



# Board of Directors AGENDA

PLEASANT HILL RECREATION & PARK DISTRICT

147 Gregory Lane  
Pleasant Hill, CA 94523  
(925) 682-0896  
(925) 682-1633 fax  
pleasanthillrec.com

## MISSION STATEMENT

In order to serve the diverse recreational needs of individuals and families and to enrich the quality of life for all residents, the Pleasant Hill Recreation & Park District is committed to providing park facilities, open space, and programs and activities for all ages.

### \*\*\*\*\*SPECIAL BOARD MEETING\*\*\*\*\*

**Wednesday, March 28, 2012**

**ADMINISTRATION OFFICE**

**CONFERENCE ROOM**

**147 GREGORY LANE, PLEASANT HILL**

**These Meetings Will Include a Teleconference Location that is Accessible to the Public**

**TELECONFERENCE LOCATION: Rio Hotel 3700 West Flamingo Road, Las Vegas, NV**

**5:00 p.m.**

### CLOSED SESSION

#### CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9: (One potential case)

**6:00 p.m.**

#### Bond Projects Meeting

#### Est. Time

1. Pledge of Allegiance

2. Roll Call

3. Public Comment

Public comment will be limited to five minutes per person with a maximum time of thirty minutes unless further time is granted by the presiding officer. The public may speak regarding agenda items at the time the matter is taken up. Non-agenda items can be addressed under Public Comment. Members of the public may also speak from the teleconference location at these times.

30 min.

4. To Approve Resolution 2012-03-28A, Authorizing the Issuance and Sale of Its General Obligation Bonds, Election of 2009, Series B (2012) in the Aggregate Principal Amount of Not to Exceed \$8,000,000 **(ACTION)**

30 min.

5. To Consider Going to Bid for the Community Center Bond Project **(ACTION)**

*Documents that are disclosable public records required to be made available under California Government Code Section 54957.5 (b) (1) and (2) are available to the public for inspection at no charge during business hours at our administrative office located at 147 Gregory Lane, Pleasant Hill, California.*

*The Pleasant Hill Recreation & Park District will provide reasonable disability-related modification or accommodations to a person who requires such in order to participate in the meeting of the Board of Directors. Please contact Susie Kubota (925) 682-0896 at least 48 hours before the meeting.*

**7:00 p.m. – Regular Board Meeting**

6. Public Comment  
Public comment will be limited to five minutes per person with a maximum time of thirty minutes unless further time is granted by the presiding officer. The public may speak regarding agenda items at the time the matter is taken up. Non-agenda items can be addressed under Public Comment. Members of the public may also speak from the teleconference location at these times.
- 10 min. 7. Ex-Officio Member Report, Genesis Cassidy – College Park High School
- 5 min. 8. Consent Calendar **(ACTION)**
  - a. To Approve Bills to be Paid
  - b. To Approve Minutes of October 12 and 26, 2011
  - c. To Approve Resolution 2012-03-28C, Authorization to Apply for Local Grant Funds from the East Bay Regional Park District Under Measure WW Park Bond Extension for the Teen Center Bond Project
  - d. To Approve Resolution 2012-03-28D, Authorization to Apply for Local Grant Funds from the East Bay Regional Park District Under Measure WW Park Bond Extension for the Community Center Bond Project
- 20 min. 9. Report on Plans for 2012 Blues and Brews Festival
- 10 min. 10. To Consider Resolution 2012-03-28B, Intention to Approve Amendment to Contract for Public Employee Retirement System **(ACTION)**
- 20 min. 11. Report from Program Committee
- 10 min. 12. Board Announcements and Requests to Staff
- 10 min. 13. Staff Announcements
14. Adjourn

**Future Board of Directors Meetings:**

April 11 and 25, 2012

May 9 and 23, 2012



**EXHIBIT**

California  
Public Employees' Retirement System

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**AMENDMENT TO CONTRACT**

Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
Board of Directors  
Pleasant Hill Recreation and Park District

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The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective January 1, 1984, and witnessed December 22, 1983, and as amended effective August 10, 1990, October 15, 1999, June 28, 2002 and October 19, 2004 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 11 are hereby stricken from said contract as executed effective October 19, 2004, and hereby replaced by the following paragraphs numbered 1 through 13 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members entering membership in the miscellaneous classification on or prior to the effective date of this amendment to contract and age 60 for local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1984 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
  - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
  - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
  - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
  - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
  - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.

- (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.
  - (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
- 4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
  - a. Employees other than local safety members (herein referred to as local miscellaneous members).
- 5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
  - a. **ELECTED OFFICIALS; AND**
  - b. **SAFETY EMPLOYEES.**
- 6. Assets heretofore accumulated with respect to members in the local retirement system have been transferred to the Public Employees' Retirement System and applied against the liability for prior service incurred thereunder. That portion of the assets so transferred which represent the accumulated contributions (plus interest thereof) required of the employees under said local system has been credited to the individual membership account of each such employee under the Public Employees' Retirement System.
- 7. The percentage of final compensation to be provided for local miscellaneous members for each year of credited prior service is 0% and the percentage of final compensation to be provided for each year of credited current service is 100% for local miscellaneous members entering membership in the miscellaneous classification on or prior to the effective date of this amendment to contract and determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified).

8. The percentage of final compensation to be provided for each year of credited current service as a local miscellaneous member entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21353 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 60 Modified).
9. Public Agency elected and elects to be subject to the following optional provisions:
  - a. Section 21536 (Local System Service Credit Included in Basic Death Benefit).
  - b. Section 20965 (Credit for Unused Sick Leave).
  - c. Section 20042 (One-Year Final Compensation) for those local miscellaneous members entering membership on or prior to the effective date of this amendment to contract.
  - d. Section 20903 (Two Years Additional Service Credit).
  - e. Section 20475 (Different Level of Benefits). Section 21353 (2% @ 60 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.
10. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
11. Public Agency shall also contribute to said Retirement System as follows:
  - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
  - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

12. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
13. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BOARD OF ADMINISTRATION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS  
PLEASANT HILL RECREATION AND  
PARK DISTRICT

BY \_\_\_\_\_  
KAREN DE FRANK, CHIEF  
CUSTOMER ACCOUNT SERVICES DIVISION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
PRESIDING OFFICER

\_\_\_\_\_  
Witness Date

Attest:

\_\_\_\_\_  
Clerk





# Board of Directors RESOLUTION

PLEASANT HILL RECREATION & PARK DISTRICT

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pleasanthillrec.com

**PLEASANT HILL RECREATION & PARK DISTRICT  
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA  
BOARD OF DIRECTORS**

**IN THE MATTER TO** **RESOLUTION 2012-03-28B**  
**APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF  
ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND  
THE BOARD OF DIRECTORS PLEASANT HILL RECREATION AND PARK DISTRICT**

**THE PLEASANT HILL RECREATION & PARK DISTRICT BOARD OF DIRECTORS DOES  
FIND:**

**WHEREAS**, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

**WHEREAS**, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

**WHEREAS**, the following is a statement of the proposed change:

To provide Section 20475 (Different Level of Benefits). Section 21353 (2% @60 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

**NOW, THEREFORE, BE IT RESOLVED THAT** the governing board of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

**PASSED AND ADOPTED ON** March 28, 2012, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Dennis Donaghu, Chair

I hereby certify that the foregoing resolution was approved by the vote indicated herein above at the regular meeting of the Board of Directors on March 28, 2012.

\_\_\_\_\_  
Robert B. Berggren, Clerk of the Board



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## MISSION STATEMENT

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**Pleasant Hill Recreation & Park District  
Board of Directors  
Program Committee  
Thursday, March 22, 2012  
10:00 a.m.  
Administration Office  
147 Gregory Lane, Pleasant Hill**

**Chair: Sherry Sterrett  
Member: Bobby Glover**

1. Public Comment
2. Report on Spring/Summer Registration Update - Young
3. KIDSTOP Report - Lischeske
4. Adult Sports Report (Football, Softball, Basketball, Volleyball, Bocce) – Hurtado
5. Update on Donated Bus - Hurtado
6. Waterpolo Report – Riley
7. Facility Rentals – Young
8. Activity Totals Report for January – March 2012
9. Requests to Staff for Next Meeting
10. Set Future Meeting Date

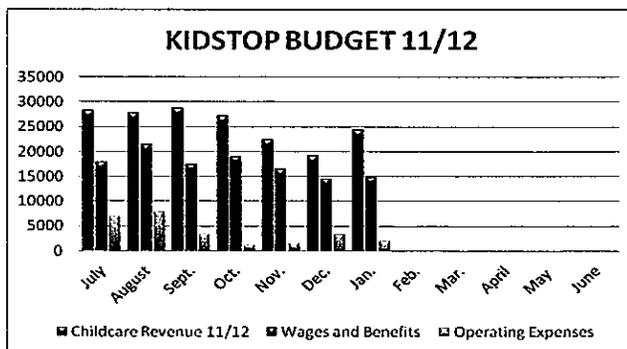
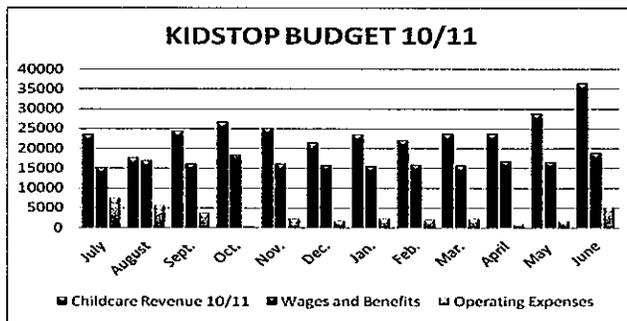
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# Memorandum

**To:** Program Committee  
**From:** Pam Lischeske  
**Date:** 3/20/2012  
**Re:** KIDSTOP Program Report

I am very happy to report that our KIDSTOP numbers are up from last year. At the end of last year we had 93 children enrolled in the program, and as of today's date we have 101 enrolled. On average we have 55 students per day which is what we are staffed for, if we were to hit our maximum of 96 per day we would need to hire on more staff. Our Kindergarten program is full this year with 21 Kindergarteners. We are already enrolling for our summer program, last year we averaged 60 children on a daily basis, based on comments from last summer's program and the amount of inquiries so far this year, we are expecting more this summer. Our program is licensed for 96 children per day both during the school year and in the summer, but we staff according to the number that are actually attending. I am anticipating our revenue numbers to come in above the projected amount. I have included two charts for financial comparisons, one from last year and one with the most current budget figures from this year.



# Transaction Comparison Report

Mar 15, 2012

11:25 AM

Transaction Site: KIDSTOP Children's Center  
 Custom List: Kidstop/Childcare

Daycare Category	Main (Jul 1, 2011-Feb 29, 2012)			3rd (Jul 1, 2010-Feb 28, 2011)		
	Net Reg.	Net Rev.	%	Net Reg.	Net Rev.	%
<b>Adventure Kids Camp</b>						
Online	0	\$0.00	0%	0	\$0.00	0%
Front Desk	93	\$24,138.20	100%	57	\$11,903.50	100%
Adventure Kids Camp subtotal:	93	\$24,138.20		57	\$11,903.50	
<b>Childcare</b>						
Online	0	\$0.00	0%	0	\$0.00	0%
Front Desk	484	\$121,696.20	100%	418	\$112,274.35	100%
Childcare subtotal:	484	\$121,696.20		418	\$112,274.35	
<b>Total:</b>	<b>577</b>	<b>\$145,834.40</b>		<b>475</b>	<b>\$124,177.85</b>	
<b>Report Totals</b>						
Online	0	\$0.00	0%	0	\$0.00	0%
Front Desk	577	\$145,834.40	100%	475	\$124,177.85	100%
Overall	577	\$145,834.40		475	\$124,177.85	

Summary	Average Rev. per Reg.	Growth Over - 3rd Period	
	Main (Jul 1, 2011-Feb 29, (Net Rev. / Net Reg.)	3rd (Jul 1, 2010-Feb 28, Net Reg.	Net Rev.
Online	\$0.00	N/A	N/A
Front Desk	\$252.75	21.47%	17.44%
Overall	\$252.75	21.47%	17.44%

Net online registrations increase/decrease over third period: 0.00%

Net front desk registrations increase/decrease over third period: 0.00%

March 21, 2012

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected 3 on 3 Basketball Budget

**Revenue**

Spring 2012(24 Teams) X \$320 = \$7,680

Summer 2012(24 teams projected) = \$7,680

Fall 2012 (24 teams) = \$7,680

Winter 2012/13 (26 Teams) = \$8,320

Revenue - **\$31,360**

**Expenses**

Admin Time = 1 hour/week for 40 weeks - \$34/hour = \$1,360

Sports Supervisor = \$20,000

Gym Use Fee - \$30/hour = \$4,800

Awards - \$1,600

General Supplies - \$500

Total Expenses - **\$28,260/year approximately**

**Net: \$3,100**

March 21, 2012

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected 5 on 5 Basketball Budget

### Revenue

Spring 2012(16 Teams) X \$560 + NR's \$378 = \$9,338

Summer 2012(20 teams projected) X \$660 + NR's \$420 = \$13,620

Fall 2012 (18 teams) X 560 + NR's \$378 = \$10,458

Winter 2012/13 (22 Teams) X 660 + NR's \$462 = \$14,982

Revenue - **\$48,398**

### Expenses

Admin Time = 1 hour/week for 40 weeks - \$34/hour = \$1,360

Sports Supervisor = \$15,000

Referees (2) - \$20/games = 346 games = \$13,840

Scorekeeper (2) \$9.00/game = \$3,114

Gym Use Fee - \$30/hour = \$4,800

Custodial Overtime - \$28,000

Awards - \$1,600

General Supplies - \$500

Total Expenses - **\$68,214/year approximately**

**Net: -\$19,816**

March 21, 2012

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected Volleyball Budget

**Revenue**

Spring 2012(5 Teams) X \$270 = \$1,350

Summer 2012(6 teams projected) = \$1,620

Fall 2012 (7 teams) = \$1,890

Winter 2012/13 (7 Teams) = \$1,890

Revenue - **\$6,750**

**Expenses**

Admin Time = 1 hour/week for 40 weeks - \$34/hour = \$1,360

Scorekeeper/Gym Supervisor = 3/hours/night x \$9.50 = \$1,140

Gym Use Fee - \$30/hour = \$3,600

Awards - \$360

General Supplies - \$500

Total Expenses - **\$6,960/year approximately**

**Net: -\$210**

July 6, 2011

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected Bocce Budget

### **Revenue**

Spring 2011 = \$6440 + \$1120 in NR fees = \$7560

Summer 2011 = \$6440 + \$1120 in NR fees = \$7560

8 teams on the waiting list – Additional \$2160

Fall 2010 ( 14 teams) = \$3220 + \$560 in NR fees = \$3780

Revenue - **\$21,060**

### **Expenses**

Admin Time = 1 hour/week - \$34/hour

Maintenance Time = 2 hours/week - \$26/hour = \$52

Total - \$86/week X 31 weeks = \$2666

Oyster Shells Annually - \$300

Awards - \$240

General Supplies - \$100

Total Expenses - **\$3306/year approximately**

**Net: \$17,754**

**Potential Revenue could be double with two additional courts**

**Potential Net: \$35,508**

March 21, 2012

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected Flag Football Budget

**Revenue**

Spring 2012 (6 teams) = \$3000 + \$192 in NR fees = \$3192

Summer 2012 (6 teams) = \$3000 + \$192 in NR fees = \$3192

Fall 2012 (8 teams) = \$4000 + \$256 in NR fees = \$4256

Revenue - **\$10,640**

**Expenses**

Admin Time = 1 hour/week - \$34/hour

Maintenance Time = 1 hour/week - \$26/hour = \$26

Total - \$60/week X 21 weeks = \$1260

Awards - \$600

General Supplies/Paint - \$500

Officials (2) - \$25/game = \$3450

Total Expenses - **\$5,810/year approximately**

**Net: \$4,830**

March 21, 2012

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected Soccer Budget

### Revenue

Spring 2012(28 Teams) = \$13,160 + \$800 in NR fees = \$13,960

Summer 2012(24 projected) = \$11,280 + \$800 in NR fees = \$12,080

Fall 2012 (20 teams) = \$7,900 + \$400 in NR fees = \$8,300

Revenue - **\$34,340**

### Expenses

Admin Time = 4 hours/week - \$34/hour = \$136

Maintenance Time = 4 hours/week - \$26/hour = \$104

Scorekeeper = 338(3 seasons) X \$9.50 = \$3,211

Total - \$240/week X 32 weeks = \$7,680

Awards - \$500

General Supplies/Paint - \$4,000

Officials (1) at \$25/game- \$8,450

Total Expenses - **\$23,841/year approximately**

**Net: \$10,499**

March 21, 2012

To: Bob Berggren, General Manager

From: Lance Hurtado, Recreation Supervisor

Re: Projected Softball Budget

### Revenue

Spring 2012(72 Teams) = \$50,040 + \$3456 in NR fees = \$53,496

Summer 2012(80 projected) = \$55,600 + \$3840 in NR fees = \$59,440

Fall 2012 ( 60 teams) = \$35,400 + \$1440 in NR fees = \$36,840

Revenue - **\$149,776**

### Expenses

Admin Time = 10 hours/week - \$34/hour = \$340

Maintenance Time = 20 hours/week - \$26/hour = \$520

Total - \$860/week X 32 weeks = \$27,520

Scorekeeper = 1006(3 seasons) X \$9.50 = \$9,557

Awards - \$15,000

Softballs - \$4000

General Supplies - \$2,000

Officials (2) at \$20/game - \$40,240

Total Expenses - **\$98,317/year approximately**

**Net: \$51,459**

Water Polo Enrollment by Season 2007-2012

Activities Totals Report by Season					
Number - Name	Start Date - End Date Day and Time	Enrollments			Notes
		Res	Non Res	Total	
<b>07 Spring/Summer</b>					
8750.902 - Boys Water Polo Mini Camp	Aug 13, 2007 - Aug 16, 2007 M Tu W Th F at 05:30 PM	8	5	13	
8749.901 - Girls Water Polo Clinic	Aug 6, 2007 - Aug 9, 2007 M Tu W Th at 10:00 AM	19	16	35	
8750.901 - Youth Water Polo Camp	Jun 11, 2007 - Jul 25, 2007 M W at 05:30 PM	3	5	8	
<b>Sub-totals for 07 Spring/Summer:</b>		<b>30</b>	<b>26</b>	<b>56</b>	
<b>07 Fall/Winter</b>					
8750.101 - Winter Ball Water Polo	Nov 26, 2007 - Jan 30, 2008 M W at 05:30 PM	0	0	0	canceled
<b>Sub-totals for 07 Fall/Winter:</b>		<b>0</b>	<b>0</b>	<b>0</b>	
<b>07/08 Winter/Spring</b>					
8750.201 - Winter Water Polo Camp	Nov 27, 2007 - Nov 30, 2007 Tu W Th F at 03:00 PM	11	8	19	
<b>Sub-totals for 07/08 Winter/Spring:</b>		<b>11</b>	<b>8</b>	<b>19</b>	
<b>08 Summer</b>					
8750.302 - Boys Water Polo Mini Camp	Aug 11, 2008 - Aug 14, 2008 M Tu W Th at 05:30 PM	12	3	15	
8750.301 - Girls Water Polo Mini Camp	Aug 18, 2008 - Aug 22, 2008 M Tu W Th F at 08:30 AM	16	6	22	
8750.303 - Youth Water Polo Camp	Jun 17, 2008 - Jul 3, 2008 Tu Th at 11:00 AM	8	3	11	
8750.304 - Youth Water Polo Camp	Jul 15, 2008 - Jul 31, 2008 Tu Th at 11:00 AM	9	3	12	
<b>Sub-totals for 08 Summer:</b>		<b>45</b>	<b>15</b>	<b>60</b>	
<b>2009</b>					
No water polo offered Summer 2009 due to College Park Pool closure					
After summer 2009, evaluated Ed Center schedule to find time for water polo programs and began offering classes again in Summer 2010					
<b>2010 Summer</b>					
8750.901 - Summer Water Polo Camp	Jun 15, 2010 - Jul 29, 2010 Tu Th at 08:00 PM	0	23	23	
8750.902 - Summer Water Polo Camp	Aug 2, 2010 - Aug 12, 2010 M Tu W Th at 05:00 PM	0	24	24	
8750.903 - Youth Water Polo Camp	Jun 22, 2010 - Jul 8, 2010 Tu W Th at 10:30 AM	0	9	9	
8750.904 - Youth Water Polo Camp	Jul 13, 2010 - Jul 29, 2010 Tu W Th at 10:30 AM	6	3	9	
<b>Sub-totals for 2010 Summer:</b>		<b>6</b>	<b>59</b>	<b>65</b>	

# Memo

**To:** Program Committee  
**From:** Tina L. Young, Acting Recreation Superintendent  
**Date:** 3/19/12  
**Re:** Facility Rental Update for Senior and Teen Center

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Kendra, Katrina and I are compiling comparable agency fees, charges and policies and procedures in order to prepare a fees and charges rental information packet for the Senior, Teen and Winslow Center. For the Teen and Senior Center facilities we are trying to find new or newer facilities for comparables. For Senior Center comparables Kendra is looking at Concord, Walnut Creek, Danville, San Ramon, Brentwood and Dublin. For Teen Center comparables, Katrina is looking at Livermore, Hercules, Newark and Santa Clara. Neighboring communities like Walnut Creek, Danville and San Ramon are utilizing school facilities for their teen programming which do not help us for rental comparables.

Some of the areas we are researching are:

- Policies and Procedures
- Deposit Requirements
- Fee Structure: resident, non-resident, commercial, non – profit room charges (co-sponsored groups)
- Equipment Rental Fees
- Early Bird Rates

We are starting to receive internal and public requests to book our Senior and Teen Center in 2013, so the attached facility rental application form is something we can begin distributing to groups and individuals as they request a reservation date.

Our goal is to have one rental information packet that explains all of our facilities, with consistent policies and procedures along with the room and equipment fees and charges listed for each facility. We plan to bring the proposed Senior, Teen and Winslow Centers Rental Fees and Charges packet to the board in May 2012.



# Pleasant Hill Recreation & Park District Facility Rental Application

## Private/Individual/Organization/Company Event Information

Name of Responsible Party: \_\_\_\_\_

Company/Organization Name: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ Zip: \_\_\_\_\_

Day Phone: \_\_\_\_\_ Work Phone: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Cell Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

Designated Alternate Contact Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

### Event

#### CHECK FACILITY REQUESTED :

##### Pleasant Hill Senior Center

- Chateau Hall
- Classroom
- Dining Room
- Commercial Kitchen

##### Teen Center

- Lounge
- Meeting Room

##### Winslow Center

- Rooms 1 & 2
- Assembly Room

#### RENTAL CLASSIFICATION (Please check only one):

- Resident
- Non-resident / Commercial
- Non-profit

Requested Date(s): \_\_\_\_\_  
DAY(S) OF THE WEEK      MONTH      DAY      YEAR

Type of Event: (circle one) Meeting   Seminar/Workshop   Party   Wedding/Reception   Fundraiser/Benefit   Other

SET-UP TIME: \_\_\_\_\_ a.m./p.m. to \_\_\_\_\_ a.m./p.m.      Number in Attendance: \_\_\_\_\_

EVENT TIME: \_\_\_\_\_ a.m./p.m. to \_\_\_\_\_ a.m./p.m.

