall specify the maturity schedule and the interest rates and the redemption provisions for the Refunding Bonds), with such changes thereto as the General Manager of the District may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that (1) the refunding of the outstanding Bonds with the proceeds of the sale of the Refunding Bonds shall result in a net present value savings of at least five per cent (5%) of the principal amount of the outstanding Bonds; (2) the Refunding Bonds shall bear interest at a true interest cost of not to exceed six and one-half per cent (6-1/2%) per annum (with no single coupon interest rate in excess of nine per cent (9%) per annum); (3) the underwriter’s discount for the purchase of the Refunding Bonds shall be not more than one and one-half per cent (1-1/2%) of the principal amount of the Refunding Bonds; and (4) the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds shall not exceed the total net interest cost to maturity on the outstanding Bonds plus the principal amount of the outstanding Bonds.

Section 3. The Official Statement in preliminary form relating to the Refunding Bonds (the “Official Statement”), presented to this meeting and on file with the Secretary of the Board of Directors of the District, is hereby approved, and the General Manager of the District is hereby authorized and directed to approve the distribution of the Official Statement in preliminary form and to certify on behalf of the District that the Official Statement in preliminary form has been “deemed final” by the District pursuant to Rule 15c2-12 of the Securities and Exchange Commission, and the President of the Board of Directors of the District and the General Manager of the District are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver to the Underwriter the Official Statement in final form, with such changes as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof, and the Underwriter is hereby authorized to distribute copies of the Official Statement to persons who may be interested in the purchase of the Refunding Bonds, including all purchasers of the Refunding Bonds.

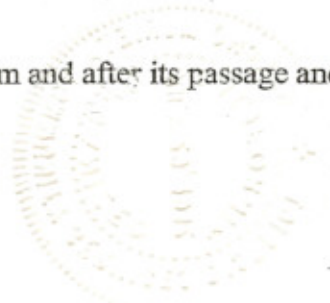
Section 4. The Escrow Agreement (the “Escrow Agreement”) relating to the refunding of the Bonds, presented to this meeting and on file with the Secretary of the Board of Directors of the District, is hereby approved, and the General Manager of the District is hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver to U.S. Bank, N.A. (successor by merger with U.S. Bank Trust National Association), as Escrow Agent thereunder, the Escrow Agreement in substantially said form, with such changes thereto as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) relating to the Refunding Bonds, presented to this meeting and on file with the Secretary of the Board of Directors of the District, is hereby approved, and the General Manager of the District is hereby authorized and directed, for and in the name and on behalf of the

District, to execute and deliver to the Underwriter the Continuing Disclosure Certificate in substantially said form, with such changes thereto as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The officers of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or desirable (including the execution of a tax certificate and any other appropriate certificates of the District, and including (if deemed desirable) purchasing a policy or policies of municipal bond insurance on all or any of the Refunding Bonds and a debt service reserve fund policy or policies for all or any of the Refunding Bonds) in order to consummate the sale of the Refunding Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this resolution and the Refunding Bonds, and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 7. This resolution shall take effect from and after its passage and approval.



PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District this 12th day of June, 2002, by the following vote, to wit:

AYES:        LENSCH, BRENNAN, CRAVENS, KUNTZ, WHITE

NOES:        NONE

ABSTAIN:    NONE

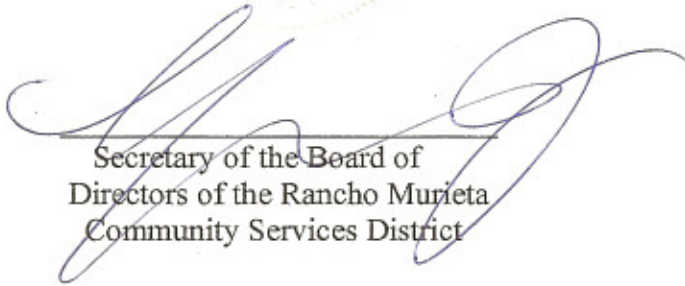
ABSENT:     NONE



President of the Board of  
Directors of the Rancho Murieta  
Community Services District

(SEAL)

ATTEST:



Secretary of the Board of  
Directors of the Rancho Murieta  
Community Services District