CLEAN-UP TIME: \_\_\_\_\_ a.m./p.m. to \_\_\_\_\_ a.m./p.m.      Total Hours: \_\_\_\_\_

**Note: "Rental Hours must include all time needed for decorating/set-up, "main event" and clean-up.**

How many rectangular tables required? \_\_\_\_\_ How many round tables required? \_\_\_\_\_ How many chairs required? \_\_\_\_\_

Will alcohol be served? Yes  No  Will alcohol be sold? Yes  No  *If yes, you must obtain an A.B.C. Permit.*

Will food be served? Yes  No  If yes, To be given away  To be sold  Catered

Is there admission to attend event? Yes  No  *If yes, you must obtain a C.C.C. Health Department Food Vendor Permit.*

Will you have Vendors and/or Booths at the event? Yes  No

Will there be Music? Yes  No  If yes, Live Band  DJ  Recorded

Will you bring in any additional equipment and/or decorations? Please describe and include who will bring it ,and when it will be brought in. \_\_\_\_\_

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**BOARD OF DIRECTORS  
PLEASANT HILL RECREATION & PARK DISTRICT  
CONTRA COSTA COUNTY, STATE OF CALIFORNIA**

**RESOLUTION NO. 2012-03-28A**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ITS GENERAL  
OBLIGATION BONDS, ELECTION OF 2009, SERIES B (2012), IN THE  
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$8,000,000**

Adopted March 28, 2012

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**BOARD OF DIRECTORS  
PLEASANT HILL RECREATION & PARK DISTRICT  
CONTRA COSTA COUNTY, STATE OF CALIFORNIA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ITS  
GENERAL OBLIGATION BONDS, ELECTION OF 2009, SERIES B (2012), IN THE  
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$8,000,000**

RESOLVED, by the Board of Directors (the "Board of Directors") of the Pleasant Hill Recreation & Park District (the "District"), as follows:

WHEREAS, a duly called special municipal election was held in the District on August 25, 2009, and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District to provide moneys for the expansion, improvement, acquisition, construction, equipping and renovation of facilities of the District (the "Project"), and to pay costs incident thereto, in the maximum aggregate principal amount of \$28,000,000 payable from the levy of an unlimited *ad valorem* tax against all taxable property in the District (the "Authorization");

WHEREAS, pursuant to section 5790 *et seq.* of the California Public Resources Code (the "Act"), the District is empowered to issue general obligation bonds;

WHEREAS, in 2010, the District issued an initial series of bonds under the Authorization, its \$20,000,000 Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series A (2010);"

WHEREAS, the District wishes at this time to institute proceedings for the issuance and sale of the second and final series of bonds under the Authorization in the aggregate principal amount of not to exceed \$8,000,000, to be identified as the "Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012)" (the "Bonds"), for the purpose of raising funds needed for the Project and other authorized costs; and

WHEREAS, this Board of Directors now desires to authorize the issuance of such general obligation bonds;

## ARTICLE I

### DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

*“Act”* means section 5790 *et seq.* of the California Public Resources Code, as is in effect on the date of adoption hereof and as amended hereafter.

*“Articles,” “Sections”* and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution, and the words *“herein,” “hereof,” “hereunder”* and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

*“Bond Counsel”* means any attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

*“Bonds”* means the Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012), issued and at any time Outstanding pursuant to this Resolution.

*“Closing Date”* means the date upon which there is an exchange of Bonds for the proceeds representing the purchase price of the Bonds by the Original Purchaser.

*“Code”* means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

*“Continuing Disclosure Certificate”* shall mean that certain Continuing Disclosure Certificate executed by the District and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

*“Costs of Issuance”* means all items of expense directly or indirectly reimbursable to the District relating to the issuance, execution and delivery of the Bonds including, but not limited to, filing and recording costs, printing costs, reproduction and binding costs, legal fees and charges, fees and expenses of the Paying Agent, financial and other professional consultant fees, costs of obtaining any credit rating for the Bonds, fees for execution, transportation and safekeeping of the Bonds and charges and fees in connection with the foregoing.

*“County”* means Contra Costa County, California.

*“Debt Service”* means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

*“District Representative”* means the Chair, the Vice Chair, the General Manager or any other person authorized by resolution of the Board of Directors to act on behalf of the District with respect to this Resolution and the Bonds.

*“Fair Market Value”* means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term *“Fair Market Value”* means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security – State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the District and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

*“Federal Securities”* means United States Treasury notes, bonds, bills or certificates of indebtedness or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

*“Net Proceeds,”* when used with reference to the Bonds, means the face amount of the Bonds, plus accrued interest and premium, if any, less original issue discount, if any.

*“Original Purchaser”* means the first purchaser of the Bonds from the District.

*“Outstanding,”* when used as of any particular time with reference to Bonds, means all Bonds except:

(a) Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.02 hereof; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the District pursuant to this Resolution.

*“Owner” or “Bondowner”* mean any person who shall be the registered owner of any Outstanding Bond.

*“Participating Underwriter”* shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

*“Paying Agent”* means U.S. Bank National Association, the Paying Agent appointed by the District and acting as paying agent, registrar and authenticating agent for the Bonds, or such other paying agent as shall be appointed by the District prior to the delivery of the Bonds, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 6.01 hereof.

*“Paying Agent/Bond Registrar/Costs of Issuance Agreement”* means the agreement of that name, dated the Closing Date, by and between the District and the Paying Agent.

*“Principal Office”* means the principal corporate trust office of the Paying Agent in San Francisco, California.

*“Regulations”* means temporary and permanent regulations promulgated under the Code.

*“Resolution”* means this Resolution, including all amendments hereto and supplements hereof which are duly adopted by the Board of Directors from time to time in accordance herewith.

*“S&P”* means Standard & Poor’s Ratings Services.

*“Supplemental Resolution”* means any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Article VIII hereof.

*“Written Request of the District”* means an instrument in writing signed by the District Representative or by any other officer of the District.

Section 1.02. Authority for this Resolution. This Resolution is entered into pursuant to the provisions of the Act.

## ARTICLE II

### THE BONDS

Section 2.01. Authorization. Bonds in the aggregate principal amount of not to exceed eight million dollars (\$8,000,000) are hereby authorized to be issued by the District under and subject to the terms of the Act and this Resolution. This Resolution constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and premiums, if any, and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012)."

#### Section 2.02. Terms of Bonds.

(a) *Form; Numbering*. The Bonds shall be issued as fully registered Bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Bonds maturing in the year of maturity of the Bond for which the denomination is specified. Bonds shall be lettered and numbered as the Paying Agent shall prescribe.

(b) *Date of Bonds*. The Bonds shall be dated as of their date of delivery.

(c) *CUSIP Identification Numbers*. "CUSIP" identification numbers shall be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Bonds. In addition, failure on the part of the District to use such CUSIP numbers in any notice to Owners of the Bonds shall not constitute an Events of Default or any violation of the District's contract with such Owners and shall not impair the effectiveness of any such notice.

(d) *Interest; Maturities*. The Bonds shall bear interest from the date of the Bonds to maturity of each of the Bonds at a rate or rates not in excess of twelve percent (12%) per annum. Interest shall be payable on February 1 and August 1 of each year (the "Interest Payment Dates"), commencing February 1, 2013, until the principal amount has been paid or provided for. Each Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Interest Payment Date, in which event it shall bear interest from such date, or (ii) it is registered and authenticated prior to an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is registered and authenticated prior to January 15, 2013, in which event it shall bear interest from the date described in paragraph (b) of this Section 2.02; *provided, however*, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The Bonds shall mature (or, alternatively, be subject to mandatory sinking fund redemption as hereinafter provided) and become payable on August 1 in the years and in the amounts set forth in, and subject to the alteration thereof permitted by, the Official Notice of Sale approved in accordance with Section 4.01 hereof. The Bonds shall bear interest at such rate or rates as shall be determined upon the sale thereof in accordance with Section 4.01 hereof.

(e) *Payment.* Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Paying Agent mailed via first-class mail to the Owner thereof at such Owner's address as it appears on the registration books maintained by the Paying Agent at the close of business on the fifteenth (15th) day of the month preceding the Interest Payment Date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date. Principal of the Bonds is payable in lawful money of the United States of America at the Principal Office of the Paying Agent.

#### Section 2.03. Redemption.

(a) *Optional Redemption.* The Bonds maturing on or before August 1, 2022, shall not be subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 2023, shall be subject to redemption prior to maturity, at the option of the District, from any available source of funds, on any date on or after August 1, 2022, at a redemption price equal to the principal amount thereof together with accrued interest thereon to the date fixed for redemption, without premium.

(b) *Mandatory Sinking Fund Redemption.* In the event and to the extent specified in the bid of the winning bidder for the Bonds, any maturity of Bonds shall be designated as "Term Bonds" and shall be subject to mandatory sinking fund redemption on August 1 in each of the years set forth in such bid and in the respective principal amounts as set forth in Section 2.02, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If some but not all of such Term Bonds have been redeemed pursuant to the preceding subsection (a) of this Section 2.03, the aggregate principal amount of such Term Bonds to be redeemed in each year pursuant to this subsection (b) shall be reduced on a pro rata basis in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the District with the Paying Agent.

(c) *Selection of Bonds for Redemption.* If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such order as shall be directed by the District and, in lieu of such direction, in inverse order of their maturity. Within a maturity, the Paying Agent shall select the Bonds for redemption by lot;

provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of five thousand dollars (\$5,000) or some integral multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by five thousand dollars (\$5,000).

(d) *Notice of Redemption.* The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, and redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Bonds, or if the registered owner is a syndicate, to the managing member of such syndicate, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices, and by first class mail, postage prepaid, to the District and the respective owners of any registered Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least thirty (30) days, but not more than sixty (60) days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Notwithstanding the foregoing, in the case of any optional redemption of the Bonds, the notice of redemption shall state that the redemption is conditioned upon receipt by the Paying Agent of sufficient moneys to redeem the Bonds on the scheduled redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem the Bonds have not been deposited with the Paying Agent. In the event that the Paying Agent does not receive sufficient funds by the scheduled optional redemption date to so redeem the Bonds to be optionally redeemed, the Paying Agent shall send written notice to the Owners, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the Bonds for which notice of optional redemption was given shall remain Outstanding for all purposes.

(e) *Partial Redemption of Bonds.* Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the registered owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such registered owner, the Paying Agent and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(f) *Effect of Redemption.* Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside with the Paying Agent for such purpose, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in this Section 2.03, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the registered owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 2.03 shall be canceled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be canceled by the Paying Agent.

Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, all as provided in this Resolution, shall no longer be deemed outstanding and shall be surrendered to the Paying Agent for cancellation.

Section 2.04. Form of Bonds. The Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the forms, respectively, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, as are set forth in Exhibit A attached hereto.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the District by the facsimile signatures of a District Representative and the Secretary of the Board of Directors who are in office on the date of adoption of this Resolution or at any time thereafter. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the District by such persons as at the actual date of the execution of such Bond shall be the proper officers of the District although at the nominal date of such Bond any such person shall not have been such officer of the District.

Only such Bonds as shall bear thereon a certificate of authentication and registration in the form set forth in Exhibit A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so registered have

been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

No transfers of Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected for redemption.

Section 2.08. Bond Register. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the District, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed by the District upon the same conditions and in substantially the same manner as the definitive Bonds. If the District issues temporary Bonds it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Office of the Paying Agent and the Paying Agent shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations.

Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Resolution as definitive Bonds executed and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the District and the Paying Agent in the premises. Any Bond issued under the provisions of this Section 2.10 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Bonds issued pursuant to this Resolution.

Section 2.11. Book Entry System. Except as provided below, the owner of all of the Bonds shall be The Depository Trust Company, New York, New York ("DTC"), and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The Bonds shall be initially executed and delivered in the form of a single fully registered Bond for each maturity date of the Bonds in the full aggregate principal amount of the Bonds maturing on such date. The Paying Agent and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for all purposes of this Resolution, and neither the Paying Agent nor the District shall be affected by any notice to the contrary. The Paying Agent and the District shall not have any responsibility or obligation to any participant of DTC (a "Participant"), any person claiming a beneficial ownership interest in the Bonds under or through DTC or a Participant, or any other person which is not shown on the register of the District as being an owner, with respect to the accuracy of any records maintained by DTC or any Participant or the payment by DTC or any Participant of any amount in respect of the principal or interest with respect to the Bonds. The Paying Agent shall cause to be paid all principal and interest with respect to the Bonds received from the District only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal and interest with respect to the Bonds to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Bond. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain Bonds and delivers a written certificate to DTC to that effect, DTC shall notify the Participants of the availability through DTC of Bonds. In such event, the District shall issue,

transfer and exchange Bonds as requested by DTC and any other owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the District shall be obligated to deliver Bonds as described in this Resolution. Whenever DTC requests the District to do so, the District will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Bonds evidencing the Bonds to any DTC Participant having Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Bonds.

## ARTICLE III

### ISSUE OF BONDS; APPLICATION OF BOND PROCEEDS; SECURITY FOR THE BONDS

Section 3.01. Issuance, Award and Delivery of Bonds. At any time after the execution of this Resolution the District may issue and deliver Bonds in the aggregate principal amount of not to exceed eight million dollars (\$8,000,000).

A District Representative, or a designee thereof, shall be, and is hereby, directed to cause the Bonds to be printed and signed, and to be delivered to the credit of the Original Purchaser on receipt of the purchase price therefor and upon performance of the conditions contained in the Notice of Sale (as defined in Section 4.01(a)).

Section 3.02. Application of Proceeds of Sale of Bonds and Other Moneys. On the date of delivery of the Bonds (the "Closing Date"), the proceeds of sale of the Bonds shall be paid by the original purchaser to the Paying Agent. The Paying Agent shall transfer or deposit such proceeds as shall be directed by a District Representative or by NHA Advisors, financial advisor to the District (the "Financial Advisor").

#### Section 3.03. Establishment of Funds and Accounts.

(a) *Costs of Issuance Fund.* If required, the Paying Agent is hereby authorized to create the "Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012), Costs of Issuance Fund" (the "Costs of Issuance Fund"), which shall be held and maintained by the Paying Agent as a separate fund, distinct from all other funds thereof. Amounts on deposit in the Costs of Issuance Fund, if any, shall be disbursed for the purpose of paying all Costs of Issuance. Payment of the Costs of Issuance shall be made only upon the receipt by the Paying Agent of a written request of the District. Moneys on deposit in the Costs of Issuance Fund shall be invested in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, including funds for which the Paying Agent, its affiliates or subsidiaries provide investment, advisory or other management or administrative services. Interest and earnings derived from the investment of amounts on deposit in the Costs of Issuance Fund shall be retained therein until the Costs of Issuance Fund is closed. On August 1, 2012, or such earlier date as shall be designated by the District, all amounts remaining on deposit in the Costs of Issuance Fund shall be withdrawn therefrom by the Paying Agent and transferred to the County Treasurer-Tax Collector for deposit in the Project Fund and the Costs of Issuance Fund shall be closed.

(b) *Project Fund.* There is hereby created the "Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012), Project Fund" (the "Project Fund"), which shall be created and established by the District as a separate fund, distinct from all other funds thereof. Moneys deposited therein shall be used solely by the District for the purpose for which the Bonds are being issued and shall be applied solely to authorized purposes which relate to the acquisition or improvement of real property. In addition, if a separate Costs of Issuance Fund is not created and held by the Paying Agent,

payment of the Costs of Issuance may be made from the Project Fund. Moneys on deposit in the Project Fund shall be invested by the District, but only as follows: (1) in investments permitted by section 53601 of the California Government Code, (2) in the Local Agency Investment Fund (maintained by the State Treasurer), or (3) in one or more investment agreements and/or guaranteed investment contracts, *provided, however*, that such investment agreements and/or guaranteed investment contracts shall comply with the requirements of each rating agency then rating the Bonds. The interest earned on the moneys deposited to the Project Fund shall be retained in the Project Fund and used for the purposes thereof. At the determination of the District, any amounts remaining on deposit in the Project Fund and not needed for the purposes thereof shall be withdrawn from the Project Fund and transferred to the County for deposit in the Interest and Sinking Fund to be applied to the payment of Debt Service.

(c) *Interest and Sinking Fund.* A fund, to be known as the "Pleasant Hill Recreation & Park District, General Obligation Bonds, Election of 2009, Series B (2012), Interest and Sinking Fund" (the "Interest and Sinking Fund"), shall be created and established by the District within the County Treasury as a separate fund, distinct from all other funds thereof. Moneys deposited therein shall be used only for payment of principal of and interest on the Bonds. Moneys on deposit in the Interest and Sinking Fund shall be invested by the County pursuant to direction of the District, but only as follows: (1) in investments permitted by section 53601 of the California Government Code, (2) in the County Treasurer's Pool, (3) in the Local Agency Investment Fund (maintained by the State Treasurer), or (4) in one or more investment agreements and/or guaranteed investment contracts, *provided, however*, that such investment agreements and/or guaranteed investment contracts shall comply with the requirements of each rating agency then rating the Bonds. In lieu of specific direction by the District, moneys on deposit in the County Interest and Sinking Fund shall be invested in the County Treasurer's Pool. If, after payment in full of the Bonds, there is excess moneys in the Interest and Sinking Fund, such excess amounts shall be credited to District taxpayers. The interest earned on the moneys deposited in the Interest and Sinking Fund shall be retained in the Interest and Sinking Fund and used for the purposes thereof. By receipt of a copy of this resolution, the County Treasurer-Tax Collector is hereby requested to maintain the Interest and Sinking Fund.

Section 3.04. Security for the Bonds. There shall be levied by the County on all the taxable property in the District, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the allocable portion of the principal of and interest on the Bonds when due, which moneys when collected will be placed in the Interest and Sinking Fund, which funds are irrevocably pledged for the payment of the principal of and interest on the Bonds when and as the same fall due. The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, shall be transferred by the County to the Paying Agent.

## ARTICLE IV

### SALE OF THE BONDS, OFFICIAL STATEMENT

#### Section 4.01. Sale of the Bonds.

(a) *Official Notice of Sale.* An official notice of sale for the Bonds, such notice to be substantially in accordance with the Official Notice of Sale attached hereto as Exhibit B and by this reference incorporated herein (the "Official Notice of Sale"), is hereby approved, together with any additions thereto or changes therein deemed necessary or advisable.

(b) *Local Notice of Intention to Sell Bonds.* A notice of intention, such notice to be substantially in accordance with the notice of intention attached hereto as Exhibit C and by this reference incorporated herein (the "Local Notice of Intention"), is hereby approved. The Secretary of the Board of Directors is hereby authorized and directed to cause to be published, once at least ten (10) days prior to the date to receive bids, the Local Notice of Intention in the *Contra Costa Times*, a publication generally circulated throughout the District.

(c) *National Notice of Intention to Sell Bonds.* A notice of intention, such notice to be substantially in accordance with the notice of intention attached hereto as Exhibit D and by this reference incorporated herein (the "National Notice of Intention"), is hereby approved. The Secretary of the Board of Directors is hereby authorized and directed to cause to be published, once at least fifteen (15) days prior to the date to receive bids, the National Notice of Intention in *The Bond Buyer*, a financial publication reasonably expected to be disseminated among prospective bidders for the Bonds.

(d) *Terms and Conditions of Sale.* The terms and conditions of the offering and the sale of the Bonds shall be as specified in said Official Notice of Sale.

(e) *Furnishing of Official Notice of Sale.* The Secretary of the Board of Directors and the Financial Advisor, are hereby authorized to cause to be furnished to prospective bidders a reasonable number of copies of said Official Notice of Sale.

(f) *Receipt of Bids.* The Financial Advisor is hereby authorized and directed, on behalf of the District, to receive the bids at the time and place specified in the Official Notice of Sale, to examine said bids for compliance with the Official Notice of Sale and to verify the bid with the lowest true interest cost as provided in the Official Notice of Sale. In the event two or more bids setting forth identical true interest cost are received, the Financial Advisor, on behalf of the District, may exercise its own discretion and judgment in making the award and may award the Bonds on a *pro rata* basis in such denominations as he shall determine. The Financial Advisor, on behalf of the District, may, in its discretion, reject any and all bids and waive any irregularity or informality in any bid. The Financial Advisor, on behalf of the District, shall award the Bonds or reject all bids not later than 24 hours after the expiration of the time prescribed for the receipt of bids unless such time of award is waived by the successful bidder.

(f) *Option for a Negotiated Sale.* If, at the time of the competitive sale of the Bonds, no bids are received or it is determined by a District Representative, or the designee thereof, that all received bids are unsatisfactory, the Board of Directors hereby authorizes the sale of the Bonds to an underwriter identified by the Financial Advisor and approved by a District Representative, or the designee thereof. In such event, the Board hereby authorizes the preparation of a bond purchase agreement among such underwriter and the District, with such terms and conditions as shall be approved by a District Representative, or the designee thereof. In such case, a District Representative, or the designee thereof, is hereby authorized and directed to execute such bond purchase agreement for and in the name and on behalf of the District; *provided, however,* that in connection with such negotiated sale of the Bonds, the net underwriter's discount, excluding reimbursable expenses of the Underwriter, shall not exceed 2% of the aggregate principal amount of Bonds issued and the maximum true interest cost on the Bonds shall not exceed 12% per annum.

Section 4.02. Approval of Paying Agent/Bond Registrar/Costs of Issuance Agreement. The Paying Agent/Bond Registrar/Costs of Issuance Agreement, in substantially the form attached hereto as Exhibit E, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative, or the designee thereof, is hereby approved. The execution thereof by a District Representative, or the designee thereof, shall be conclusive evidence of approval of any such changes and additions. A District Representative, or the designee thereof, is hereby authorized and directed to execute the Paying Agent/Bond Registrar/Costs of Issuance Agreement for and in the name and on behalf of the District. The Board of Directors hereby authorizes the delivery and performance of the Paying Agent/Bond Registrar/Costs of Issuance Agreement.

Section 4.03. Official Statement. The Board of Directors hereby approves an official statement describing the Bonds, in the form on file with the Secretary of the Board of Directors (the "Official Statement"), together with any changes therein or additions thereto deemed advisable by a District Representative, or the designee thereof. The Board of Directors approves and authorizes the distribution by the Financial Advisor of the Official Statement to prospective purchasers of the Bonds, and authorizes and directs a District Representative, or the designee thereof, on behalf of the District to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Official Statement prior to its distribution by the Financial Advisor. The execution of a certificate attesting to such finality by a District Representative, or the designee thereof, shall be conclusive evidence of approval of any such changes and additions to the Official Statement. The execution of the Official Statement, which shall include such changes and additions thereto deemed advisable by a District Representative, or the designee thereof, and such information permitted to be excluded from the Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Official Statement by the District.

A District Representative, or the designee thereof, are separately authorized and directed to execute the Official Statement and a statement that the facts contained in the Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Bonds, true and correct in all material respects and that the Official Statement did not, on the date of sale of the Bonds, and does not, as of the date of delivery of the Bonds, contain any untrue statement of a

material fact with respect to the District or omit to state material facts with respect to the District required to be stated where necessary to make any statement made therein not misleading in light of the circumstances under which it was made. A District Representative, or the designee thereof, shall take such further actions prior to the signing of the Official Statement as are deemed necessary or appropriate to verify the accuracy thereof.

Section 4.04. Official Action. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Bonds are hereby approved, and the District Representatives, and any and all other officers of the District are hereby authorized and directed for and in the name and on behalf of the District, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this resolution.

## ARTICLE V

### OTHER COVENANTS OF THE DISTRICT

Section 5.01. Punctual Payment. The District will punctually pay, or cause to be paid, the principal of and interest on the Bonds, in strict conformity with the terms of the Bonds and of this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Resolution and of the Bonds. Nothing herein contained shall prevent the District from making advances of its own moneys, howsoever derived, to any of the uses or purposes permitted by law, to be reimbursed to the District when such moneys become available.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the District will not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the District, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Resolution, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.03. Protection of Security and Rights of Bondowners. The District will preserve and protect the security of the Bonds and the rights of the Bondowners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the District, the Bonds shall be incontestable by the District.

Section 5.04. Further Assurances. The District will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Resolution.

Section 5.05. Tax Covenants.

(a) *Private Activity Bond Limitation*. The District shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

(b) *Federal Guarantee Prohibition*. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(c) *Rebate Requirement*. The District shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.

(d) *No Arbitrage.* The District shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

(e) *Maintenance of Tax-Exemption.* The District shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

(f) *Small Issuer Exemption from Bank Nondeductibility Restriction.* The District hereby designates the Bonds for purposes of paragraph (3) of section 265(b) of the Code and covenants that the Bonds do not constitute private activity bonds as defined in section 141 of the Code and that the aggregate face amount of all tax-exempt obligations issued by the District (including all subordinate entities of the District and all entities which may issue obligations on behalf of the District) during the calendar year 2012 will not exceed \$10,000,000, excluding, however, private activity bonds, as defined in section 141 of the Code (other than qualified 501(c)(3) bonds as defined in section 145 of the Code) and current refunding obligations having a principal amount not in excess of the refunded obligation.

Section 5.06. Acquisition, Disposition and Valuation of Investments.

(a) Except as otherwise provided in subsection (b) of this Section 5.06, the District covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Resolution or the Code) at Fair Market Value.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued at their present value (within the meaning of section 148 of the Code).

Section 5.07. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate shall not be considered an Events of Default; however, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

## ARTICLE VI

### THE PAYING AGENT

Section 6.01. Appointment of Paying Agent. U.S. Bank National Association is hereby appointed Paying Agent for the Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and, even during the continuance of an Event of Default, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the District a certificate to that effect.

The District may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the District and the Bondowners of such resignation. Upon receiving notice of such resignation, the District shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent.

Section 6.02. Paying Agent May Hold Bonds. The Paying Agent may become the owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

Section 6.03. Liability of Agents. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the District, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution; but in the case of any such certificates or opinions by which any provision hereof are specifically required

to be furnished to the Paying Agent, the Paying Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Resolution.

The Paying Agent shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Paying Agent was negligent in ascertaining the pertinent facts.

No provision of this Resolution shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

Section 6.04. Notice to Agents. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be of counsel to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.05. Compensation, Indemnification. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. A District Representative is hereby authorized to execute an agreement or agreements with the Paying Agent in connection with such fees and expenses. The District further agrees to indemnify and save the Paying Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

## ARTICLE VII

### REMEDIES OF BONDOWNERS

Section 7.01. Events of Default. The following events shall be Events of Default hereunder:

(a) if default shall be made in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) if default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in this Resolution or in the Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the District; or

(d) if the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Section 7.02. Remedies of Bondowners. Any Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bondowners' rights; or

(c) upon the happening of any Events of Default, by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

Section 7.03. Non-Waiver. Nothing in this Article VII or in any other provision of this Resolution, or in the Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal of and interest on the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, or affect or impair the right of

action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Bondowner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Bondowners by this Article VII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Bondowners, the District and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 7.04. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bondowners.

## ARTICLE VIII

### SUPPLEMENTAL RESOLUTIONS

Section 8.01. Supplemental Resolutions Effective Without Consent of the Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners of the Bonds, shall be fully effective in accordance with its terms:

(a) to add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(b) to add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(c) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;

(d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution; or

(e) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Section 8.02. Supplemental Resolutions Effective With Consent to the Owners. Any modification or amendment of this Resolution and of the rights and obligations of the District and of the Owners of the Bonds, may be made by a Supplemental Resolution, with the written consent of the Owners of at least two-thirds in aggregate principal amount of the Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a change in the terms of maturity of the principal of any Outstanding Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, or shall reduce the percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or shall change any of the provisions in Section 7.01 hereof relating to Events of Default, or shall reduce the amount of moneys pledged for the repayment of the Bonds without the consent of all the Owners of such Bonds, or shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto.

## ARTICLE IX

### MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the District, the Paying Agent and the Owners of the Bonds, any right, remedy or claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the District shall be for the sole and exclusive benefit of the Owners of the Bonds.

Section 9.02. Defeasance.

(a) *Discharge of Resolution.* Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

(i) by paying or causing to be paid the principal or redemption price of and interest on Bonds Outstanding, as and when the same become due and payable;

(ii) by depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c)) to pay or redeem Bonds Outstanding;  
or

(iii) by delivering to the Paying Agent, for cancellation by it, Bonds Outstanding.

If the District shall pay all Bonds Outstanding and shall also pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative, filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and this Resolution), and notwithstanding that any Bonds shall not have been surrendered for payment, this Resolution and other assets made under this Resolution and all covenants, agreements and other obligations of the District under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it pursuant to this Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

(b) *Discharge of Liability on Bonds.* Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c)) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the

Paying Agent shall have been made for the giving of such notice, then all liability of the District in respect of such Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) *Deposit of Money or Securities with Paying Agent.* Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established pursuant to this Resolution and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in Section 2.03 provided, or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Section 2.03 provided, or provision satisfactory to the Paying Agent shall have been made for the giving of such notice;

provided, in each case, that the Paying Agent shall have been irrevocably instructed (by the terms of this Resolution or by request of the District) to apply such money to the payment of such principal or redemption price and interest with respect to such Bonds.

(d) *Payment of Bonds After Discharge of Resolution.* Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent in trust for the payment of the principal or redemption price of, or interest on, any Bonds and remaining unclaimed for one year after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Resolution), if such moneys were so held at such date, or one year after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall, upon request of the District, be repaid to the

District free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Bonds which have not been paid at the addresses shown on the registration books maintained by the Paying Agent a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

Section 9.03. Execution of Documents and Proof of Ownership by Bondowners. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Bondowners may be in one or more instruments of similar tenor, and shall be executed by Bondowners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Bondowner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the District or the Paying Agent in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No boardmember, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal or of interest on the Bonds; but nothing herein contained shall relieve any such boardmember, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Destruction of Canceled Bonds. Whenever in this Resolution provision is made for the surrender to the District of any Bonds which have been paid or canceled pursuant to the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent shall be deemed to be the equivalent of the surrender of such canceled Bonds and the District shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of

the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the District in trust for the benefit of the Bondowners.

Section 9.07. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

\* \* \* \* \*

APPROVED, PASSED AND ADOPTED on March 28, 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Chair of the Board of Directors

ATTEST:

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Secretary of the Board of Directors

**EXHIBIT A**

**FORM OF BOND**

United States of America  
State of California  
Contra Costa County

**PLEASANT HILL RECREATION & PARK DISTRICT  
GENERAL OBLIGATION BONDS, ELECTION OF 2009, SERIES B (2012)**

INTEREST RATE:	MATURITY DATE:	ISSUE DATE:	CUSIP:
_____ %	August 1, _____	_____, 2012	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: \_\_\_\_\_ DOLLARS

The PLEASANT HILL RECREATION & PARK DISTRICT, a recreation and park district, duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated on an interest payment date, in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to an interest payment date and after the close of business on the fifteenth day of the month preceding such interest payment date, in which event it shall bear interest from such interest payment date, or (iii) this Bond is authenticated on or prior to January 15, 2013, in which event it shall bear interest from the Issue Date stated above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond) until payment of such Principal Sum in full, at the rate per annum stated above, payable on February 1 and August 1 in each year, commencing February 1, 2013, calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable at the office of U.S. bank National Association (the "Paying Agent"), in San Francisco, California. Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check or draft of the Paying Agent mailed by first-class mail to the Owner at the Owner's address as it appears on the registration books maintained by the Paying Agent as of the close of business on the fifteenth day of the month next preceding such interest payment date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date.

This Bond is one of a duly authorized issue of bonds of the District designated as "Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012)" (the "Bonds"), in an aggregate principal amount of eight million dollars (\$8,000,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of section 5790 *et seq.* of the California Public Resources Code (the "Act"), and pursuant to Resolution No. \_\_\_\_ of the District adopted March 28, 2012 (the "Resolution"), authorizing the issuance of the Bonds. Reference is hereby made to the Resolution (copies of which are on file at the office of the Secretary of the Board of Directors of the District) and the Act for a description of the terms on which the Bonds are issued and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Paying Agent and the rights and obligations of the District thereunder, to all of the provisions of which Resolution the Owner of this Bond, by acceptance hereof, assents and agrees.

The proceeds of the Bonds will be used by the District to provide safe parks and recreational facilities for children, families and seniors by upgrading or replacing the District's Teen Center, the outdated and undersized Senior Center, the deteriorating Community Center; and aging sports fields, restrooms and other facilities at parks throughout the community, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, under authority of and pursuant to the laws of the State of California, and the requisite two-thirds vote of the electors of the District cast at a special bond election held on August 25, 2009, upon the question of issuing Bonds in the amount of \$28,000,000 (the "Authorization"). In 2010, the District issued an initial series of bonds under the Authorization, its \$20,000,000 Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series A (2010). The Bonds represent the second and final issue of bonds under the Authorization.

WHEREAS, the District wishes at this time to institute proceedings for the issuance and sale of the second and final series of bonds under the Authorization

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District and do not constitute an obligation of Contra Costa County (the "County"). The District has the power and is obligated to the County to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

The Bonds maturing on or before August 1, 2022, are non-callable. The Bonds maturing on August 1, 2023, or any time thereafter, are callable for redemption prior to their stated maturity date at the option of the District, as a whole, or in part on or after August 1, 2021 (in such maturities as are designated by the District, or, if the District fails to designate such maturities, on a proportional basis), and may be redeemed prior to the maturity thereof by payment of all principal, plus accrued interest to date of redemption, without premium.

[If applicable:] The Bonds maturing on August 1, 20\_\_ (the "Term Bonds") are also subject to mandatory sinking fund redemption on August 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; provided, however, that if some but not all of the Term Bonds have been redeemed pursuant to the preceding paragraph, the aggregate principal amount of Term Bonds to be redeemed under this paragraph shall be reduced on a pro rata basis in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the District with the Paying Agent:

Sinking Fund  
Redemption Date  
(August 1)

Principal  
Amount to be  
Redeemed

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, and redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

If an Event of Default, as defined in the Resolution, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Resolution, but such declaration and its consequences may be rescinded and annulled as further provided in the Resolution.

The Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at said office of the Paying Agent in San Francisco, California, but only in the manner and subject to the limitations provided in the Resolution, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Resolution may be amended without the consent of the Owners of the Bonds to the extent set forth in the Resolution.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the District, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Resolution.

This Bond shall not be entitled to any benefit under the Resolution or become valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed manually by the Paying Agent.

THE BONDS HAVE BEEN DESIGNATED BY THE DISTRICT AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" WITHIN THE MEANING OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the District or the Paying Agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the Pleasant Hill Recreation & Park District has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of its Chair of the Board of Directors and the Secretary of the Board of Directors, all as of the Issue Date stated above.

PLEASANT HILL RECREATION & PARK  
DISTRICT

By \_\_\_\_\_  
Chair of the Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary of the Board of Directors

### CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution.

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

By \_\_\_\_\_  
Authorized Signatory

**ASSIGNMENT**

For value received, the undersigned do(es) hereby sell, assign and transfer unto

\_\_\_\_\_

\_\_\_\_\_

(Name, Address and Tax Identification or Social Security Number of Assignee)

\_\_\_\_\_

\_\_\_\_\_

the within Bond and do(es) hereby irrevocably constitute(s) and appoint(s)

\_\_\_\_\_

attorney, to transfer the same on the registration books of the Paying Agent with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Notice: Signature(s) must be guaranteed by a qualified guarantor institution.

\_\_\_\_\_  
Notice: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

## EXHIBIT B

### FORM OF OFFICIAL NOTICE OF SALE

\$8,000,000\*

**PLEASANT HILL RECREATION & PARK DISTRICT**  
**(Contra Costa County, California)**  
**General Obligation Bonds**  
**Election of 2009, Series B (2012)**

NOTICE IS HEREBY GIVEN that *electronic bids only* for the purchase of \$\_\_\_\_\_ \* aggregate principal amount of Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012) (the "Bonds"), will be received by the Pleasant Hill Recreation & Park District (the "District") at the time and in the form below specified:

**DATE AND TIME:** WEDNESDAY, APRIL 18, 2012, at 10:00 A.M. (Pacific time).

**SUBMISSION OF BIDS:** Bids may be submitted (for receipt not later than the time set forth above) *electronically only* through the I-Deal LLC BiDCOMP/PARITY© system. See "FORM OF BID" herein.

**ISSUE; BOOK ENTRY:** \$\_\_\_\_\_ \* consisting of fully registered bonds, without coupons. The Bonds will be dated as of their date of delivery, expected to be May 1, 2012, and will be issued in minimum denominations of \$5,000. The Bonds will be issued in a book entry only system with no physical distribution of the Bonds made to the public. The Depository Trust Company, New York, New York ("DTC"), will act as depository for the Bonds which will be immobilized in its custody. The Bonds will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Bonds.

**MATURITIES:** The Bonds will mature, or be subject to mandatory sinking fund redemption, on the dates, on the dates and in the amounts, as set forth in the following table. *Each bidder is required to specify in its bid whether, for any particular year, the Bonds will mature or, alternately, be subject to mandatory sinking fund redemption in such year:*

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u>
2013		2028	
2014		2029	
2015		2030	
2016		2031	
2017		2032	
2018		2033	
2019		2034	
2020		2035	
2021		2036	
2022		2037	
2023		2038	
2024		2039	
2025		2040	
2026		2041	
2027		2042	

\*Preliminary, subject to change.

**INTEREST:** The Bonds shall bear interest, calculated on a 30/360 day basis, at a rate or rates to be fixed upon the sale thereof but not to exceed 12% per annum, payable semiannually on each February 1 and August 1, commencing February 1, 2013.

**PAYMENT:** Principal<sup>9</sup> of the Bonds will be payable upon surrender at U.S. Bank National Association, San Francisco, California (the "Paying Agent"). Interest on the Bonds will be payable by check or draft mailed by first class mail to the owner at the address listed on the registration books maintained by the Paying Agent for such purpose.

**REGISTRATION:** The Bonds will be issued as fully registered bonds as to both principal and interest. The Bonds will be issued in the book-entry system of The Depository Trust Company of New York ("DTC"), and the ownership of the Bonds will be registered to the nominee of DTC.

**OPTIONAL REDEMPTION:** The Bonds maturing on or before August 1, 2022, shall not be subject to redemption prior to the respective stated maturities. The Bonds maturing on or after August 1, 2023, shall be subject to redemption in whole, or in part among maturities on such basis as shall be designated in a Request of the District filed with the Paying Agent, and in any case by lot within a maturity, on any date on or August 1, 2022, at the option of the District from any available source of funds, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

**SINKING FUND REDEMPTION:** Any bidder may, at its option, specify that one or more maturities of the Bonds will consist of term Bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof, as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of Bonds will be term Bonds, such term Bonds will be subject to mandatory sinking fund redemption on August 1 in each year so designated in the bid, in the respective amounts for such years as set forth above under the heading "MATURITIES," at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

**PURPOSE:** The Bonds are to be issued by the District and are authorized pursuant to the pursuant to section 5790 *et seq.* of the California Public Resources Code (the "Act"), and a resolution adopted by the Board of Directors of the District on March 28, 2012 (the "Board") to (a) finance the expansion, improvement, acquisition, construction, equipping and renovation of facilities of the District, and (b) pay all necessary legal, financial, engineering and contingent costs in connection therewith.

**SECURITY:** The Bonds are general obligations of the District. The Contra Costa County Board of Supervisors has the power, is obligated and has been directed by the District to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon without limitation as to rate or amount upon all property within the District subject to taxation (except for certain classes of personal property). The bidder is referred to the Bond Resolution and the Preliminary Official Statement for further details.

**RATINGS:** Fitch Ratings has assigned the rating of "\_\_\_" to the Bonds. Standard & Poor's Ratings Services has assigned the rating of "\_\_\_" to the Bonds. **The cost of obtaining such ratings will be borne entirely by the District and not by the successful bidder.**

**MUNICIPAL BOND INSURANCE; BIDDER'S OPTION:** The District has applied to Assured Guaranty Municipal Corp. ("AGM") for a commitment to issue a policy insuring the payment when due of principal of and interest on the Bonds. In the event such a commitment is obtained prior to the sale date, such information will be made available to bidders by AGM. In the event the District obtains a commitment for municipal bond insurance, each bidder shall have the option to elect whether such insurance will be issued. In the event that the winning bidder elects to obtain any policy of municipal bond insurance, the premium for such insurance and the costs of any related ratings will be paid by the bidder, and the District will have no responsibility for payment of such premium and costs.

Bids shall not be conditioned upon the issuance of a municipal bond insurance policy. Subject to the limitations described below, the District will cooperate in any effort to qualify the Bonds for such bond insurance. The District makes no representation as to whether the Bonds will qualify for municipal bond insurance and satisfaction of any conditions to the issuance of a municipal bond insurance policy shall be the sole responsibility of the bidder. In particular, the District will neither amend nor supplement the Resolution in any way nor will it agree in advance of the sale of the Bonds to enter into any additional agreements with respect to the provision of any such policy. FAILURE OF AGM TO ISSUE ITS POLICY SHALL NOT CONSTITUTE CAUSE FOR A FAILURE OR REFUSAL BY THE SUCCESSFUL BIDDER TO ACCEPT DELIVERY OF OR PAY FOR THE BONDS. The successful bidder must provide the District with the municipal bond insurance commitment and information with respect to the municipal bond insurance policy and AGM for inclusion in the final Official Statement within two business days following the award of the bid. The District will require an opinion of counsel to the insurance provider regarding the enforceability of the municipal bond insurance policy, in form reasonably satisfactory to Bond Counsel and the successful bidder.

#### TERMS OF SALE

**INTEREST RATE:** No rate of interest may be bid which exceeds 12% per annum. Each rate bid must be a multiple of one-twentieth of one percent (1/20%) or one-eighth of one percent (1/8%). No Bond shall bear more than one interest rate, and all Bonds of the same maturity shall bear the same rate. Each Bond must bear interest at the rate specified in the bid from its date to its fixed maturity date. The rate on any maturity or group of maturities shall not be more than 4% higher than the interest rate on any other maturity or group of maturities.

**FORM OF BID; MAXIMUM DISCOUNT:** All bids must be for not less than \_\_\_% of the Bonds hereby offered for sale and for not less than the aggregate par amount thereof.

To the extent any instructions or directions set forth in BiDCOMP/PARITY© conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about BiDCOMP/PARITY©, bidders may contact NHA Advisors (the "Financial Advisor") at (415) 785-2025 or BiDCOMP/PARITY© at (212) 404-8102.

THE DISTRICT RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID IS TIMELY, LEGIBLE AND COMPLETE. NONE OF THE DISTRICT, THE FINANCIAL ADVISOR, OR QUINT & THIMMIG LLP ("BOND COUNSEL") TAKES ANY RESPONSIBILITY FOR INFORMING ANY BIDDER PRIOR TO THE TIME FOR RECEIVING BIDS THAT ITS BID IS INCOMPLETE, ILLEGIBLE OR NOT RECEIVED.

EACH BIDDER SUBMITTING AN ELECTRONIC BID UNDERSTANDS AND AGREES BY DOING SO THAT IT IS SOLELY RESPONSIBLE FOR ALL ARRANGEMENTS WITH BiDCOMP/PARITY© AND THAT BiDCOMP/PARITY© IS NOT ACTING AS AN AGENT OF THE DISTRICT. INSTRUCTIONS AND FORMS FOR SUBMITTING ELECTRONIC BIDS MUST BE OBTAINED FROM BiDCOMP/PARITY© AND THE DISTRICT ASSUMES NO RESPONSIBILITY FOR ENSURING OR VERIFYING BIDDER COMPLIANCE WITH THE PROCEDURES OF BiDCOMP/PARITY©. THE DISTRICT SHALL ASSUME THAT ANY BID RECEIVED THROUGH BiDCOMP/PARITY© HAS BEEN MADE BY A DULY AUTHORIZED AGENT OF THE BIDDER.

THE DISTRICT WILL MAKE ITS BEST EFFORTS TO ACCOMMODATE ELECTRONIC BIDS; HOWEVER THE DISTRICT, THE FINANCIAL ADVISOR AND BOND COUNSEL ASSUME NO RESPONSIBILITY FOR ANY ERROR CONTAINED IN ANY BID SUBMITTED ELECTRONICALLY, OR FOR FAILURE OF ANY BID TO BE TRANSMITTED, RECEIVED OR ACCEPTED AT THE OFFICIAL TIME FOR RECEIPT OF BIDS. THE OFFICIAL TIME FOR RECEIPT OF BIDS WILL BE DETERMINED BY THE DISTRICT AND THE DISTRICT SHALL NOT BE REQUIRED TO ACCEPT THE TIME KEPT BY BiDCOMP/PARITY© AS THE OFFICIAL TIME.

**BEST BID:** The Bonds will be awarded to the responsible bidder or bidders offering to purchase the Bonds at the *lowest true interest cost* to the District. The true interest cost of each bid will be determined on the basis of the present value of the aggregate future semiannual payments resulting from the interest rates specified by the bidder. The present value will be calculated to the dated date of the Bonds (assumed to be May 1, 2012) and will be based on the proposed bid amount (par value less any discount or plus any premium). For the purpose of making such determination, it shall be assumed that any Bond designated as term bonds by the bidder shall be deemed to be payable on the dates and in the amounts as shown under the section entitled "MATURITIES" herein. Each bidder is requested, but not required, to state in his bid the percentage true interest cost to the District, which shall be considered as informative only and shall not be binding on either the bidder or the District. The determination of the best bid by the District's financial advisor shall be binding and conclusive on all bidders.

**RIGHT OF CANCELLATION OF SALE BY DISTRICT:** The District reserves the right, in its sole discretion, at any time to cancel the public sale of the Bonds. In such event, the District shall cause notice of cancellation of this invitation for bids and the public sale of the Bonds to be communicated through the *Bond Buyer Wire* as promptly as practicable. However, no failure to publish such notice or any defect or omission therein shall affect the cancellation of the public sale of the Bonds.

**RIGHT TO MODIFY OR AMEND:** The District reserves the right, in its sole discretion, to modify or amend this official Notice of Sale including, but not limited to, the right to adjust and change the principal amount and principal amortization schedule of the Bonds being offered, however, such modifications or amendments shall be made not later than 10:00 A.M., California time, on the business day prior to the bid opening and communicated through the *Bond Buyer Wire*.

**RIGHT OF POSTPONEMENT BY DISTRICT:** The District reserves the right, in its sole discretion, to postpone, from time to time, the date established for the receipt of bids. Any such postponement will be communicated through the *Bond Buyer Wire* not later than 10:00 A.M., California time, on the business day prior to any announced date for receipt of bids. If any date is postponed, any alternative sale date will be announced through the *Bond Buyer Wire* at least 24 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a bid for the purchase of the Bonds in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced by through the *Bond Buyer Wire* at the time the sale date and time are announced.

**RIGHT OF REJECTION:** The District reserves the right, in its sole discretion, to reject any and all bids and to waive any irregularity or informality in any bid except that no bids will be accepted later than 10:00 A.M. on the date set for receipt of bids.

**PROMPT AWARD:** Pursuant to authority granted by the Board, the Superintendent, or the Superintendent's designee, will take action awarding the Bonds or rejecting all bids not later than twenty-six (26) hours after the expiration of the time herein prescribed for the receipt of proposals; provided, that the award may be made after the expiration of the specified time if the bidder shall not have given to said Board notice in writing of the withdrawal of such proposal.

**PLACE OF DELIVERY; CANCELLATION FOR LATE DELIVERY:** It is expected that said Bonds will be delivered to DTC for the account of the successful bidder within twenty (20) days from the date of sale thereof. The successful bidder shall have the right, at his option, to cancel its obligation to purchase the Bonds if the Bonds are not tendered for delivery within sixty (60) days from the date of the sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying his bid.

**CHANGE IN TAX EXEMPT STATUS:** At any time before the Bonds are tendered for delivery, the successful bidder may disaffirm and withdraw his proposal if the interest received by private holders from Bonds of the same type and character shall be declared to be taxable income under present federal income tax laws, either by a ruling of the Internal Revenue Service or by a decision of any federal court, or shall be declared taxable, or be required to be taken into account in computing federal income taxes (except alternative minimum taxes and environmental taxes payable by corporations) by any federal income tax law enacted subsequent to the date of this notice.

**PAYMENT OF ISSUANCE COSTS:** The successful bidder will be required to pay a portion of the costs of issuance in the amount of \$\_\_\_\_\_ from underwriter's gross compensation at the time of delivery of the Bonds. This amount should *not* be added to the price paid for the Bonds and will be paid to the Paying Agent on the date of delivery for deposit into the Costs of Issuance Fund. *Payment of this amount is not optional* and is in addition to any premium for a policy of municipal bond insurance. See "MUNICIPAL BOND INSURANCE; BIDDER'S OPTION." Therefore, bidders should include payment of such costs in calculating their bids.

**CLOSING PAPERS; BOND PRINTING:** Each proposal will be understood to be conditioned upon the District furnishing to the purchaser, without charge, concurrently with payment for and delivery of the Bonds, the following closing papers, each dated the date of delivery:

(a) The opinion of Quint & Thimmig LLP, San Francisco, California, Bond Counsel, approving the validity of the Bonds and stating that, subject to compliance by the District with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative

minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment in determining the federal alternative minimum tax for certain corporations, the Bonds are “qualified tax-exempt obligations” under section 265(b)(3) of the Internal Revenue Code of 1986, as amended, and interest on the Bonds is exempt from personal income taxation imposed by the State of California.. Other tax consequences to holders of the Bonds, if any, are not addressed in the opinion.

(b) A certificate of the District certifying that on the basis of the facts, estimates and circumstances in existence on the date of issue, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be arbitrage bonds;

(c) A certificate of the District, signed by officers and representatives of the District, certifying that the officers and representatives have signed the Bonds whether by facsimile or manual signature, and that they were respectively duly authorized to execute the same;

(d) The receipt of the District evidencing the receipt of the purchase price of the Bonds;

(e) A certificate of the District, certifying that there is no known litigation threatened or pending affecting the validity of the Bonds; and

(f) A certificate of the District, signed by an officer of the District, acting in his official capacity, to the effect that at the time of the sale of the Bonds, and at all times subsequent thereto up to and including the time of the delivery of the Bonds, the Official Statement relating to the Bonds did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

**CUSIP NUMBERS:** It is anticipated that CUSIP numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses of printing CUSIP numbers on the Bonds and the CUSIP Service Bureau charge for the assignment of said numbers shall be paid by the successful bidder.

**CERTIFICATION OF REOFFERING PRICE:** The successful bidder shall be required, as a condition to the issuance of the Bonds, to deliver to the District a certificate, in form and substance satisfactory to Bond Counsel, stating (i) that, as of the date of award, the Bonds were expected to be reoffered in a bona fide public offering, (ii) the initial offering price at which a substantial amount (at least 10%) of each maturity of the Bonds were sold to the public, and (iii) that no Bonds of a single maturity were offered at one price to the general public and at a discount from that price to institutional or other investors.

**CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION:** The successful bidder will be required, pursuant to State law, to pay any fees to the California Debt and Investment Advisory Commission when due.

**DTC FEES:** All fees due DTC with respect to the Bonds shall be paid by the successful bidder or bidders.

**OFFICIAL STATEMENT:** The District has caused to be prepared a Preliminary Official Statement describing the Bonds in a form deemed final by the District within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, except for certain information which is permitted under said Rule 15c2-12 to be omitted from the Preliminary Official Statement. A copy of the Preliminary Official Statement will be furnished upon request to NHA Advisors, 4040 Civic Center Drive, Suite 200, San Rafael, CA 94903, telephone (415) 785-

2025. The District will furnish to the successful bidder within seven business days following the date of award, at no charge, a reasonable number of copies of the Official Statement for use in connection with any resale of the Bonds.

**DISCLOSURE CERTIFICATE:** The District will deliver to the purchaser of the Bonds a certificate of an official of the District, dated the date of Bond delivery, stating that as of the date thereof, to the best of the knowledge and belief of said official, the Official Statement does not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and further certifying that the signatory knows of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds.

**CONTINUING DISCLOSURE:** In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the District will undertake, pursuant to the resolution authorizing issuance of the Bonds and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the preliminary Official Statement and will also be set forth in the final Official Statement.

## EXHIBIT C

### FORM OF NOTICE OF INTENTION – LOCAL

**\$8,000,000**

**(Preliminary, subject to change)**

**PLEASANT HILL RECREATION & PARK DISTRICT**

**(Contra Costa County, California)**

**General Obligation Bonds**

**Election of 2009, Series B (2012)**

NOTICE IS HEREBY GIVEN, pursuant to section 5790.7 of the California Public Resources Code, that the Pleasant Hill Recreation & Park District (the "District") intends to sell, at public sale, its \$8,000,000 (preliminary, subject to change) aggregate principal amount of Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012) (the "Bonds"). Bids will be received on

**WEDNESDAY, APRIL 18, 2012**

at 10:00 A.M., *electronically only* through the I-Deal LLC BiDCOMP/PARITY© system, and the sale will be awarded by the District within 26 hours after the expiration of the time prescribed for the receipt of bids. The sale of the Bonds will be conducted upon the terms and conditions set forth in the Official Notice of Sale for the Bonds. Such Official Notice of Sale and the Preliminary Official Statement describing the Bonds will be distributed to prospective bidders by the financial advisor to the District, NHA Advisors, 4040 Civic Center Drive, Suite 200, San Rafael, CA 94903, telephone (415) 785-2025. Bids will be entertained only from bidders to whom such Official Notice of Sale and Preliminary Official Statement have been distributed.

**EXHIBIT D**

**FORM OF NOTICE OF INTENTION – NATIONAL**

**\$8,000,000**

**(Preliminary, subject to change)**

**PLEASANT HILL RECREATION & PARK DISTRICT**

**(Contra Costa County, California)**

**General Obligation Bonds**

**Election of 2009, Series B (2012)**

NOTICE IS HEREBY GIVEN, pursuant to section 53692 of the California Government Code, that the Pleasant Hill Recreation & Park District (the "District") intends to sell, at public sale, its \$8,000,000 (preliminary, subject to change) aggregate principal amount of Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012) (the "Bonds"). Bids will be received on

**WEDNESDAY, APRIL 18, 2012**

at 10:00 A.M., *electronically only* through the I-Deal LLC BiDCOMP/PARITY© system, and the sale will be awarded by the District within 26 hours after the expiration of the time prescribed for the receipt of bids. The sale of the Bonds will be conducted upon the terms and conditions set forth in the Official Notice of Sale for the Bonds. Such Official Notice of Sale and the Preliminary Official Statement describing the Bonds will be distributed to prospective bidders by the financial advisor to the District, NHA Advisors, 4040 Civic Center Drive, Suite 200, San Rafael, CA 94903, telephone (415) 785-2025. Bids will be entertained only from bidders to whom such Official Notice of Sale and Preliminary Official Statement have been distributed.

## EXHIBIT E

### FORM OF PAYING AGENT/BOND REGISTRAR/COSTS OF ISSUANCE AGREEMENT

THIS PAYING AGENT/BOND REGISTRAR/COSTS OF ISSUANCE AGREEMENT (this "Agreement"), is entered into as of May 1, 2012, by and between the PLEASANT HILL RECREATION & PARK DISTRICT (the "District"), and U.S. BANK NATIONAL ASSOCIATION (the "Bank"), relating to the \$8,000,000 Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012) (the "Bonds"). The District hereby appoints the Bank to act as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds.

#### RECITALS

WHEREAS the District has duly authorized and provided for the issuance of the Bonds as fully registered bonds without coupons;

WHEREAS the District will ensure all things necessary to make the Bonds the valid obligations of the District, in accordance with their terms, will be done upon the issuance and delivery thereof;

WHEREAS the District and the Bank wish to provide the terms under which the Bank will act as Paying Agent to pay the principal, redemption premium (if any) and interest on the Bonds, in accordance with the terms thereof, and under which the Bank will act as Registrar for the Bonds;

WHEREAS the District and the Bank also wish to provide the terms under which the Bank will act as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds;

WHEREAS the Bank has agreed to serve in such capacities for and on behalf of the District and has full power and authority to perform and serve as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds;

WHEREAS the District has duly authorized the execution and delivery of this Agreement; and all things necessary to make this Agreement a valid agreement have been done.

NOW, THEREFORE, it is mutually agreed as follows:

#### ARTICLE ONE

#### DEFINITIONS

##### Section 1.01. Definitions.

For all purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

"Bank" means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America.

*“Bond Register”* means the book or books of registration kept by the Bank in which are maintained the names and addresses and principal amounts registered to each Registered Owner.

*“Bond Resolution”* means the resolution of the District pursuant to which the Bonds were issued.

*“Bond”* or *“Bonds”* means any one or all of the \$8,000,000 Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012).

*“Custodian and Disbursing Agent”* means the Bank when it is performing the function of custodian and disbursing agent for the payment of costs of issuance relating to the Bonds.

*“District”* means Pleasant Hill Recreation & Park District.

*“District Request”* means a written request signed in the name of the District and delivered to the Bank.

*“Fiscal Year”* means the fiscal year of the District ending on June 30 of each year.

*“Paying Agent”* means the Bank when it is performing the function of paying agent for the Bonds.

*“Person”* means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government or any entity whatsoever.

*“Registered Owner”* means a Person in whose name a Bond is registered in the Bond Register.

*“Registrar”* means the Bank when it is performing the function of registrar for the Bonds.

*“Stated Maturity”* when used with respect to any Bond means the date specified in the Bond Resolution as the date on which the principal of such Bond is due and payable.

## ARTICLE TWO

### APPOINTMENT OF BANK AS PAYING AGENT, TRANSFER AGENT, BOND REGISTRAR AND CUSTODIAN AND DISBURSING AGENT

Section 2.01. Appointment and Acceptance. The District hereby appoints the Bank to act as Paying Agent and Transfer Agent with respect to the Bonds, to pay to the Registered Owners in accordance with the terms and provisions of this Agreement and the Bond Resolution, the principal of, redemption premium (if any), and interest on all or any of the Bonds.

The District hereby appoints the Bank as Registrar with respect to the Bonds. As Registrar, the Bank shall keep and maintain for and on behalf of the District, books and records as to the ownership of the Bonds and with respect to the transfer and exchange thereof as provided herein and in the Bond Resolution.

The District hereby appoints the Bank as Custodian and Disbursing Agent.

The Bank hereby accepts its appointment, and agrees to act as Paying Agent, Transfer Agent, Bond Registrar and Custodian and Disbursing Agent.

Section 2.02. Compensation. As compensation for the Bank's services as Paying Agent and Bond Registrar, the District hereby agrees to pay the Bank the fees and amounts set forth in a separate agreement between the District and the Bank.

In addition, the District agrees to reimburse the Bank, upon its request, for all reasonable and necessary out-of-pocket expenses, disbursements, and advances, including without limitation the reasonable fees, expenses, and disbursements of its agents and attorneys, made or incurred by the Bank in connection with entering into and performing under this Agreement and in connection with investigating and defending itself against any claim or liability in connection with its performance hereunder.

### ARTICLE THREE

#### RECEIPT OF FUNDS

Section 3.01. Receipt of Moneys. The Bank will receive on May 1, 2012, the closing date for the Bonds, from \_\_\_\_\_, the purchaser of the Bonds (the "Underwriter"), the total sum of \$\_\_\_\_\_, which will be deposited the Costs of Issuance Fund (created by the Bond Resolution and held by the Bank as Custodian and Disbursing Agent), and disbursed to pay costs of issuance of the Bonds upon receipt of requisitions therefor from the District.

### ARTICLE FOUR

#### PAYING AGENT

Section 4.01. Duties of Paying Agent. As Paying Agent, the Bank, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, and interest on each Bond in accordance with the provisions of the Bond Resolution.

Section 4.02. Payment Dates. The District hereby instructs the Bank to pay the principal of, redemption premium (if any) and interest on the Bonds on the dates specified in the Bond Resolution.

### ARTICLE FIVE

#### REGISTRAR

Section 5.01. Initial Delivery of Bonds. The Bonds will be initially registered and delivered to the purchaser designated by the District as one Bond for each maturity. If such purchaser delivers a written request to the Bank not later than five business days prior to the date of initial delivery, the Bank will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 5.02. Duties of Registrar. The Bank shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an eligible guarantor institution, in form acceptable to the Bank, duly executed by the

Registered Owner thereof or his attorney duly authorized in writing. The Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

Section 5.03. Unauthenticated Bonds. The District shall provide to the Bank on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The Bank agrees that it will maintain such unauthenticated Bonds in safekeeping.

Section 5.04. Form of Bond Register. The Bank as Registrar will maintain its records as Bond Registrar in accordance with the Bank's general practices and procedures in effect from time to time.

Section 5.05. Reports. The District may request the information in the Bond Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing and to convert the information into written form.

The Bank will not release or disclose the content of the Bond Register to any person other than to the District at its written request, except upon receipt of a subpoena or court order or as may otherwise be required by law. Upon receipt of a subpoena or court order the Bank will notify the District.

Section 5.06. Cancelled Bonds. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly cancelled by it and, if surrendered to the District, shall be delivered to the Bank and, if not already cancelled, shall be promptly cancelled by the Bank. The District may at any time deliver to the Bank for cancellation any Bonds previously authenticated and delivered which the District may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Bank. All cancelled Bonds held by the Bank for its retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the District upon its written request.

## ARTICLE SIX

### CUSTODIAN AND DISBURSING AGENT

Section 6.01. Investment. The Custodian and Disbursing Agent will hold and invest funds in the Costs of Issuance Account until September 28, 2012, or upon prior written order of the District.

Section 6.02. Payment of Costs of Issuance. The Custodian and Disbursing Agent will pay costs of issuance of the Bonds as directed by the District from time to time via a written requisition of the District.

Section 6.03. Transfer of Remaining Amounts. Any balances remaining in the Costs of Issuance Account (including any earnings) on September 28, 2012, will, if such amount represents premium received from the purchaser of the Bonds, be transferred to the Contra Costa County Treasurer-Tax Collector for deposit in the Interest and Sinking Fund maintained for the District, or otherwise, transferred to the District for deposit in the Project Fund.

Section 6.04. Limited Liability. The liability of the Custodian and Disbursing Agent as custodian and disbursing agent is limited to the duties listed above. The Custodian and Disbursing Agent will not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion of power conferred upon it by this Agreement.

## ARTICLE SEVEN

## THE BANK

Section 7.01. Duties of Bank. The Bank undertakes to perform the duties set forth herein. No implied duties or obligations shall be read into this Agreement against the Bank. The Bank hereby agrees to use the funds deposited with it for payment of the principal of and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the Bank to function as Paying Agent.

### Section 7.02. Reliance on Documents, Etc.

(a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions expressed therein, on certificates or opinions furnished to the Bank by the District.

(b) The Bank shall not be liable for any error of judgment made in good faith. The Bank shall not be liable for other than its negligence or willful misconduct in connection with any act or omission hereunder.

(c) No provision of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(d) The Bank may rely, or be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Bank need not examine the ownership of any Bond, but shall be protected in acting upon receipt of Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

(e) The Bank may consult with counsel, and the written advice or opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by it hereunder in good faith and reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it with reasonable care.

Section 7.03. Recitals of District. The recitals contained in the Bond Resolution and the Bonds shall be taken as the statements of the District, and the Bank assumes no responsibility for their correctness.

Section 7.04. May Own Bonds. The Bank, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent and Bond Registrar for the Bonds.

Section 7.05. Money Held by Bank. Money held by the Bank hereunder need not be segregated from other funds. The Bank shall have no duties with respect to investment of funds deposited with it and shall be under no obligation to pay interest on any money received by it hereunder.

Any money deposited with or otherwise held by the Bank for the payment of the principal, redemption premium (if any) or interest on any Bond and remaining unclaimed for two years after such deposit will be paid by the Bank to the District, and the District and the Bank agree that the Registered

Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the Bank with respect to such moneys shall thereupon cease.

Section 7.06. Other Transactions. The Bank may engage in or be interested in any financial or other transaction with the District.

Section 7.07. Interpleader. The District and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The District and the Bank further agree that the Bank has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

Section 7.08. Indemnification. To the extent permitted by law, the District shall indemnify the Bank, its officers, directors, employees and agents (“Indemnified Parties”) for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Bank’s acceptance or administration of the Bank’s duties hereunder or under the Bond Resolution (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the Bank’s negligence or willful misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

## ARTICLE EIGHT

### MISCELLANEOUS PROVISIONS

Section 8.01. Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 8.02. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 8.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the Bank shall be mailed or delivered to the District or the Bank, respectively, at the address shown herein, or such other address as may have been given by one party to the other by fifteen (15) days written notice.

Section 8.04. Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 8.05. Successors and Assigns. All covenants and agreements herein by the District and the Bank shall bind their successors and assigns, whether so expressed or not.

Section 8.06. Severability. If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 8.07. Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 8.08. Entire Agreement. This Agreement and the Bond Resolution constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent, Bond Registrar, Transfer Agent and Custodian and Disbursing Agent.

Section 8.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 8.10. Term and Termination. This Agreement shall be effective from and after its date and until the Bank resigns or is removed in accordance with the Bond Resolution; provided, however, that no such termination shall be effective until a successor has been appointed and has accepted the duties of the Bank hereunder.

The Bank may resign at any time by giving written notice thereof to the District. If the Bank shall resign, be removed or become incapable of acting, the District shall promptly appoint a successor Paying Agent and Bond Registrar. If an instrument of acceptance by a successor Paying Agent and Bond Registrar shall not have been delivered to the Bank within thirty 30 days after the Bank gives notice of resignation, the Bank may petition any court of competent jurisdiction at the expense of the District for the appointment of a successor Paying Agent and Bond Registrar. In the event of resignation or removal of the Bank as Paying Agent and Bond Registrar, upon the written request of the District and upon payment of all amounts owing to the Bank hereunder the Bank shall deliver to the District or its designee all funds and unauthenticated Bonds, and a copy of the Bond Register. The provisions of Section 2.02 and Section 5.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 8.11. Governing Law. This Agreement shall be construed in accordance with and shall be governed by the laws of the State of California.

Section 8.12. Documents to be Filed with Bank. At the time of the Bank's appointment as Paying Agent and Bond Registrar, the District shall file with the Bank the following documents: (a) a certified copy of the Bond Resolution and a specimen Bond; (b) a copy of the opinion of bond counsel provided to the District in connection with the issuance of the Bonds; and (c) a District Request containing written instructions to the Bank with respect to the issuance and delivery of the Bonds, including the name of the Registered Owners and the denominations of the Bonds.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PLEASANT HILL RECREATION & PARK  
DISTRICT

By \_\_\_\_\_  
Robert B. Berggren  
General Manager

U.S. BANK NATIONAL ASSOCIATION

By \_\_\_\_\_  
Myrna P. Choroski  
Vice President

## MEMORANDUM

To: Pleasant Hill Recreation & Park District Board

From: Craig Hill

Date: March 19, 2012

RE: Pleasant Hill Recreation & Park District – 2012 General Obligation Bonds

### Background

On August 25, 2009, the Pleasant Hill Recreation & Park District (the “District”) received voter approval for the issuance of \$28,000,000 in general obligation bonds (“Measure E”) to make improvements to various facilities of the District.

The first series of bonds (“Series A”) were issued in April 2010 in the amount of \$20,000,000. The bonds were issued for a 30-year term (final maturity of August 1, 2040) with an average interest rate of 4.56%. The Series A bonds were rated by Standard & Poor’s and Fitch Ratings service, receiving an “A+” rating from both firms.

The District’s original financing plan included a second series of bonds being issued in 2012 to continue providing the funds necessary to complete the list of projects included in the original bond authorization. With the Board’s approval, it is the intent of District staff to issue the remaining authorized amount (\$8,000,000) by June 2012.

### Series B Bond Structure

The original financial projections estimated a maximum tax rate of 0.0295%. Currently, the District has been able to keep the annual tax rate below the estimated projection due to lower borrowing costs (interest rate). Since 2010, the District has seen a change to its rating (recently downgraded) but a continued strong interest rate market. To remain consistent, the Series B bonds will be structured to target a maximum tax rate of 0.0295%. It is anticipated that the Series B bonds will be issued around May 1, 2012 with a 30-year term (final maturity of August 1, 2042). Under current market conditions, the average interest rate for the Series B bonds is estimated to be 4.19%.

### Schedule

District staff is requesting Board approval of the following documents:

- 1) Resolution approving the issuance of Series B bonds
- 2) Draft Preliminary Official Statement
- 3) Notice of Intention to Sell Bonds

Should the issuance of the Series B bonds be approved by the Board, the following actions will be taken:

April 2<sup>nd</sup>: Notice of Intention to Sell Bonds is published in *The Bond Buyer* and *Contra Costa Times*

April 6<sup>th</sup>: Preliminary Official Statement made public

April 18<sup>th</sup>: Public, competitive bond auction occurs

May 1<sup>st</sup>: Series B bonds close

**PRELIMINARY OFFICIAL STATEMENT DATED APRIL 6, 2012**

**NEW ISSUE—BOOK-ENTRY ONLY  
BANK QUALIFIED**

**RATINGS:**  
Fitch: “ ”  
S&P: “ ”  
(See “RATING” herein)

In the opinion of Quint & Thimmig LLP, San Francisco, California, Bond Counsel, subject, however, to compliance by the District with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment in determining the federal alternative minimum tax for certain corporations. The Bonds are “qualified tax-exempt obligations” under section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State of California. See “TAX MATTERS” herein.



**\$8,000,000\***  
**Pleasant Hill Recreation & Park District  
(Contra Costa County, California)  
General Obligation Bonds,  
Election of 2009, Series B (2012)**

**Dated: Date of Delivery**

**Due: August 1 as shown below**

The issuance of general obligation bonds in an aggregate amount not to exceed \$28,000,000 by the Pleasant Hill Recreation & Park District (the “District”) was authorized by an election of the registered voters of the District held on August 25, 2009, by approximately 76% of the registered voters who voted on the measure (the “Authorization”). In 2010, the District issued \$20,000,000 of bonds pursuant to the Authorization. Pursuant to the laws of the State of California (the “State”) and a resolution of the District, the District is issuing the second and final series of bonds under the Authorization, known as the Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012), in the principal amount of \$8,000,000\* (the “Bonds”). Proceeds of the Bonds will be used for the purpose of financing the expansion, improvement, acquisition, construction, equipping and renovation of facilities of the District. See “INTRODUCTION—Voter Authorization; Authority for Issuance; Purpose of Issue.”

The Bonds represent the general obligation of the District. The District is empowered and obligated to cause to be levied *ad valorem* taxes, without limitation as to rate or amount, upon all property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates), for the payment of interest on and principal of the Bonds when due.

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Individual purchases of the Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Bonds purchased by them. Payments of the principal of and interest on the Bonds will be made by U.S. Bank National Association, as the paying agent, registrar and transfer agent (the “Paying Agent”), to DTC for subsequent disbursement through DTC Participants (defined herein) to the beneficial owners of the Bonds. See “THE BONDS—Book-Entry System” herein.

The Bonds will be dated the date of their delivery, and will accrue interest from such date, which interest is payable semiannually on each February 1 and August 1, commencing February 1, 2013. The Bonds are issuable in denominations of \$5,000 or any integral multiple thereof.

**The Bonds are subject to redemption prior to maturity, as described herein.** See “THE BONDS—Redemption Provisions” herein.

The following firm served as financial advisor to the District on this financing:



**MATURITY SCHEDULE**

CUSIP Prefix 728343†

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Suffix†</u>	<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP Suffix†</u>
2013					2028				
2014					2029				
2015					2030				
2016					2031				
2017					2032				
2018					2033				
2019					2034				
2020					2035				
2021					2036				
2022					2037				
2023					2038				
2024					2039				
2025					2040				
2026					2041				
2027					2042				

Bids for the purchase of the Bonds will be received by the District on April 18, 2012, *electronically only*, through the I-Deal LLC BiDCOMP/PARITY© system, until 10:00 A.M., Pacific time. The Bonds will be sold pursuant to the terms of sale set forth in the Official Notice of Sale, dated April 6, 2012.

This cover page contains certain information for reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued, subject to the approval as to their legality by Quint & Thimmig LLP, San Francisco, California, Bond Counsel. Certain legal matters will be passed on for the District by its counsel Mark Cornelius, Esq., Walnut Creek, California. The firm of Quint & Thimmig LLP, San Francisco, California, has also acted as disclosure counsel to the District. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about May 1, 2012.

Dated: April \_\_, 2012

\*Preliminary, subject to change.

† Copyright 2012, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by the CUSIP Service Bureau, operated by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the holders of the Bonds. The District is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.



**PLEASANT HILL RECREATION & PARK DISTRICT**

147 Gregory Lane  
Pleasant Hill, California 94523  
(925) 682-0896  
<http://www.pleasanthillrec.com>

**BOARD OF DIRECTORS**

Dennis Donaghu, *Chair*  
Bobby Glover, *Vice Chair*  
Sherry M. Sterrett, *Secretary*  
Sandra Bonato, *Member*  
Cecile Shepard, *Member*

**DISTRICT ADMINISTRATION**

Robert B. Berggren, *General Manager*  
Mark Blair, *Accounting Supervisor*  
Susie Kubota, *Executive Secretary*  
Korey Riley, *Aquatics Supervisor*  
Lance Hurtado, *Recreation Supervisor*  
Tina Young, *Recreation Superintendent*  
Kendra Luke, *Senior Supervisor*  
Carrie Miller, *Building Maintenance Superintendent*

**PROFESSIONAL SERVICES**

DISTRICT COUNSEL  
Mark Cornelius, Esq.  
*Pleasant Hill, California*

SPECIAL COUNSEL AND DISCLOSURE COUNSEL  
Quint & Thimmig LLP  
*San Francisco, California*

FINANCIAL ADVISOR  
NHA Advisors  
*San Rafael, California*

PAYING AGENT, TRANSFER AGENT, AUTHENTICATION AGENT  
AND BOND REGISTRAR  
U.S. Bank National Association  
*San Francisco, California*

*Use of Official Statement.* This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any bond owner and the District or the Underwriter named on the cover page of this Official Statement.

*No Offering Except by This Official Statement.* No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the District or the Underwriter.

*No Unlawful Offers or Solicitations.* This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

*Information in Official Statement.* The information set forth in this Official Statement has been furnished by the District and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

*Document Summaries.* All summaries of the Resolution or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

*No Securities Laws Registration.* The Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

*Estimates and Projections.* When used in this Official Statement and in any continuing disclosure by the District, in any press release and in any oral statement made with the approval of an authorized officer of the District, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

*Effective Date.* This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the District the other parties described in this Official Statement, or the condition of the property within the District since the date of this Official Statement.

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APPENDIX A: AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL  
YEAR ENDED JUNE 30, 2011

APPENDIX B: FORM OF OPINION OF BOND COUNSEL

APPENDIX C: FORM OF CONTINUING DISCLOSURE CERTIFICATE

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**\$8,000,000\***  
**PLEASANT HILL RECREATION & PARK DISTRICT**  
**(Contra Costa County, California)**  
**General Obligation Bonds, Election of 2009, Series B (2012)**

**INTRODUCTION**

This Official Statement, which includes the cover page, the inside cover page and appendices hereto, provides information in connection with the sale of Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012), in the principal amount of \$8,000,000\* (the "Bonds").

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, the inside cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

**The District**

The Pleasant Hill Recreation & Park District (the "District") was established in 1951 by citizens who desired recreational opportunities and park facilities in their community. The District serves over 40,000 people within the community, an area about 20% larger than of the City of Pleasant Hill (the "City"). There are approximately 100,000 persons who participate in programs, visit District facilities, or volunteer on an annual basis. The District includes over 269 acres of park land including thirteen park sites, three pools, two community center facilities, a senior center complex, a cultural center, an historic site, trails and open space areas. During each year, the District offers over 2,300 enrichment classes, programs, activities, and sponsors numerous clubs and organizations. The District is governed by a Board of Directors consisting of five members. Members are elected to four-year terms in staggered years. The day-to-day operations are managed by a board-appointed General Manager. See "THE DISTRICT."

**Sources of Payment for the Bonds**

The Bonds represent general obligations of the District payable solely from *ad valorem* property taxes levied and collected by Contra Costa County ("the County"). The Board of Supervisors of the County is empowered and are obligated to annually levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property in the District subject to taxation without limitation of rate or amount (except certain personal property which is taxable at limited rates). See "THE BONDS—Security."

**Voter Authorization; Authority for Issuance; Purpose of Issue**

The issuance of general obligation bonds in an aggregate amount not to exceed \$28,000,000 by the District was authorized by an election of the registered voters of the District held on August 25, 2009, by approximately 76% of the registered voters who voted on the measure (the "Authorization"). In 2010, the District issued its \$20,000,000 Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series A (2010) under the Authorization (the "Series A Bonds"). The Bonds represent the second and final series of bonds under the Authorization.

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\* Preliminary, subject to change.

The Bonds are issued pursuant to the Constitution and laws of the State of California (the "State"), including the provisions of section 5790 *et seq.* of the California Public Resources Code. The Bonds are authorized to be issued pursuant to that certain resolution (the "Resolution"), adopted by the Board of Directors of the District (the "Board") on March 28, 2012.

The proceeds of the Bonds will be used by the District to provide safe parks and recreational facilities for children, families and seniors by upgrading or replacing the District's Teen Center, the outdated and undersized Senior Center, the deteriorating Community Center; and aging sports fields, restrooms and other facilities at parks throughout the community (the "Project").

### **Description of the Bonds**

Interest on the Bonds accrues from their date of delivery and is payable semiannually on each February 1 and August 1 (each an "Interest Payment Date"), commencing February 1, 2013. Principal on the Bonds is payable on August 1 in the amounts and years as set forth on the cover page hereof.

Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of \$5,000 principal amount or any integral multiple thereof.

The Bonds maturing on or after August 1, 2023, may be redeemed before maturity at the option of the District from any source of funds, on August 1, 2022, or any date thereafter as a whole, or in part, at the principal amount thereof to be redeemed, without premium. See "THE BONDS—Optional Redemption."

The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to actual purchasers of the Bonds (the "Beneficial Owners") in the denominations set forth on the inside cover page hereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See "THE BONDS—Book-Entry-Only System" and APPENDIX D—"BOOK-ENTRY SYSTEM." In event that the book-entry-only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution described herein. See "THE BONDS—Registration, Transfer and Exchange of Bonds."

### **Tax Exemption**

In the opinion of Quint & Thimmig LLP, San Francisco, California, Bond Counsel, subject, however, to compliance by the District with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment in determining the federal alternative minimum tax for certain corporations. The Bonds are "qualified tax-exempt obligations" under section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS."

## **Offering and Delivery of the Bonds**

The Bonds are offered when, as and if issued and received by the purchasers, subject to approval as to their legality by Bond Counsel. It is anticipated that the Bonds will be available for delivery in New York, New York on or about May 1, 2012.

## **Continuing Disclosure**

The District will covenant for the benefit of the Bondholders to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events, if material, in compliance with S.E.C. Rule 15c2-12(b)(5). The specific nature of the information to be made available and of the notices of material events is summarized below under the caption APPENDIX C—"FORM OF CONTINUING DISCLOSURE CERTIFICATE."

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available for inspection at the office of the Superintendent, Pleasant Hill Recreation & Park District, 147 Gregory Lane, Pleasant Hill, California 94523, telephone (925) 682-0896. The District may impose a charge for copying, mailing and handling.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The summaries and references to documents, statutes and constitutional provisions referred to herein do not purport to be comprehensive or definitive, and are qualified in their entireties by reference to each of such documents, statutes and constitutional provisions.

The information set forth herein has been obtained from official sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

## **THE BONDS**

### **Authority for Issuance**

The Bonds are issued pursuant to the Constitution and laws of the State, including the provisions of section 5790 *et seq.* of the California Public Resources Code.

Proceeds of the Bonds will be applied (i) to finance a portion of the costs of the Project, and (ii) to pay costs of issuance of the Bonds. See "SOURCES AND USES OF FUNDS."

## Security

The Bonds represent general obligations of the District payable solely from *ad valorem* property taxes levied and collected pursuant to the Authorization. The Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes for the payment of the Bonds, and the interest thereon, upon all property in the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). Such taxes are required to be levied annually, in addition to all other taxes, during the period that the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due. Such taxes, when collected, will be deposited, with respect to the Bonds, into the Pleasant Hill Recreation & Park District General Obligation Bond Interest and Sinking Fund (the "Debt Service Fund"), which will be held and maintained by the County Treasurer-Tax Collector (the "Treasurer-Tax Collector") and which is required to be applied for the payment of principal of and interest on the Bonds when due. Although the County is obligated to levy an *ad valorem* tax for the payment of the Bonds, and the Treasurer-Tax Collector will maintain the Debt Service Fund, the Bonds are a debt of the District, not the County.

The moneys in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred by the County, through the Treasurer-Tax Collector, to the Paying Agent (as defined herein) which, in turn, will pay such moneys to DTC to pay the principal of and interest on the Bonds. DTC will thereupon make payments of principal and interest on the Bonds to the DTC Participants who will thereupon make payments of principal and interest to the Beneficial Owners (as defined herein) of the Bonds.

The amount of the annual *ad valorem* tax levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemption for property owned by the State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate. For further information regarding the District's assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see "TAX BASE FOR REPAYMENT OF BONDS."

## Description of the Bonds

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds.

Interest with respect to the Bonds accrues from their date of delivery and is payable semiannually on February 1 and August 1 of each year commencing February 1, 2013. Interest on the Bonds accrues on the basis of a 360-day year comprised of twelve 30-day months. Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to that Interest Payment Date, inclusive, in which event it will bear interest from such Interest Payment Date, or unless it is authenticated

on or before January 15, 2013, in which event it will bear interest from their date of delivery. The Bonds are issuable in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds mature on the dates, in the years and amounts set forth on the cover page hereof.

See the maturity schedule on the cover page hereof and "DEBT SERVICE SCHEDULE."

### **Book-Entry-Only System**

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See APPENDIX D—"BOOK-ENTRY SYSTEM."

### **Paying Agent**

U.S. Bank National Association, San Francisco, California, will act as the transfer agent, bond registrar, authenticating agent and paying agent for the Bonds (the "Paying Agent"). As long as DTC is the registered owner of the Bonds and DTC's book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or of any other action premised on such notice.

The Paying Agent, the District, the County and the Underwriter (as defined herein) have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests in the Bonds.

### **Payment**

Payment of interest on any Bond on any Interest Payment Date will be made to the person appearing on the registration books of the Paying Agent as the owner thereof as of the close of business on the 15th day of the month immediately preceding such Interest Payment Date (the "Record Date"), such interest to be paid by check mailed to such owner on the Interest Payment Date at his or her address as it appears on such registration books or at such other address as he or she may have filed with the Paying Agent for that purpose on or before the Record Date. The owner in an aggregate principal amount or maturity value of \$1,000,000 or more may request in writing to the Paying Agent that such owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

The principal, and redemption price, if any, payable on the Bonds will be payable upon maturity or redemption upon surrender of such Bonds at the principal office of the Paying Agent. The interest, principal and redemption price, if any, on the Bonds will be payable in lawful money of the United States of America. The Paying Agent is authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are general obligations of the District and do not constitute obligations of the County. No part of any fund of the County is pledged or obligated to the payment of the Bonds.

## **Optional Redemption**

The Bonds maturing on or before August 1, 2022, are not subject to optional redemption. The Bonds maturing on or after August 1, 2023, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, on August 1, 2022, or on any Interest Payment Date thereafter, as a whole, at par value, together with interest accrued thereon to the date of redemption, without premium.

## **Notice of Redemption**

The Paying Agent on behalf and at the expense of the District shall mail (by first class mail) notice of any redemption to: (i) the respective Owners of any Bonds designated for redemption, at least thirty (30) but not more than sixty (60) days prior to the redemption date, at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to one or more Information Services, at least thirty (30) but not more than sixty (60) days prior to the redemption; *provided, however*, that neither failure to receive any such notice so mailed nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the date of the notice, the redemption date, the redemption place and the redemption price and shall designate the CUSIP numbers, the bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and shall require that such Bonds be then surrendered at the Office of the Paying Agent for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

Notwithstanding the foregoing, in the case of any optional redemption of the Bonds, the notice of redemption shall state that the redemption is conditioned upon receipt by the Paying Agent of sufficient moneys to redeem the Bonds on the scheduled redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem the Bonds have not been deposited with the Paying Agent. In the event that the Paying Agent does not receive sufficient funds by the scheduled optional redemption date to so redeem the Bonds to be optionally redeemed, the Paying Agent shall send written notice to the Owners, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the Bonds for which notice of optional redemption was given shall remain Outstanding for all purposes.

## **Selection of Bonds for Redemption**

Whenever provision is made for the redemption of Bonds of more than one maturity, the Bonds to be redeemed shall be selected by the District evidenced by a Written Request filed with the Paying Agent or, absent such selection by the District, on a *pro rata* basis among the maturities subject to redemption; and in each case, the Paying Agent shall select the Bonds to be redeemed within any maturity by lot in any manner which the Paying Agent in its sole discretion shall deem appropriate and fair. For purposes of such selection, all Bonds shall be deemed to be comprised of separate \$5,000 portions and such portions shall be treated as separate Bonds which may be separately redeemed.

## **Partial Redemption of Bonds**

In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the District shall execute and the Paying Agent shall authenticate and deliver to the Owner thereof, at the expense of the District, a new Bond or Bonds of the same maturity date, of

authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

### **Effect of Redemption**

From and after the date fixed for redemption, if funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption shall have been duly provided, such Bonds so called shall cease to be entitled to any benefit under the Resolution other than the right to receive payment of the redemption price, and no interest shall accrue thereon from and after the redemption date specified in such notice. All Bonds redeemed shall be canceled and shall be destroyed by the Paying Agent.

### **Events of Default and Remedies**

The following events shall be events of default under the Resolution:

(a) if default shall be made in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) if default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in the Resolution or in the Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the District; or

(d) if the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property.

Any Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the District and its members, officers, agents or employees to perform each and every term, provision and covenant contained in the Resolution and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the District and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bondowners' rights; or

(c) upon the happening of any event of default, by suit, action or proceeding in any court of competent jurisdiction, to require the District and its members and employees to account as if it and they were the trustees of an express trust.

No remedy herein conferred upon the Owners of Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bondowners.

## Defeasance

*Discharge of Resolution.* Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable hereunder by the District:

(i) by paying or causing to be paid the principal or redemption price of and interest on Bonds Outstanding, as and when the same become due and payable;

(ii) by depositing, in trust, at or before maturity, money or securities in the necessary amount to pay or redeem Bonds Outstanding; or

(iii) by delivering to the Paying Agent, for cancellation by it, Bonds Outstanding.

If the District shall pay all Bonds Outstanding and shall also pay or cause to be paid all other sums payable hereunder by the District, then and in that case, at the election of the District (evidenced by a certificate of a District Representative, filed with the Paying Agent, signifying the intention of the District to discharge all such indebtedness and the Resolution), and notwithstanding that any Bonds shall not have been surrendered for payment, the Resolution and other assets made under the Resolution and all covenants, agreements and other obligations of the District under the Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in the Resolution. In such event, upon request of the District, the Paying Agent shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the District all moneys or securities or other property held by it pursuant to the Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

*Discharge of Liability on Bonds.* Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, then all liability of the District in respect of such Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of the Resolution shall apply in all events.

The District may at any time surrender to the Paying Agent for cancellation by it any Bonds previously issued and delivered, which the District may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

*Deposit of Money or Securities with Paying Agent.* Whenever in the Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established pursuant to the Resolution and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or redemption price of such Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities (not callable by the issuer thereof prior to maturity) the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the District, will provide money sufficient to pay the principal or redemption price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or provision satisfactory to the Paying Agent shall have been made for the giving of such notice;

provided, in each case, that the Paying Agent shall have been irrevocably instructed (by the terms of the Resolution or by request of the District) to apply such money to the payment of such principal or redemption price and interest with respect to such Bonds.

*Payment of Bonds After Discharge of Resolution.* Notwithstanding any provisions of the Resolution, any moneys held by the Paying Agent in trust for the payment of the principal or redemption price of, or interest on, any Bonds and remaining unclaimed after the payment is due (whether at maturity or upon call for redemption as provided in the Resolution), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid to the District free from the trusts created by the Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; *provided, however,* that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Bonds which have not been paid at the addresses shown on the registration books maintained by the Paying Agent a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the District of the moneys held for the payment thereof.

### **Transfer and Exchange of Bonds; Registration**

*Transfer of Bonds.* Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of the Resolution, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

No transfers of Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected for redemption.

*Exchange of Bonds.* Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The Paying Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (a) fifteen days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected for redemption.

*Bond Register.* The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the District upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

## SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the Bonds are as follows:

Sources of Funds:

Principal Amount of Bonds  
Plus: Original Issue Premium  
Total Sources of Funds

Uses of Funds:

Deposit to Project Fund  
Costs of Issuance (1)  
Total Uses of Funds

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(1) Includes Bond Counsel fees and expenses, Disclosure Counsel fees and expenses, Financial Advisor fees and expenses, Underwriter's discount, printing costs, rating agency fees and other miscellaneous expenses.

**DEBT SERVICE SCHEDULES**

The following table shows the debt service schedule with respect to the Bonds (assuming no optional redemptions).

Bond Year Ending (August 1)	Annual Principal Payment	Annual Interest Payment (1)	Total Annual Debt Service
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
Totals	_____	_____	_____
	=====	=====	=====

(1) Interest payments on the Bonds will be made semiannually on February 1 and August 1 of each year, commencing February 1, 2013.

The following table shows the aggregate debt service schedule with respect to the Series A Bonds and Bonds (assuming no optional redemptions).

<u>Bond Year Ending (August 1)</u>	<u>Series A Bond Debt Service</u>	<u>Series B Bond Debt Service</u>	<u>Total Debt Service</u>
2012	\$1,486,025.00	—	\$1,486,025.00
2013	1,068,025.00		
2014	1,285,825.00		
2015	1,284,625.00		
2016	1,287,025.00		
2017	1,283,975.00		
2018	1,285,625.00		
2019	1,286,825.00		
2020	1,285,200.00		
2021	1,283,050.00		
2022	1,282,850.00		
2023	1,286,850.00		
2024	1,284,850.00		
2025	1,287,050.00		
2026	1,287,300.00		
2027	1,286,050.00		
2028	1,283,300.00		
2029	1,284,050.00		
2030	1,283,050.00		
2031	1,285,300.00		
2032	1,282,935.00		
2033	1,283,510.00		
2034	1,286,750.00		
2035	1,286,000.00		
2036	1,283,000.00		
2037	1,282,750.00		
2038	1,285,000.00		
2039	1,284,500.00		
2040	1,286,250.00		
2041	—		
2042	—		

#### **CONTRA COSTA COUNTY INVESTMENT POOL**

This section provides a general description of the County investment policy, current portfolio holdings, and valuation procedures. The information has been adapted from material prepared by the County for inclusion in this Official Statement. The District makes no representation as to the accuracy or completeness of such information. Further information may be obtained from the office of the Treasurer-Tax Collector of the County, 625 Court Street, Room 100, Martinez, CA 94553, telephone: (925) 957-2850.

Funds held by the County in the Investment Pool (the “County Pool”) are invested in accordance with the County’s Statement of Investment Policy prepared by the County Treasurer-Tax Collector (the “Treasurer”) as authorized by section 53601 of the Government Code of California.

The County Pool represents moneys entrusted to the Treasurer by the County and schools and special districts within the County. State law requires that all moneys of the County, school districts, and certain special districts be held by the Treasurer.

Moneys deposited in the County Pool by the participants represent an individual interest in all assets and investments in the County Pool based upon the amount deposited. All income is distributed to participants based on the average daily balance.

The Treasurer's Investment Policy allows for the purchase of a variety of securities and provides for limitations as to exposure, maturity and rating which vary with each security type. The composition of the portfolio will change over time as old investments mature, or are sold, and as new investments are made.

Funds on deposit with the Treasurer are managed to insure preservation of capital through high quality investments, maintenance of liquidity and then yield. Further, no single investment of operating funds can exceed five years.

The book value of the Portfolio structure of the County Pool as of December 31, 2011, was as follows:

**PORTFOLIO STATISTICS**  
**Contra Costa County**  
**As of December 31, 2011**

	Par Value	Cost	Fair Value	Portfolio % of Cost
<b>Managed by Treasurer's Office</b>				
U.S. Treasuries (STRIPS, Bills, Notes)	\$12,987,000.00	\$13,127,835.76	\$13,249,418.10	0.64%
U.S. Agencies	270,514,000.00	274,926,441.03	276,004,696.78	13.40
Money Market Instruments				
Bankers Acceptances	15,000,000.00	14,981,800.00	14,999,033.33	0.73
Repurchase Agreement	73,553,000.00	73,553,000.00	73,553,000.00	3.59
Commercial Paper	555,025,000.00	554,089,420.59	554,407,917.97	27.01
Negotiable Certificates of Deposit	382,775,000.00	382,776,863.12	382,874,482.88	18.66
Corporate Notes	107,505,000.00	108,926,064.51	109,051,107.05	5.31
Time Deposit	3,200.00	3,200.00	3,200.00	0.00
Subtotal	<u>1,133,861,200.00</u>	<u>1,134,330,348.22</u>	<u>1,134,888,741.23</u>	<u>55.30</u>
Total	<u>1,417,362,200.00</u>	<u>1,422,384,625.01</u>	<u>1,424,142,856.11</u>	<u>69.34</u>
<b>Managed by Outside Contractors</b>				
LAIF	419,695,254.19	419,695,254.19	419,695,254.19	20.46
Other	146,688,338.82	147,904,629.03	147,603,555.53	7.21
Total	<u>566,383,593.01</u>	<u>567,599,883.22</u>	<u>567,298,809.72</u>	<u>27.67</u>
Cash	<u>61,231,921.65</u>	<u>61,231,921.65</u>	<u>61,231,921.65</u>	<u>2.99</u>
Total Cash and Investments	<u>\$2,044,977,714.66</u>	<u>\$2,051,216,429.88</u>	<u>\$2,052,673,587.48</u>	<u>100.00%</u>

The portfolio is in compliance with the County's Investment Policy. The investments in the County Pool are scheduled to mature at the times and in the amounts necessary to meet the County's expenditures and other scheduled withdrawals.

## CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

*The principal of and interest on the Bonds are payable from the proceeds of an ad valorem tax levied by the County for the payment thereof. (See "THE BONDS—Security.") Articles XIII A, XIII B, XIII C and XIII D of the Constitution, Proposition and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes and of the District to spend tax proceeds and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the County to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIII A, Article XIII C, and all applicable laws.*

### **Article XIII A of the California Constitution**

On June 6, 1978, California voters approved Proposition 13 ("Proposition 13"), which added Article XIII A to the California Constitution ("Article XIII A"). Article XIII A, as amended, limits the amount of any *ad valorem* taxes on real property to 1% of the "full cash value," and provides that such tax will be collected by the counties and apportioned according to State law. Section 1(b) of Article XIII A provides that the 1% limitation does not apply to *ad valorem* taxes levied to pay interest and redemption charges on (i) indebtedness approved by the voters prior to July 1, 1978, or (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds or more of the votes cast on the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year until new construction or a change of ownership occurs.

Article XIII A has subsequently been amended to permit reduction of "full cash value" in the event of declining property values caused by substantial damage, destruction or other factors, to provide that there would be no increase in "full cash value" in the event of reconstruction of property damaged or destroyed in a disaster, and in various other minor or technical ways.

### **Legislation Implementing Article XIII A**

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the County and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

That portion of annual property tax revenues generated by increases in assessed valuations within each tax rate area within a county, subject to redevelopment agency claims on tax increment, if any, and subject to changes in organizations, if any of affected jurisdictions, is allocate to each jurisdiction within the tax rate area in the same proportion that the total property tax revenue from the tax rate area for the prior year was allocate to such jurisdictions.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the "taxing area" based upon their respective

“situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at 100% of assessed value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

### **Article XIII B of the California Constitution**

An initiative to amend the California Constitution entitled “Limitation of Government Appropriations,” was approved on November 6, 1979, thereby adding Article XIII B to the California Constitution (“Article XIII B”). Under Article XIII B State and local governmental entities have an annual “appropriations limit” and are not permitted to spend certain moneys which are called “appropriations subject to limitation” (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriation of moneys which are excluded from the definition of “appropriations subject to limitation,” including appropriations for debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the appropriations limit was originally to be based on certain Fiscal Year 1978-79 expenditures, and adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities’ revenues in any consecutive two-year period exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

In the event the District receives any proceeds of taxes in excess of the allowable limit in any fiscal year, the District may implement a statutory procedure to concurrently increase the District’s appropriations limit and decrease the State’s allowable limit, thus nullifying the need for any return.

### **Proposition 218**

An initiative measure entitled “Right to Vote on Taxes Act,” also known as Proposition 218 (“Proposition 218”), was approved by California voters at the November 5, 1996, state-wide general election, and became effective on November 6, 1996. Proposition 218 added Articles XIII C and XIII D to the California Constitution, and all references herein to Articles XIII C and XIII D are references to the text as set forth in Proposition 218.

Among other things, Article XIII C establishes that every tax imposed by a local government is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), and prohibits special purpose government agencies from levying general taxes.

Article XIII C also provides that the initiative power shall not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. The initiative power is, however, limited by the United States Constitution’s prohibition against state or local laws “impairing the obligation of contracts.” The Bonds represent a contract between the District and the bondholder secured by the collection of *ad valorem* property taxes. While not free from doubt, it is likely that, once the Bonds are issued, the taxes securing them would not be subject to reduction or repeal. Legislation adopted in 1997 provides that Article XIII C shall not be construed to mean that any owner or beneficial owner of a municipal security assumes the risk of or consents to any initiative measure which would constitute an impairment of contractual rights under the contracts clause of the United States Constitution.

Article XIIIID deals with assessments and property-related fees and charges. Article XIIIID explicitly provides that nothing in Article XIIIIC or XIIIID shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The interpretation and application of Proposition 218 and the United States Constitution's contracts clause will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination.

### **Future Initiatives and Legislation**

Proposition 218 was adopted pursuant to a measure qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the State Legislature. The adoption of any such initiative or enactment of legislation might place limitations on the ability of the State, the County, the District or local districts to increase revenues or to increase appropriations.

## **TAX BASE FOR REPAYMENT OF BONDS**

*The information in this section describes ad valorem property taxation, assessed valuation, and other measures of the tax base of the District. The Bonds are payable solely from ad valorem taxes levied and collected by the County on taxable property in the District. The District's general fund is not a source for the repayment of the Bonds.*

### **Ad Valorem Property Taxation**

District property taxes are assessed and collected by the County at the same time and on the same rolls as special district property taxes. Assessed valuations are the same for the taxing purposes of both the District and the County.

Taxes are levied for each fiscal year on taxable real and personal property which is located in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll." A supplemental roll is developed when property changes hands or new construction is completed. Each county levies and collects all property taxes for property falling within that county's taxing boundaries.

Property taxes on the secured roll are due in two installments, November 1 and February 1 of the calendar year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent installment plus a \$10 cost on the second installment. Property on the secured roll with delinquent taxes is sold to the State on or about June 30 of the calendar year. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a \$15 redemption fee and a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and is then subject to sale by the tax-collecting authority of the relevant county.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent if they are not paid by August 31. In the case of unsecured property taxes, a 10% penalty attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue beginning November 1 of the fiscal year, and a lien may be recorded against the assessee. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the assessee; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on specific property of the assessee; (3) filing a certificate of delinquency for record in the County Recorder's office in order to obtain a lien on specified property of the assessee; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

State law exempts from taxation \$7,000 of the full cash value of an owner-occupied dwelling, but this exemption does not result in any loss of revenue to local agencies, since the State reimburses local agencies for the value of the exemptions.

All property is assessed using full cash value as defined by Article XIII A of the State Constitution. State law provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions.

Assessed valuation growth allowed under Article XIII A (new construction, certain changes of ownership, 2% inflation) is allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and schools share the growth of "base" revenues from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year. The availability of revenue from growth in tax bases to such entities may be affected by the establishment of redevelopment agencies which, under certain circumstances, may be entitled to revenues resulting from the increase in certain property values.

### **Assessed Valuations**

The assessed valuation of property in the District is established by the County Assessor of the County, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIII A of the California Constitution. Prior to 1981-82, assessed valuations were reported at 25% of the full value of property. For a discussion of how properties currently are assessed, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS."

Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

The table below shows the assessed valuation in the District for fiscal years 2007-08 to 2011-12.

**HISTORIC ASSESSED VALUATIONS  
Pleasant Hill Recreation & Park District**

Fiscal Year	Local Secured	Utility	Unsecured	Total
2007-08	\$5,567,348,738	0	\$134,677,493	\$5,702,026,231
2008-09	5,737,744,690	0	139,706,532	5,877,451,222
2009-10	5,687,369,410	0	151,038,243	5,838,407,653
2010-11	5,693,609,444	0	135,146,685	5,828,756,129
2011-12	5,601,442,841	0	135,251,159	5,736,694,000

Source: California Municipal Statistics, Inc.

**Tax Rates**

The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in a typical Tax Rate Area (“TRA”) within the District from fiscal year 2007-08 to fiscal 2009-10.

**DEFINITIONS AND SUMMARY OF AD VALOREM TAX RATES  
Pleasant Hill Recreation & Park District**

Typical Total Tax Rates (TRA 12-029 2011-12 Assessed Valuation: \$5,736,694,000)

	2007-08	2008-09	2009-10	2010-11	2011-12
County-wide Rate (a)	1.0000	1.0000	1.0000	1.0000	1.0000
District				.0212	.0255
Bay Area Rapid Transit	.0076	.0090	.0057	.0031	.0041
East Bay Regional Park District	.0080	.0100	.0108	.0084	.0071
Mount Diablo Unified School District	.0424	.0455	.0493	.0600	.0612
Contra Costa Community College District	.0108	.0066	.0126	.0133	.0144
Total All Property Tax Rate	1.0688	1.0711	1.0784	1.1060	1.1123
Contra Costa County Water District	.0039	.0041	.0048	.0049	.0051
Total Land Only Tax Rate	.0039	.0041	.0048	.0049	.0051

Source: California Municipal Statistics, Inc.

(a) Maximum rate for purposes other than paying debt service in accordance with Article XIII A of the State Constitution

**Tax Levies and Delinquencies**

Beginning in 1978-79, Article XIII A and its implementing legislation shifted the function of property taxation primarily to the counties, except for levies to support prior-voted debt, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The following table reflects the historical secured tax levy and year-end delinquencies for the District.

**SECURED TAX CHARGE AND DELINQUENCY  
Pleasant Hill Recreation & Park District  
1% General Fund Apportionment**

Fiscal Year	Secured Tax Charge	Amount Delinquent as of June 30	Percent Delinquent as of June 30
2005-06	\$2,493,431.53	\$ 46,969.76	1.88%
2006-07	2,736,625.35	93,006.82	3.40
2007-08	2,892,627.56	138,620.53	4.79
2008-09	2,949,081.40	117,815.58	3.99
2009-10	2,891,429.49	77,393.72	2.68
2010-11	2,873,298.93	49,344.74	1.72

Source: California Municipal Statistics, Inc.

**SECURED TAX CHARGE AND DELINQUENCY  
Pleasant Hill Recreation & Park District  
General Obligation Bonds Levy**

Fiscal Year	Secured Tax Charge	Amount Delinquent as of June 30	Percent Delinquent as of June 30
2010-11	\$1,192,135.95	\$14,803.51	1.24%

Source: California Municipal Statistics, Inc.

**Alternative Method of Tax Apportionment**

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in section 4701 *et seq.* of the California Revenue and Taxation Code. The Teeter Plan guarantees distribution of 100% of the general taxes levied to the taxing entities within the County, with the County retaining all penalties and interest penalties affixed upon delinquent properties and redemptions of subsequent collections. Under the Teeter Plan, the County apportions secured property taxes on a cash basis to local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency. At the conclusion of each fiscal year, the County distributes 100% of any taxes delinquent as of June 30th to the respective taxing entities. Teeter Plan was effective beginning the fiscal year commencing July 1, 1993.

The Teeter Plan is applicable to secured property tax levies. As adopted by the County, the Teeter Plan excludes Mello-Roos Community Facilities Districts, special assessment districts, and benefit assessment districts.

The Teeter Plan is to remain in effect unless the Board of Supervisors of the County orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance joined in by resolutions adopted by at least two-thirds of the participating revenue districts in the County, in which event the Board of Supervisors is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. If the Teeter Plan is discontinued subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which the County acts as the tax-levying or tax-collecting agency, but penalties and interest would be credited to the political subdivisions.

## Largest Property Owners

The following table shows the 20 largest owners of taxable property in the District as determined by secured assessed valuation in fiscal year 2011-12, representing 17.79% of the total assessed valuation.

### FISCAL YEAR 2009-10 LARGEST LOCAL SECURED TAXPAYERS Pleasant Hill Recreation & Park District

	<u>Property Owner</u>	<u>Primary Land Use</u>	2011-12 <u>Assessed Valuation</u>	% of <u>Total (1)</u>
1.	CA-Treat Towers LP	Office Building	\$112,114,466	2.00%
2.	CA-Station Landing Development Co.	Office Building	105,689,921	1.89
3.	SVF Oak Road Walnut Creek Corp.	Office Building	90,227,741	1.61
4.	Park Regency Partners	Apartments	86,834,547	1.55
5.	Loja Pleasant Hill LLC	Shopping Center	81,000,000	1.45
6.	PMI Plaza LLC	Office Building	66,507,941	1.19
7.	FW CA PH Shopping Center LLC	Shopping Center	62,727,182	1.12
8.	Ashford Walnut Creek LP	Hotel	43,558,260	0.78
9.	Lexford Properties LP	Apartments	37,874,058	0.68
10.	Grosvenor USA Limited	Shopping Center	36,392,590	0.65
11.	WM Villa Montanaro LLC	Apartments	35,974,141	0.64
12.	Grupe Real Estate Investors 29	Residential Properties	34,024,017	0.61
13.	Beaufort Partners LP	Shopping Center	31,826,769	0.57
14.	EQR Watson General Partnership	Residential Properties	31,157,644	0.56
15.	Ellinwood Office Partners LLC	Office Building	30,154,264	0.54
16.	Gallup & Whalen Santa Maria	Shopping Center	23,727,173	0.42
17.	Kenneth H. and Martha Hofmann	Office Building	23,415,592	0.42
18.	Stratford at Lafayette LLC	Assisted Living Facility	22,573,770	0.40
19.	ERP Operating Limited	Apartments	21,112,717	0.38
20.	HCP Pleasant LLC	Assisted Living Facility	<u>19,519,964</u>	<u>0.35</u>
			<u>\$996,412,757</u>	<u>17.79%</u>

Source: California Municipal Statistics, Inc.

(1) 2011-12 Local Secured Assessed Valuation: \$5,601,442,841.

## THE DISTRICT

### General Description

The District was formed January 22, 1951 under the laws of the California Public Resources Code, Division 5, Chapter 4, Section 5780, by citizens who desired recreational opportunities and park facilities in their community. The District is located in the geographical center of the County, 45 miles east of San Francisco and 22 miles east of Oakland.

The District serves over 40,000 people within the community, an area about 20% larger than of the City. There are approximately 100,000 persons who participate in programs, visit District facilities, or volunteer on an annual basis.

The District includes over 269 acres of park land including thirteen park sites, three pools, two community center facilities, a senior center complex, a cultural center, an historic site, trails and open space areas.

During each year, the District offers over 2,300 enrichment classes, programs, activities, and sponsors numerous clubs and organizations. Some of the major activities include the following: aquatic programs, cooking classes, adult and youth sports programs, dance classes, special events, excursions, fitness classes, special interest classes and many other types of classes and activities. Along with these activities, the District also sponsors over fifteen special clubs and organizations such as the Camera Club, Garden Club, Hiking Club, Las Juntas Artists, Tennis Club and others for public participation and enjoyment.

The District employs 26 full-time and 243 part-time employees.

### **Governance and Administration**

The District is governed by a board of five directors who serve four-year, overlapping terms. The current members of the board and the current expiration date of their respective terms are as follows:

Name	Current Term Expiration
Dennis Donaghu, <i>Chair</i>	2012
Bobby Glover, <i>Vice Chair</i>	2014
Sherry M. Sterrett, <i>Secretary</i>	2012
Sandra Bonato, <i>Member</i>	2014
Cecile Shepard, <i>Member</i>	2014

The day-to-day operations are managed by a board-appointed *General Manager*, Robert B. Berggren. Mr. Berggren has been employed in this capacity with the District since 1987. He started with the District in 1976 as a Recreation Supervisor and thereafter served as Recreation Superintendent for eight years prior to his appointment as General Manager. Mr. Berggren received his bachelor's degree from the University of California Berkeley and his masters' degree in Public Administration from John F. Kennedy University. He has served in various capacities to the following community organizations: the Pleasant Hill Rotary, UC Berkeley Alumni Scholarships, Diablo Valley Community College, the Pleasant Hill Community Foundation, Contra Costa Special Districts Association and the California Parks and Recreation Society. Mr. Berggren has lived in the District for over forty years.

Other administrative District functions are handled by the following staff:

- Robert B. Berggren, *General Manager*
- Mark Blair, *Accounting Supervisor*
- Susie Kubota, *Executive Secretary*
- Korey Riley, *Aquatics Supervisor*
- Lance Hurtado, *Recreation Supervisor*
- Tina Young, *Recreation Superintendent*
- Kendra Luke, *Senior Supervisor*
- Carrie Miller, *Building Maintenance Superintendent*

### **Defined Benefit Pension Plan**

*Plan Description:* The District contributes to the California Public Employees' Retirement System (PERS); an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and District ordinance.

Copies of PERS' annual financial report may be obtained from their Executive Office, 400 P Street, Sacramento, CA 95814.

*Funding Policy:* Participants are required to contribute 7% of their annual covered salary. The District makes the contributions required of District employees on their behalf and for their account. The District is required to contribute at an actuarially determined rate; the current rate is 11.169% for non-safety employees of annual covered payroll. The contribution requirements of plan members and the District are established and may be amended by PERS.

*Annual Pension Cost:* For 2011, the District's annual pension cost of \$362,993 for PERS was equal to the District's required and actual contributions. The required contribution was determined as part of the June 30, 2008 actuarial valuation using the entry age normal actuarial cost method.

Three-Year Trend Information for PERS is shown below:

Fiscal Year	Annual Pension Cost (APC)	APC Contributed	Net Pension Obligation
6/30/2009	\$389,609	100%	\$ —
6/30/2010	394,101	100%	—
6/30/2011	362,993	100%	—

## Risk Management

The District manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the District's responsibility.

The District is a member of a program through which certain specified and limited self-insured general liability, property loss and automobile liability are administered by the California Association for Park and Recreation Insurance (CAPRI) and shared by its participating members.

Complete audited financial statements for CAPRI can be obtained from CAPRI's office at 6341 Auburn Boulevard, Suite A, Citrus Heights, CA 95621.

CAPRI provides comprehensive general liability coverage with a \$10,000,000 limit per occurrence for personal injury and property damage to which the coverage applies. There is no deductible to the District.

CAPRI also provides public officials and employee liability coverage with a \$10,000,000 annual aggregate limit per member district because of a wrongful act(s) which occur during the

coverage period for which the coverage applies. There is a \$25,000 deductible for any covered claim for wrongful termination payable by the District.

All-Risk Property Loss coverage including Boiler & Machinery coverage is subject to a \$2,000 deductible per occurrence payable by the District.

CAPRI provides flood and earthquake coverage with an annual aggregate limit of \$5,000,000 for all the member districts. The deductible for all loss or damage arising from the risks of flood and/or earthquake is \$50,000 per occurrence or 5% of the value of the building, contents, and/or structure damaged, whichever is greater.

### **Contingencies**

The District is involved in various claims and litigation arising in the ordinary course of business. District management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters will not have a materially adverse effect on the District's financial position or results of operations.

### **Part-Time and Seasonal Employee Retirement Plan**

The District uses a FICA alternative (457) plan for the District's seasonal and part-time employees. This plan satisfies the requirements of Internal Revenue Code Section 3121, which requires the District to either include these employees under the Social Security System or a qualified pension plan. The District contributed \$24,374 during the year ended June 30, 2011.

### **Deferred Compensation Plan**

The District offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time and permanent part-time employees, permits them to defer a portion of their salary until future years. Under this plan, participants are not taxed on the deferred portion of the compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

## DISTRICT FINANCIAL INFORMATION

The information in this section concerning the District's finances is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable from the proceeds of an *ad valorem* tax levied for the payment thereof by the County. See "THE BONDS—Security."

### District Budget

The following table shows the District's adopted and actual budgets for fiscal years 2009-10 and 2010-11 and its adopted budget for fiscal year 2011-12.

#### GENERAL FUND BUDGET Fiscal Years 2009-10 to 2011-12 Pleasant Hill Recreation & Park District

	Final FY 2009-10	Final FY 2010-11	Board Approved FY 2011-12
<b>Revenue</b>			
Non Recreation	\$3,411,600	\$5,171,000	\$2,905,000
Recreation Administration	3,500	3,500	2,500
Seniors	342,700	349,440	337,000
Winslow Center	11,000	14,500	21,000
Rodgers Ranch	—	—	4,500
Community Center	189,000	124,000	—
Adult activities	240,800	215,500	178,000
Athletics & Teens	567,100	—	—
Athletics	—	501,000	487,000
Teens	—	60,000	89,000
Pre-school Youth	526,750	448,670	438,500
Kidstop	284,000	270,000	280,000
Aquatics	318,150	354,500	349,000
Communications	—	—	—
Parks	—	—	658,200
<b>Total</b>	<b>\$5,894,600</b>	<b>\$7,512,110</b>	<b>\$5,749,700</b>
<b>Expenditures</b>			
Non Recreation	\$629,690	\$274,000	\$363,130
Recreation Administration	247,330	261,370	291,000
Seniors	659,170	646,380	591,720
Winslow Center	51,120	61,580	84,250
Community Center	800,560	696,650	467,530
School House	6,700	1,900	1,900
Rodgers Ranch	—	—	3,350
Adult activities	255,270	218,460	205,930
Athletics & Teens	686,350	—	—
Athletics	—	595,100	427,460
Teens	—	36,500	139,040
Pre-school Youth	412,850	374,640	343,410
Kidstop	233,760	223,340	261,280
Aquatics	671,370	641,890	645,160
Communications	144,250	137,890	154,680
Parks	410,750	513,430	1,235,490
Long Term Debt	259,900	263,700	263,700
Capital	503,900	2,730,230	270,000
<b>Total</b>	<b>\$5,972,970</b>	<b>\$7,677,060</b>	<b>\$5,749,030</b>
Amount To(From) Fund Balance	(\$78,370)	(\$164,950)	\$670

Source: Pleasant Hill Recreation & Park District

## **Accounting Practices**

The accounting practices of the District conform to generally accepted accounting principles.

The District's expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Delinquent taxes not received after the fiscal year end are not recorded as revenue until received. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable.

The District's accounting is organized on the basis of fund groups, with each group consisting of a separate set of self-balancing accounts containing assets, liabilities, fund balances, revenues and expenditures. The major fund classification is the General Fund which accounts for all financial resources not requiring a special type of fund. The District's fiscal year begins on July 1 and ends on June 30.

## Financial Statements

The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. Audited financial statements for the District for the fiscal year ended June 30, 2011, and prior fiscal years are on file with the District and available for public inspection at the office of the General Manager of the District, 147 Gregory Lane, Pleasant Hill, California, 94523, telephone number (925) 682-0896. Copies of such financial statements will be mailed to prospective investors and their representatives upon request directed to the District at such address. The District's audited financial statements for the year ended June 30, 2011, are included in Appendix A hereto.

### BALANCE SHEET Governmental Funds Pleasant Hill Recreation & Park District

	Fiscal Year Ended June 30,		
	2009	2010	2011
<b>ASSETS</b>			
Cash and investments	\$1,653,658	954,465	873,206
Restricted cash	215,189	19,848,206	18,962,924
Accounts receivable	118,356	564,259	312,177
Due from other funds	709,540	1,017,090	980,042
Prepaid items	8,040	6,288	11,720
Total assets	\$2,704,783	22,390,308	21,140,069
<b>LIABILITIES</b>			
Accounts payable	\$ 507,392	528,653	585,687
Accrued payroll	73,686	8,113	10,729
Deferred revenue	491,414	480,431	449,637
Due to other funds	709,540	1,017,090	980,042
Other funds	13,694	28,091	11,984
Total liabilities	1,795,726	2,062,378	2,038,079
<b>FUND BALANCES</b>			
Restricted	—	19,563,078	18,748,378
Reserved for:			
Prepaid expenditures	8,040	6,288	11,720
The arts	10,663	10,961	
Debt service	215,189	215,189	
Project funding	100,000	100,000	149,498
Special revenue funds	—	—	389,803
Building fund	1,922	1,971	
Unassigned	—	—	(197,409)
Unreserved, undesignated	573,243	430,443	
Total fund balances	909,057	20,327,930	19,101,990
Total liabilities and fund balances	\$2,704,783	22,390,308	21,140,069

Source: Pleasant Hill Recreation & Park District audited financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**Governmental Funds**  
**Pleasant Hill Recreation & Park District**

	Fiscal Year Ended June 30,		
	2009	2010	2011
<b>REVENUES:</b>			
Property taxes	\$3,302,832	\$3,306,170	\$4,515,360
Non-recreation	312,162	481,868	132,462
Senior citizens	310,789	356,821	372,791
Winslow center	10,924	9,009	11,846
Community center rental	226,390	175,672	114,652
Adult activities	230,144	256,249	209,223
Athletics & teens	553,537	567,732	602,346
Preschool, youth & special	531,725	550,691	457,442
Child care	295,540	288,314	296,743
Aquatics	294,448	331,498	357,121
Interest	33,737	37,024	93,897
Total revenues	6,102,228	6,361,048	7,163,883
<b>EXPENDITURES:</b>			
Administration	450,035	620,956	329,621
Recreation	290,820	281,469	297,058
Senior citizens	622,952	842,491	657,067
Winslow center	54,701	145,697	48,534
Community center rental	846,058	991,905	734,370
Adult activities	253,700	242,687	238,689
Athletics & teens	690,480	747,677	628,743
Preschool, youth & special	423,099	411,555	361,472
Child care	262,117	248,017	232,340
Aquatics	605,850	791,808	656,507
Communications	153,370	142,268	147,467
Parks	951,863	445,482	468,937
Maintenance	697,026	762,825	696,925
Capital outlay	—	—	1,882,410
Debt Service:	—	—	—
Principal	160,129	104,318	110,711
Interest	154,700	145,484	898,969
Total expenditures	6,616,900	6,924,639	8,389,820
Excess (deficit) of revenues over (under) expenditures	(514,672)	(563,591)	(1,225,937)
Fund balances, beginning of period	1,423,729	909,052	20,327,927
Fund balances, end of period	\$ 909,057	\$20,327,930	\$19,101,990

Source: Pleasant Hill Recreation & Park District audited financial statements.

**Revenue Sources**

The District's Revenues are divided fairly evenly between property taxes and fees for services.

**Debt Obligations**

Set forth below is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc. and effective March 1, 2012. The Debt Report is included for

general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

The contents of the Debt Report are as follows: (1) the first column indicates the public agencies that have outstanding debt as of the date of the Debt Report and whose territory overlaps the District; (2) the second column shows the respective percentage of the assessed valuation of the overlapping public agency identified in column 1 which is represented by property located within the District; and (3) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in the District, as determined by multiplying the total outstanding debt of each agency by the percentage of the District's assessed valuation represented in column 2.

**STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT  
Pleasant Hill Recreation & Park District**

2011-12 Assessed Valuation: \$5,736,694,000  
 Redevelopment Incremental Valuation: 1,144,833,773  
 Adjusted Assessed Valuation: \$4,591,860,227

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 3/1/12</u>
Bay Area Rapid Transit District	1.053%	\$ 4,344,046
Contra Costa Community College District	3.689	8,262,807
Acalanes Union High School District	1.547	2,515,698
Martinez Unified School District	0.164	82,982
Mount Diablo Unified School District	16.285	50,658,573
Lafayette School District	5.897	1,009,861
Walnut Creek School District	0.024	7,751
City of Lafayette	1.327	103,042
Mount Diablo Unified School District Community Facilities District No. 1	16.285	8,578,1224
East Bay Regional Park District	1.636	2,119,029
<b>Pleasant Hill Recreation and Park District</b>	<b>100.</b>	<b>20,000,000 (1)</b>
City of Pleasant Hill Downtown Community Facilities District No. 1	100.	12,705,000
Contra Costa County Community Facilities District No. 1991-1	51.953	1,033,865
Contra Costa County 1915 Act Bonds (Estimate)	Various	64,622
<b>TOTAL GROSS DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$111,485,400</b>
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	3.672%	\$11,728,511
Contra Costa County Pension Obligations	3.672	14,682,125
Contra Costa Community College District Certificates of Participation	3.689	34,123
City of Pleasant Hill General Fund Obligations	99.688	3,608,706
City of Walnut Creek General Fund Obligations	0.084	685
<b>Pleasant Hill Recreation and Park District Certificates of Participation</b>	<b>100.</b>	<b>2,305,000</b>
Contra Costa County Fire Protection District Pension Obligations	8.323	9,288,052
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$41,647,202</b>
Less: Contra Costa County obligations supported by revenue funds		4,452,304
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$37,194,898</b>
		<b>\$153,132,602 (2)</b>
<b>GROSS COMBINED TOTAL DEBT</b>		
<b>NET COMBINED TOTAL DEBT</b>		<b>\$148,680,298</b>

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2011-12 Assessed Valuation:

**Direct Debt (\$20,000,000)** 0.35%  
 Total Direct and Overlapping Tax and Assessment Debt 1.94%

Ratios to Adjusted Assessed Valuation:

**Combined Direct Debt (\$22,305,000)** 0.49%  
 Gross Combined Total Debt 3.33%  
 Net Combined Total Debt 3.24%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/11: \$0

Source: California Municipal Statistics, Inc.

**District Debt**

*General Obligation Bonds.* The Series A Bonds and the Series B Bonds to be issued are the only outstanding general obligation bonds of the District.

*Certificates of Participation.* In 1997, the \$1,895,000 California Special Districts Association Finance Corporation Certificates of Participation (California Special Districts Finance Program),

1997 Series DD (the “1997 COPs”), were executed and delivered for the benefit of the District, to finance the acquisition of Pleasant Oaks Park. As of June 30, 2011, \$1,360,000 principal amount of the 1997 COPs was outstanding.

In 1999, the \$2,200,000 California Special Districts Association Finance Corporation Certificates of Participation (California Special Districts Finance Program), 1999 Series KK, of which \$1,285,000 was allocable to the District (the “1999 COPs”), were executed and delivered for the benefit of the District, to finance the acquisition of land relating to the Community Center. As of June 30, 2011, \$1,030,000 principal amount of the 1999 COPs was outstanding.

The following table sets forth scheduled lease payments for the 1997 COPs and the 1999 COPs.

**Aggregate Annual Lease Payment Schedule  
Pleasant Hill Recreation & Park District**

Fiscal Year Ending June 30	1997 COPS	1999 COPS	Total
2012	\$ 131,267.50	\$ 88,870.00	\$ 220,137.50
2013	133,215.00	87,130.00	220,345.00
2014	129,885.00	90,245.00	220,130.00
2015	131,555.00	88,215.00	219,770.00
2016	132,947.50	91,040.00	223,987.50
2017	129,062.50	88,720.00	217,782.50
2018	130,125.00	91,255.00	221,380.00
2019	130,906.26	88,645.00	219,551.26
2020	131,406.26	90,890.00	222,296.26
2021	131,625.00	87,990.00	219,615.00
2022	131,562.50	89,945.00	221,507.50
2023	131,218.76	91,610.00	222,828.76
2024	130,593.76	88,130.00	218,723.76
2025	129,687.50	89,505.00	219,192.50
2026	128,500.00	90,590.00	219,090.00
2027	132,031.26	91,385.00	223,416.26
2028	—	91,890.00	91,890.00
2029	—	87,250.00	87,250.00
2030	—	87,465.00	87,465.00
Total	<u>\$2,095,588.80</u>	<u>\$1,700,770.00</u>	<u>\$3,796,358.80</u>

Source: The District

**THE ECONOMY OF THE DISTRICT**

*While the economics of the City and County and surrounding region influence the economics within the District, only property within the District is subject to an unlimited ad valorem tax levy to pay debt service on the Bonds.*

**Introduction**

The City was incorporated as a general law city in 1961. The City is located in the County across the San Francisco Bay approximately 35 miles northeast of San Francisco, 70 miles southwest of Sacramento and adjacent to and south of the City of Concord. The City contains approximately 8.65 square miles in total area.

The County is bounded by San Francisco Bay to the west, the San Pablo Bay and the Sacramento River delta to the north, and by Alameda County on the south. Ranges of hills effectively divide Contra Costa County into three distinct regions. The western portion, with its access to water, contains much of the County's heavy industry. The central section is rapidly developing from a suburban area into a major commercial and financial headquarters center. The eastern part is also undergoing substantial change, from a rural, agricultural area, to a suburban region. The County has extensive and varied transportation facilities—ports accessible to ocean-going vessels, railroads, freeways, and rapid transit lines connecting the area with Alameda County and San Francisco.

## Population

The table below summarizes population of the City and the County.

### POPULATION City of Pleasant Hill and Contra Costa County

Year	City of Pleasant Hill	Contra Costa County
2004	33,289	993,958
2005	32,982	1,001,216
2006	32,536	1,007,169
2007	32,421	1,015,672
2008	32,793	1,027,264
2009	32,963	1,038,390
2010	33,139	1,047,948
2011	33,279	1,056,064

Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and the State, 2001-2010, with 2000 & 2010 Census Count (as of January 1). Sacramento, California, September 2011. The 1980, 1990 and 2000 totals are U.S. Census figures

## Employment

The following table summarizes historical employment and unemployment in Contra Costa County.

### CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT Contra Costa County Annual Averages, 2007-2011

	2007	2008	2009	2010	2011
Civilian Labor Force (1)					
Employment	495,400	496,400	*	*	469,600
Unemployment (2)	24,300	32,700	*	*	54,500
Total	519,700	529,200	n/a	n/a	524,100
Unemployment Rate (3)	4.7%	6.2%	*	*	10.4%

Source: California Employment Development Department, based on March 2011 benchmark.

(1) Includes persons involved in labor-management trade disputes.

(2) Includes all persons without jobs who are actively seeking work.

(3) The unemployment rate is computed from unrounded data, therefore, it may differ from rates computed from rounded figures in this table.

\* Not reported.

The following table summarizes the historical numbers of workers in Contra Costa County, by industry.

**ANNUAL AVERAGE WAGE AND SALARY EMPLOYMENT**  
**Contra Costa County**  
**2006-2010**

	2006	2007	2008	2009	2010
Total, All Industries	344,500	346,800	339,500	321,800	312,400
Farm	700	700	700	800	800
Non-Farm:	343,800	346,000	338,800	321,000	311,600
Goods Producing	50,400	49,700	46,500	39,900	36,500
Mining and Logging	---	---	---	---	---
Construction	---	---	---	---	---
Manufacturing	20,200	20,600	20,700	18,700	18,100
Service Providing	293,400	296,300	292,300	281,100	275,100
Trade, Transportation & Utilities	61,500	62,300	61,200	57,300	55,500
Wholesale Trade	9,100	9,100	8,700	7,700	7,600
Retail Trade	44,000	44,400	43,600	41,200	40,100
Information	13,400	13,000	11,800	10,400	9,800
Financial Activities	32,100	29,100	26,600	25,700	25,500
Professional & Business Services	50,600	49,400	49,300	45,900	43,700
Educational & Health Services	42,700	44,600	45,600	47,700	48,600
Leisure & Hospitality	32,400	33,200	32,800	31,200	31,500
Other Services	12,200	12,500	12,400	11,700	11,600
Government	48,900	52,200	52,600	51,300	48,900

Source: California Employment Development Department, based on March 2011 benchmark.

(1) Employment is reported by place of work; it does not include persons involved in labor-management disputes. Figures are rounded to the nearest hundred. Columns may not add to totals due to rounding.

## Major Employers

The twenty-five largest employers in the County are as follows:

### CONTRA COSTA COUNTY Largest Employers

Company	Product/Service	City
Bayer Health Care Phrmctcls	Laboratories-Pharmaceutical (Mfrs)	Richmond
Bio-Rad Laboratories Inc	Biological Products (Mfrs)	Hercules
C&H Sugar Co Inc	Sugar Refiners (Mfrs)	Crockett
California State Auto Assn	Automobile Club	Walnut Creek
Chevron Corp	Petroleum Products (Mfrs)	San Ramon
Chevron Global Downstream LLC	Marketing Programs & Services	San Ramon
Concord Naval Weapons Station	Federal Government-National Security	Concord
Contra-Costa Regional Med Ctr	Hospitals	Martinez
Department of Vetrans Affairs	Clinics	Martinez
Doctor's Medical Ctr	Hospitals	San Pablo
John Muir Health Physical Rhb	Physical Therapists	Concord
John Muir Medical Ctr	Hospitals	Concord
Kaiser Permanente	Hospitals	Walnut Creek
Kaiser Permanente Martinez	Clinics	Martinez
Muirlab	Laboratories-Medical	Walnut Creek
Nordstrom	Department Stores	Walnut Creek
PMI Group Inc	Insurance-Bonds	Walnut Creek
Richmond City Offices	Government Offices-City, Village & Twp	Richmond
San Ramon Regional Medical Ctr	Hospitals	San Ramon
Shell Oil Prod	Oil Refiners (Mfrs)	Martinez
St. Mary's College of California	Schools-Universities & Colleges Academic	Moraga
Sutter Delta Medical Ctr	Hospitals	Antioch
Tesoro Golden Eagle Refinery	Oil Refiners (Mfrs)	Pacheco
USS-POSCO Industries	Steel Mills (Mfrs)	Pittsburg
Va Outpatient Clinic	Surgical Centers	Martinez

Source: America's Labor Market Information System (ALMIS) Employer Database, 2012 1st Edition. Employer information is provided by infoUSA, Omaha, NE, 800/555-5211. Copyright 2011.

## Construction Activity

The following tables reflect the five-year history of building permit valuation for the City and the County:

### BUILDING PERMITS AND VALUATION City of Pleasant Hill (Dollars in Thousands)

	2006	2007	2008	2009	2010
<u>Permit Valuation:</u>					
New Single-family	\$ 909	\$ 2,227	\$ 476	\$ 0	\$ 468
New Multi-family	0	0	0	0	0
Res. Alterations/Additions	7,613	11,694	7,423	4,504	5,589
Total Residential	8,522	13,921	7,900	4,504	6,057
Total Nonresidential	7,246	12,409	28,311	5,234	4,533
Total All Building	\$15,768	\$26,331	\$36,211	\$9,738	\$10,590
<u>New Dwelling Units:</u>					
Single Family	3	6	1	0	2
Multiple Family	0	0	0	0	0
Total	3	6	1	0	2

Sources: Construction Industry Research Board: "Building Permit Summary."

Note: Totals may not add due to independent rounding.

**BUILDING PERMITS AND VALUATION**  
**Contra Costa County**  
**(Dollars in Thousands)**

	2006	2007	2008	2009	2010
<u>Permit Valuation:</u>					
New Single-family	\$ 986,694	\$ 832,053	\$ 300,089	\$300,363	237,458
New Multi-family	157,972	94,505	132,825	34,119	106,555
Res. Alterations/Additions	307,153	290,108	29,023	170,150	209,044
Total Residential	1,451,818	1,216,666	661,937	504,632	553,058
Total Nonresidential	412,500	491,315	459,933	314,301	285,417
Total All Building	<u>\$1,864,318</u>	<u>\$1,707,980</u>	<u>\$1,121,869</u>	<u>\$818,934</u>	<u>838,475</u>
<u>New Dwelling Units:</u>					
Single Family	3,310	2,698	985	1,038	809
Multiple Family	1,178	909	909	163	890
Total	<u>4,488</u>	<u>3,607</u>	<u>1,894</u>	<u>1,201</u>	<u>1,699</u>

Sources: Construction Industry Research Board: "Building Permit Summary."

Note: Totals may not add due to independent rounding.

**Commercial Activity**

Taxable sales in the City and County are shown below.

**TAXABLE SALES, 2004-2008**  
**City of Pleasant Hill**  
**(Dollars in Thousands)**

	Taxable Sales (\$000)				
	2004	2005	2006	2007	2008
Retail Stores					
Apparel stores	\$ 21,528	\$ 29,272	\$ 36,441	\$ 37,022	\$ 33,311
General merchandise stores	112,395	115,482	111,655	107,589	100,343
Food stores	25,141	25,134	25,539	29,097	30,218
Eating and drinking places	66,774	69,839	74,514	77,875	81,745
Home furnishings and appliances	90,424	67,538	73,212	70,799	90,077
Building materials	12,515	15,142	12,790	13,197	11,720
Motor vehicles and parts	8,454	6,866	10,326	10,886	11,608
Service stations	62,187	78,757	96,412	95,463	82,559
Other retail stores	172,207	168,174	168,325	156,336	112,281
Retail Stores Totals	571,625	576,204	609,214	598,264	553,862
All Other Outlets	45,579	46,096	56,235	58,263	86,456
Total All Outlets	<u>\$617,204</u>	<u>\$622,300</u>	<u>\$665,449</u>	<u>\$656,887</u>	<u>\$640,318</u>

Source: California Board of Equalization.

Source: California Board of Equalization, Taxable Sales in California (Sales & Use Tax).

(1) Starting 2007, Specialty Stores Group is included in "Other Retail Stores" Group.

(2) Starting 2007, Service Stations is reported separately from "Automotive."

(3) Totals may not add up due to independent rounding.

	2009 (3)
Retail Store and Food Services	
Motor Vehicle and Parts Dealers	\$10,192
Home Furnishings and Appliance Stores	106,545
Bldg. Matrl. and Garden Equip. and Supplies	18,261
Food and Beverage Stores	32,094
Gasoline Stations	44,146
Clothing and Clothing Accessories Stores	31,221
General Merchandise Stores	75,746
Food Service and Drinking Places	79,825
Other Retail Group	79,132
Total Retail and Food Services	477,163
All Other Outlets	80,325
Total All Outlets (4)	\$557,487

Source: California Board of Equalization, Taxable Sales in California (Sales & Use Tax).

(1) Starting 2007, Specialty Stores Group is included in All Other Retail Stores Group.

(2) Starting 2007, Service Stations are reported separately from "Automotive."

(3) Starting in 2009, categories were revised from prior years. Most recent annual data available.

(4) Totals may not add up due to independent rounding.

**TAXABLE SALES, 2004-2009**  
**Contra Costa County**  
**(Dollars in thousands)**

	Taxable Sales (\$000)				
	2004	2005	2006	2007	2008
Retail Stores					
Apparel Stores	\$ 411,121	\$ 451,401	\$ 462,451	\$ 470,507	\$ 528,456
General Merchandise	1,794,677	1,840,754	1,882,310	1,878,711	1,753,124
Specialty Stores (1)	1,313,316	1,339,013	1,353,099	(1)	(1)
Food Stores	596,922	607,168	607,062	616,296	594,275
Eating and Drinking	994,733	1,049,124	1,098,793	1,125,644	1,134,412
Household Group	492,686	483,977	468,008	427,995	471,620
Building Material Group	1,080,813	1,092,471	1,027,731	944,683	747,773
Automotive Group	2,730,407	2,901,766	3,061,806	1,812,785	1,406,932
Service Stations (2)	(2)	(2)	(2)	1,351,405	1,514,897
All Other Retail Stores	282,690	306,410	314,647	1,481,678	1,332,819
Retail Stores Totals	9,697,365	10,072,084	10,275,907	10,109,704	9,484,307
Business & Personal Services	506,336	524,750	567,375	555,793	533,701
All Other Outlets	2,786,837	2,883,241	3,024,379	340,618	3,289,673
Total All Outlets	\$12,990,538	\$13,480,075	\$13,867,661	\$14,086,295	\$13,307,681

Source: California Board of Equalization.

(1) Starting in 2007, category included in "Other retail stores."

(2) Starting in 2007, category broken out from "Automotive Group."

	<u>2009 (3)</u>
Retail Store and Food Services	
Motor Vehicle and Parts Dealers	\$1,184,803
Furniture and Home Furnishings Stores	225,331
Electronic and Appliance Stores	385,742
Bldg. Matrl. and Garden Equip. and Supplies	711,475
Food and Beverage Stores	657,337
Health and Personal Care Stores	264,279
Gasoline Stations (2)	1,151,058
Clothing and Clothing Accessories Stores	642,813
Sporting Goods, Hobby, Book & Music Stores	314,924
General Merchandise Stores	1,380,111
Miscellaneous Store Retailers (1)	397,297
Nonstore Retailers	47,224
Food Service and Drinking Places	1,111,182
Retail and Food Services Totals	<u>8,473,578</u>
All Other Outlets	3,409,471
Total All Outlets (4)	<u>\$11,883,049</u>

Source: California Board of Equalization, Taxable Sales in California (Sales & Use Tax).

(1) Starting 2007, Specialty Stores Group is included in All Other Retail Stores Group.

(2) Starting 2007, Service Stations are reported separately from "Automotive."

(3) Starting in 2009, categories were revised from prior years. Most recent annual data available.

(4) Totals may not add up due to independent rounding.

## Median Household Income

The following table summarizes the median household effective buying income for the City, the County, the State and the nation for the years 2006 through 2010.

### EFFECTIVE BUYING INCOME City, County, State and United States

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2006	City of Pleasant Hill	\$ 1,010,722	\$59,772
	County of Contra Costa	28,611,520	58,497
	California	764,120,962	46,275
	United States	6,107,092,244	41,255
2007	City of Pleasant Hill	\$ 1,050,870	\$62,802
	County of Contra Costa	30,138,295	61,123
	California	814,894,438	48,203
	United States	6,300,794,040	41,792
2008	City of Pleasant Hill	\$ 1,072,690	\$63,240
	County of Contra Costa	30,737,690	61,903
	California	832,531,445	48,952
	United States	6,443,994,426	42,303
2009	City of Pleasant Hill	\$ ,105,420	\$65,367
	County of Contra Costa	31,197,703	64,213
	California	844,823,319	49,736
	United States	6,571,536,768	43,252
2010	City of Pleasant Hill	\$ 1,066,803	\$62,260
	County of Contra Costa	30,049,698	61,031
	California	801,393,028	47,177
	United States	6,365,020,076	41,368

Source: "Survey of Buying Power," Sales and Marketing Management (2004); Nielsen Claritas, Inc. (2005-2010). In 2005, Sales and Marketing Management ceased publishing the "Survey of Buying Power" report; however, subsequent years' data has been obtained from Nielsen Claritas, Inc., who had previously prepared the data each year for the "Survey of Buying Power."

## LEGAL OPINION

The proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Quint & Thimmig LLP, San Francisco, California, Bond Counsel for the District. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each Bond. Certain legal matters will also be passed upon for the District by Quint & Thimmig LLP, San Francisco, California, as Disclosure Counsel. Certain legal matters will also be passed upon for the District by Mark Cornelius, Esq., Walnut Creek, California, District Counsel. The fees of Bond Counsel, Disclosure Counsel and Underwriter's Counsel are contingent upon the issuance and delivery of the Bonds.

## TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed

therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Quint & Thimmig LLP, San Francisco, California, Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations but interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

Subject to the District's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax exempt obligations" under the small issuer exception provided under section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under section 265(b)(2) of the Code.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within their respective knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT for a corporation, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would generally include certain tax-exempt interest, but not interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price, or purchase Bonds subsequent to the initial public offering, should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity (the "Reduced Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases a Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "IRS") has an ongoing program of auditing tax exempt obligations to determine whether, in the view of the IRS, interest on such tax exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the IRS will commence an audit of the Bonds. If an audit is commenced, under current procedures the IRS may treat the Issuer as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax exempt obligations, including the Bonds, are in certain cases required to be reported to the IRS. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the IRS of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences

arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

The complete text of the final opinion that Bond Counsel expects to deliver upon the issuance of the Bonds is set forth in APPENDIX B—"FORM OF OPINION OF BOND COUNSEL."

### **FINANCIAL ADVISOR**

The City has retained NHA Advisors, San Rafael, California, as financial advisor (the "Financial Advisor") in connection with the authorization and delivery of the Bonds. The fees of the Financial Advisor are contingent upon the sale and delivery of the Bonds. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

### **CONTINUING DISCLOSURE**

The District has covenanted for the benefit of holders and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the "Annual Report") by not later than 270 days following the end of the District's fiscal year (which date would be March 30 following the current end of the District's fiscal year on June 30), commencing with the report for the 2011-12 fiscal year, and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report will be filed by the District with the Municipal Securities Rulemaking Board (the "MSRB"). The notices of material events will be filed by the District with the MSRB. The specific nature of the information to be made available and to be contained in the notices of material events is summarized below under the caption APPENDIX C—"FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the "Rule"). The District has never failed to comply in all material respects with any previous undertakings with regard to said Rule to provide annual reports or notices of material events.

### **LEGALITY FOR INVESTMENT IN CALIFORNIA**

Under provisions of the California Financial Code, the Bonds are legal investments for commercial banks in California to the extent that the Bonds, in the informed opinion of the bank, are prudent for the investment of funds of depositors, and under provisions of the California Government Code, are eligible for security for deposits of public moneys in California.

### **ABSENCE OF MATERIAL LITIGATION**

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished by the District to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* taxes or contesting the District's ability to issue and retire the Bonds.

## RATINGS

Fitch Ratings (“Fitch”) and Standard & Poor’s Ratings Services (“S&P”) have assigned the ratings of “\_\_\_” and “\_\_\_” respectively, to the Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from such organizations at the following addresses: Fitch, One State Street Plaza, New York, New York 10004; S&P, 55 Water Street, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price for the Bonds.

## UNDERWRITING

The Bonds are being purchased by \_\_\_\_\_ (the “Underwriter”). The Underwriter has agreed to purchase the Bonds at a price of \$\_\_\_\_\_ (which is equal to the principal amount of the Bonds), less Underwriter’s discount of \$\_\_\_\_\_, less the sum of \$\_\_\_\_\_ to be applied to pay the costs of issuance of the Bonds, plus original issue premium of \$\_\_\_\_\_. The Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the official notice of sale relating to the Bonds, the approval of certain legal matters by counsel and certain other conditions. In addition, the Underwriter will pay certain costs of issuance of the Bonds, as set forth in the Bond Purchase Agreement relating to the Bonds.

The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

### ADDITIONAL INFORMATION

Quotations from and summaries and explanations of the Bonds, the Resolution, the Continuing Disclosure Certificate of the District, and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

All data contained herein has been taken or constructed from District records. Appropriate District officials, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. This Official Statement has been approved by the District Board.

PLEASANT HILL RECREATION & PARK  
DISTRICT

By \_\_\_\_\_  
General Manager

**APPENDIX A**

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR  
THE FISCAL YEAR ENDED JUNE 30, 2011**

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**PLEASANT HILL RECREATION AND PARK DISTRICT**

**PLEASANT HILL, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2011**

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Pleasant Hill Recreation and Park District

BOARD OF DIRECTORS

June 30, 2011

<u>NAME</u>	<u>TITLE</u>
Sandra Bonato	Chair
Dennis Donaghu	Vice Chair
Bobby Glover	Secretary
Cecile Shepard	Member
Sherry Sterrett	Member

INDEPENDENT AUDITORS' REPORT

Board of Directors  
Pleasant Hill Recreation and Park District  
Pleasant Hill, California

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pleasant Hill Recreation and Park District as of and for the fiscal year ended June 30, 2011. These basic financial statements are the responsibility of Pleasant Hill Recreation and Park District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Pleasant Hill Recreation and Park District as of June 30, 2011, and the results of its operations for the fiscal year then ended in conformity with U.S. generally accepted accounting principles, as well as accounting systems prescribed by the State Controller's office and state regulations governing special districts.

The management's discussion and analysis (pages 3-7) and the required supplementary information (pages 30-31), as listed in the table of contents, are not a required part of the basic financial statements but comprise supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

As described further in Note 11 B to the financial statements, the accompanying financial statements reflect certain changes in the reporting of fund types and fund balance classifications for governmental funds due to the implementation of Governmental Accounting Standards Board Statement No. 54.

*R. J. Ricciardi, Inc.*

R.J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California  
January 3, 2012

Pleasant Hill Recreation and Park District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2011

Pleasant Hill Recreation and Park District's (the "District") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's basic financial statements.

## **OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the government-wide statements.

The fund financial statements are composed of:

- Governmental fund statements which tell how basic services were financed in the short term, as well as what remains for future spending.

### **The Statement of Net Assets and the Statement of Activities**

The Statement of Net Assets and Statement of Activities report information about the District as a whole and about its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net assets as well as changes to those net assets. Net assets are the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. To assess the overall health of the District, you need to consider additional non-financial factors including the condition of the District's buildings and other facilities.

## **REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

### **Fund Financial Statement**

The fund financial statements provide more detailed information about the District's most significant funds; not the District as a whole. Funds are accounting devices for District use to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by law and covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that certain revenues have been properly used.

Pleasant Hill Recreation and Park District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
 For the Year Ended June 30, 2011

**Governmental Funds**

The District's basic services are reported in governmental funds, which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash, and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of fund information, which helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements that explains the relationship (or differences) between them.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The following table summarizes the District's net assets as of June 30,

Table 1  
Net Assets

	2011	2010
<b>Assets</b>		
Current and other assets	\$ 20,618,588	\$ 21,847,591
Capital assets	<u>12,292,103</u>	<u>10,961,614</u>
Total assets	<u>32,910,691</u>	<u>32,809,205</u>
 <b>Liabilities</b>		
Long term liabilities	22,976,272	23,173,306
Other liabilities	<u>1,538,704</u>	<u>1,069,902</u>
Total liabilities	<u>24,514,976</u>	<u>24,243,208</u>
 <b>Net Assets</b>		
Invested in capital assets, net of debt	(10,080,950)	(11,546,614)
Restricted	18,748,378	19,848,206
Unrestricted	<u>(271,713)</u>	<u>264,405</u>
Total net assets	<u>\$ 8,395,715</u>	<u>\$ 8,565,997</u>

The District's net assets were \$8,395,715 for the fiscal year ended June 30, 2011. Of this amount, \$(271,713) was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the board's ability to use those net assets for day-to-day operations.

Pleasant Hill Recreation and Park District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2011

The following table summarizes the District's change in net assets for the year ended June 30,

Table 2  
Changes in Net Assets

	2011	2010
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 2,554,626	\$ 3,009,862
Grant revenue	-	7,992
General revenues:		
Property taxes	4,515,360	3,306,170
Interest and other income	<u>93,897</u>	<u>37,024</u>
Total revenues	<u>7,163,883</u>	<u>6,361,048</u>
 <b>Program Expenses</b>		
Recreation and parks	6,059,188	6,280,834
Interest and fees	<u>1,274,977</u>	<u>145,484</u>
Total expenses	<u>7,334,165</u>	<u>6,426,318</u>
 <b>Change in Net Assets</b>	 <u>\$ (170,282)</u>	 <u>\$ (65,270)</u>

Government Activities

For the 2011 fiscal year, the total District revenues were \$7,163,883 and the total District expenses were \$7,334,165. The difference of \$(170,282) is the decrease in net assets bringing the total net assets to \$8,395,715 on June 30, 2011. The main sources of revenue for the District are charges for services and property taxes. The cost of all governmental activities was \$7,334,165 this year. District taxpayers ultimately financed \$4,515,360 for these activities through local taxes and assessments.

Capital Assets

At June 30, 2011, the District had \$12,292,103 in a broad range of capital assets, including land, buildings and furniture and equipment. The District uses \$5,000 as its capitalization threshold.

Table 3  
Capital Assets at Year End

	2011	2010
Land	\$ 6,638,913	\$ 6,638,913
Construction in progress	2,140,184	543,236
Land and park improvement	5,647,363	5,558,231
Building and structure	3,642,010	3,564,043
Swimming pool	1,573,336	1,560,532
Furniture and equipment	940,849	835,288
Accumulated depreciation	<u>(8,290,552)</u>	<u>(7,738,629)</u>
Net capital assets	<u>\$ 12,292,103</u>	<u>\$ 10,961,614</u>

Pleasant Hill Recreation and Park District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2011

**Debt Administration**

The District made all scheduled repayments of existing debt. Each of the District's debt issues is discussed in detail in Note 4 to the basic financial statements. As of June 30, 2011, the District's debt comprised:

Loans payable	\$ 25,000
General Obligation Bond – Measure E	20,000,000
Certificates of Participation	<u>2,390,000</u>
Total	<u>\$ 22,415,000</u>

**General Fund Budgetary Highlights**

The District's fiscal year 2010-11 budget was adopted by The Board of Directors in July 2010 and amended in December 2010. The amendment was needed due to the earlier than anticipated closure of the Community Center. The District had originally planned to close the Community Center after the opening of the new Senior Center in the fall of 2012. Due to safety concerns of the Community Center building, the Board of Directors agreed to close the site in March 2011. The closure dramatically impacted revenue, both in the rental of the facility itself but also the various programs that were hosted at the Community Center.

The closures of the Senior Center and Teen Centers were planned for the latter part of this fiscal year. The major impact of these site closures will be in the 2011-12 fiscal year, although closing down these sites did affect this fiscal year. Closing these locations will bring both positive and negative impacts on the overall District budget. Revenue from rentals and programming will decline but significant reductions in expenditures will also occur due to staff reductions that worked mainly at the Community Center and Senior Center sites. We will also benefit by the elimination of the various occupancy costs associated with having an open and operating facility. The planned re-opening of the new Senior Center and Teen Center will take place in the fall of 2012. The new Community Center will open in the fall of 2013.

The budget remains extremely tight as property taxes have decreased as a result of lower assessed property valuations. In addition to this, the State of California continues to shift approximately \$1.5 million in property tax revenue to Sacramento annually. Since 1982 the District has lost approximately \$18 million dollars in property tax revenue that should have remained in our District.

For the second year in a row, the budget does not contain a cost-of-living increase for District staff. Although three District employees have retired this past year, those positions will not be filled and those responsibilities will fall on existing staff.

Pleasant Hill Recreation and Park District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2011

**Contacting the District Financial Management**

This financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, contact the General Manager, Pleasant Hill Recreation and Park District, 147 Gregory Lane, Pleasant Hill, California 94523.

Pleasant Hill Recreation and Park District

STATEMENT OF NET ASSETS

June 30, 2011

ASSETS:

Cash and investments	\$ 873,206
Restricted cash	18,962,924
Accounts receivable	312,177
Prepaid items	11,720
Bond issuance costs, net	458,561
Non-depreciable capital assets	8,779,097
Depreciable capital assets, net	<u>3,513,006</u>
Total assets	<u>32,910,691</u>

LIABILITIES:

Accounts payable	585,687
Accrual payroll	10,729
Deferred revenue	449,637
Accrued interest	400,667
Other liabilities	11,984
Long-term liabilities:	
Due within one year:	
Certificate of participation payable	80,000
Due after one year:	
Measure E general obligation bond	20,000,000
Measure E general obligation bond premium	441,614
Certificate of participation payable	2,310,000
School District loan	25,000
Compensated absences	<u>199,658</u>
Total due after one year	<u>22,976,272</u>
Total liabilities	<u>24,514,976</u>

NET ASSETS:

Invested in capital assets, net of related debt	(10,080,950)
Restricted for:	
Debt service	689,159
Measure E	18,059,219
Unrestricted	<u>(271,713)</u>
Total net assets	<u>\$ 8,395,715</u>

The accompanying notes are an integral part of these financial statements

Pleasant Hill Recreation and Park District

STATEMENT OF ACTIVITIES

For the year ended June 30, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
					<u>Services</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>
					<u>Total</u>
					<u>Governmental</u>
					<u>Activities</u>
Governmental Activities:					
Administration	\$ 372,076	\$ 132,462	\$ -	\$ -	\$ (239,614)
Recreation	339,513	-	-	-	(339,513)
Senior citizens	709,067	372,791	-	-	(336,276)
Winslow center	90,987	11,846	-	-	(79,141)
Community center rental	776,825	114,652	-	-	(662,173)
Adult activities	281,144	209,223	-	-	(71,921)
Athletics & teens	671,198	602,346	-	-	(68,852)
Preschool, youth, & special	403,927	457,442	-	-	53,515
Child care	274,795	296,743	-	-	21,948
Aquatics	698,962	357,121	-	-	(341,841)
Communications	189,922	-	-	-	(189,922)
Parks	511,392	-	-	-	(511,392)
Maintenance	739,380	-	-	-	(739,380)
Interest and fees	1,274,977	-	-	-	(1,274,977)
Total Governmental Activities	<u>\$ 7,334,165</u>	<u>\$ 2,554,626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(4,779,539)</u>
General revenues:					
Taxes					4,515,360
Use of money					93,897
Miscellaneous					-
Total general revenues					<u>4,609,257</u>
Change in net assets					<u>(170,282)</u>
Net assets beginning of period					<u>8,565,997</u>
Net assets ending of period					<u>\$ 8,395,715</u>

The accompanying notes are an integral part of these financial statements

Pleasant Hill Recreation and Park District  
 GOVERNMENTAL FUNDS  
BALANCE SHEET  
 June 30, 2011

	General	Landscape Fund	Measure E Project Fund	Measure E Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash and investments	\$ -	\$ 480,075	\$ -	\$ -	\$ 393,131	\$ 873,206
Restricted cash	215,189	-	18,276,729	471,006	-	18,962,924
Accounts receivable	309,213	-	-	2,964	-	312,177
Due from other funds	695,554	240,173	-	-	44,315	980,042
Prepaid items	11,720	-	-	-	-	11,720
Total assets	<u>\$ 1,231,676</u>	<u>\$ 720,248</u>	<u>\$ 18,276,729</u>	<u>\$ 473,970</u>	<u>\$ 437,446</u>	<u>\$ 21,140,069</u>
<u>LIABILITIES</u>						
Accounts payable	\$ 366,746	\$ 9,270	198,790	\$ -	\$ 10,881	\$ 585,687
Accrued payroll	10,729	-	-	-	-	10,729
Deferred revenue	449,637	-	-	-	-	449,637
Due to other funds	263,080	654,000	18,720	-	44,242	980,042
Other liabilities	11,984	-	-	-	-	11,984
Total liabilities	<u>1,102,176</u>	<u>663,270</u>	<u>217,510</u>	<u>-</u>	<u>55,123</u>	<u>2,038,079</u>
<u>FUND BALANCES</u>						
Restricted	215,189	-	18,059,219	473,970	-	18,748,378
Nonspendable for prepaid items	11,720	-	-	-	-	11,720
Assigned for :						
Project funding	100,000	-	-	-	49,498	149,498
Special revenue funds	-	56,978	-	-	332,825	389,803
Unassigned	(197,409)	-	-	-	-	(197,409)
Total fund balances	<u>129,500</u>	<u>56,978</u>	<u>18,059,219</u>	<u>473,970</u>	<u>382,323</u>	<u>19,101,990</u>
Total liabilities and fund balances	<u>\$ 1,231,676</u>	<u>\$ 720,248</u>	<u>\$ 18,276,729</u>	<u>\$ 473,970</u>	<u>\$ 437,446</u>	<u>\$ 21,140,069</u>

The accompanying notes are an integral part of these financial statements



Pleasant Hill Recreation and Park District  
 GOVERNMENTAL FUNDS  
 STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES  
 For the year ended June 30, 2011

	General	Landscape Fund	Measure E Project Fund	Measure E Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 2,589,011	\$ 641,184	\$ -	\$ 1,237,507	\$ 47,658	\$ 4,515,360
Non-recreation	132,357	-	-	-	105	132,462
Senior citizens	372,791	-	-	-	-	372,791
Winslow center	11,846	-	-	-	-	11,846
Community center rental	114,652	-	-	-	-	114,652
Adult activities	209,223	-	-	-	-	209,223
Athletics & teens	602,346	-	-	-	-	602,346
Preschool, youth, & special	457,442	-	-	-	-	457,442
Child care	296,743	-	-	-	-	296,743
Aquatics	357,121	-	-	-	-	357,121
Interest	-	-	93,089	-	808	93,897
<b>Total revenues</b>	<b>5,143,532</b>	<b>641,184</b>	<b>93,089</b>	<b>1,237,507</b>	<b>48,571</b>	<b>7,163,883</b>
<b>Expenditures:</b>						
Administration	325,272	-	-	4,349	-	329,621
Recreation	297,058	-	-	-	-	297,058
Senior citizens	657,067	-	-	-	-	657,067
Winslow center	48,534	-	-	-	-	48,534
Community center rental	734,370	-	-	-	-	734,370
Adult activities	238,689	-	-	-	-	238,689
Athletics & teens	628,743	-	-	-	-	628,743
Preschool, youth, & special	361,472	-	-	-	-	361,472
Child care	232,340	-	-	-	-	232,340
Aquatics	656,507	-	-	-	-	656,507
Communications	147,467	-	-	-	-	147,467
Parks	468,937	-	-	-	-	468,937
Maintenance	-	658,992	-	-	37,933	696,925
Capital outlay	285,462	-	1,596,948	-	-	1,882,410
<b>Debt service:</b>						
Bond issuance costs	-	-	-	-	-	-
Principal	110,711	-	-	-	-	110,711
Interest	139,781	-	-	759,188	-	898,969
<b>Total expenditures</b>	<b>5,332,410</b>	<b>658,992</b>	<b>1,596,948</b>	<b>763,537</b>	<b>37,933</b>	<b>8,389,820</b>
Excess (deficit) of revenues over (under) expenditures	(188,878)	(17,808)	(1,503,859)	473,970	10,638	(1,225,937)
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	-	-	12,932	12,932
Transfers out	(12,932)	-	-	-	-	(12,932)
<b>Total Other Financing Sources (Uses)</b>	<b>(12,932)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,932</b>	<b>-</b>
<b>Net change in Fund Balances</b>	<b>(201,810)</b>	<b>(17,808)</b>	<b>(1,503,859)</b>	<b>473,970</b>	<b>23,570</b>	<b>(1,225,937)</b>
Fund balances, beginning of period	331,310	74,786	19,563,078	-	358,753	20,327,927
Fund balances, end of period	\$ 129,500	\$ 56,978	\$ 18,059,219	\$ 473,970	\$ 382,323	\$ 19,101,990

The accompanying notes are an integral part of these financial statements

Pleasant Hill Recreation and Park District  
RECONCILIATION OF THE NET CHANGE IN FUND BALANCES -  
TOTAL GOVERNMENTAL FUNDS

with the  
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

For the year ended June 30, 2011

Total net change in fund balances - governmental funds \$ (1,225,937)

**CAPITAL ASSETS TRANSACTIONS**

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay expenditures are therefore added back to the fund balance 1,882,412

Depreciation expense is deducted from the fund balance (551,923)

**LONG TERM DEBT PROCEEDS AND PAYMENT**

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Assets the repayment reduces long-term liabilities.

Repayment of debt principal is added back to the fund balance 110,711

**ACCRUAL OF NON-CURRENT ITEMS**

The amounts below included in the Statement of Activities do not provide (or require) the use of current financial resources and therefore are not reported as revenue or expenditures in the governmental funds (net change):

Bond issuance cost amortization (15,812)

Bond premium amortization 15,228

Accrued interest payable (376,008)

Long-term compensated absences (8,953)

Changes in net assets of governmental activities \$ (170,282)

The accompanying notes are an integral part of these financial statements

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Description

The Pleasant Hill Recreation and Park District (the "District") was formed January 22, 1951, under the laws of the State of California Public Resources Division 5, Chapter 4, Section 5780. The District is governed by a board of five elected directors who hold regularly scheduled meetings twice a month.

The District offers a wide variety of recreational activities for persons of all ages, from preschoolers through senior citizens. Some of the major activities include: a wide range of aquatic programs, varied cooking classes, adult and youth sports programs, dance classes, special events, excursions, fitness classes, special interest classes, many other types of classes and activities for one's leisure time. Along with these activities, the District also sponsors over fifteen special clubs and organizations, such as the Camera Club, Garden Club, Hiking Club, Las Juntas Artists, Tennis Club and others for public participation and enjoyment.

To facilitate this wide range of recreational activities, the District has over 250 acres of park-lands including: thirteen park sites, three pools, a community center facility, a senior citizens' complex, a cultural center, and many joint efforts with the local school district at various local school sites.

B. Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The basic, but not the only, criterion for including a governmental department, agency, institution, commission, public authority, or other governmental organization in a governmental unit's reporting entity for financial reports is the ability of the governmental unit's elected officials to exercise oversight responsibility over such agencies. Oversight responsibility implies that one governmental unit is dependent on another and that the dependent unit should be reported as part of the other. Oversight responsibility is derived from the governmental unit's power and includes, but is not limited to:

- Financial interdependency
- Selection of governing authority
- Designation of management
- Ability to significantly influence operations
- Accountability for fiscal matters

Accordingly, for the year ended June 30, 2011, the District does not have any component units and is not a component unit of any other reporting entity.

C. Accounting Principles

The District accounts for its financial transactions in accordance with the policies and procedures recommended by the State of California. The accounting policies of the District conform to U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Accounting Principles (continued)

(a) Government-Wide and Fund Financial Statements:

The government-wide financial statements (the statement of net assets and the statement of activities) report on the District as a whole. The statement of activities demonstrates the degree to which the direct expenses of the District's functions are offset by program revenues. *Direct expenses* are those that are clearly identifiable with the District's functions. *Program revenues* include charges for services, which are mainly from park and recreation fees. Other items not properly included among program revenues are reported instead as *general revenues*. Separate financial statements are provided for the governmental fund of the District (balance sheet and the statement of revenues, expenditures and changes in fund balances).

(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation:

Government-wide Financial Statements

The statement of net assets and the statement of activities are prepared using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

The emphasis of fund financial statements is on major governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds in a single column, regardless of their fund type. Major funds are those that have assets, liabilities, revenue or expenditures equal to ten percent of their fund-type total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Accounting Principles (concluded)

The government reports the following major governmental funds:

*General Fund:* The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

*Landscape Fund:* The Landscape Fund is used to account for the proceeds of specific revenue sources that are legally or otherwise restricted to expenditures for landscape purposes.

*Measure E Project Fund:* The Measure E Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities.

*Measure E Debt Service Fund:* The Measure E Debt Service Fund is used to account for financial resources to be used to pay the annual borrowing costs of long term debt.

Other Governmental Funds are comprised of several non-major funds that include funds for separate smaller landscaping districts not included in the main Lighting and Landscape Fund, funds reserved for specific capital acquisitions and other miscellaneous fund balances.

(c) Use of Estimates:

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures/expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

D. Budget and Budgetary Accounting

During the month of April, the District staff prepares an annual budget. The full Board is presented the budget in May to be adopted in June as a preliminary budget and as a final budget by the last meeting in July. The preliminary budget is published in a newspaper thirty days prior to acceptance as a final budget.

Budget amounts in the combined financial statements reflect the annual budget and revisions approved during the year. Budgets are based upon the District's estimate of expenditures for each year and their proposed means of financing.

Expenditures are controlled on the major object level within the Funds. Any amendments of appropriations are approved by the Board. Budgeted amounts are reported as amended. All appropriations lapse at year-end. General fund expenditures were under appropriations (budget) in the amount of \$2,342,750.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Investments

Cash balances held in banks and in revolving funds are insured to \$250,000 by the Federal Deposit Insurance Corporation.

The District participates in the Contra Costa County Treasury. Contra Costa County (the County) pools its funds with those of other districts in the County and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.

Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, the County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134.

F. Prepaid Items

The District has the option of reporting expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditure during the benefiting period.

G. Capital Assets

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expensed as incurred. Depreciation on all capital assets is computed using a straight line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life in Years</u>
Land	N/A
Land improvements	20
Building and structures	50
Portable classrooms	25
Kitchen equipment	15
Copiers	5
Musical instruments	10
Vehicles	5
Grounds equipment	5

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Deferred Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Deferred revenue is recorded to the extent that cash received on specific projects and programs exceeds qualified expenditures.

Deferred revenue consists primarily of class registration fees and senior trip funds received during the current year for programs or trips to be conducted subsequent to June 30, 2011. As of June 30, 2011, the deferred revenue balance was \$449,637.

I. Compensated Absences

The District grants employees vacation and sick leave in varying amounts. In the event of retirement or termination, an employee is reimbursed at full salary rates for accumulated vacation days and at one-quarter of salary rates for sick leave days in excess of 30 days. The current portion of accumulated vacation and sick leave is recognized in the general fund. All compensated absences are accrued when incurred in the government-wide financial statements.

As of June 30, 2011, the liability for accrued vacation, administrative and compensatory time off leave was \$199,658. This liability is paid from funds related to the accrued personnel costs.

J. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Premiums, discounts and issuance costs are deferred and amortized over the life of the debt using the effective-interest method.

In the fund financial statements, governmental funds recognize premiums, discounts and issuance costs during the current period. The face amount of the debt issued, premiums, or discounts are reported as other financing sources/uses.

Designations for the ending fund balance indicate tentative plans for financial resource utilization in a future period.

K. Restricted Cash

Restricted cash represents assets either held by bond trustees or the District, which are governed by a trust indenture specifying their uses. These assets all relate to various debt issuances.

L. Revenue Limit/Property Tax

The County is responsible for assessing, collecting, and apportioning property taxes on behalf of the District. Taxes are levied for each fiscal year on taxable real and personal property in the County. The levy is based on the assessed values as of the preceding January 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on January 1 and become delinquent if unpaid by August 31.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

L. Revenue Limit/Property Tax (concluded)

Secured property taxes are recorded as revenue when apportioning; in the fiscal year of the levy the County apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by Section 4705 of the California *Revenue and Taxation Code*. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll – approximately October 1 of each year.

M. Interfund Transactions

Interfund transactions are reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when a fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement.

All other interfund transactions are treated as transfers. Transfers among governmental funds are netted as part of the reconciliation to the government-wide financial statements.

NOTE 2 - CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent possible pursuant to the District Board Approved Investment Policy and Guidelines and State Government Code. Cash on deposit as of June 30, 2011, amounted to \$19,836,130 and was deposited in the following depositories:

<u>Deposits and Investments</u>	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Investment Risk</u>
Cash in County Treasury	\$ (529,178)	\$ (529,178)	AA
Cash in bank	238,850	238,850	N/A
Cash with fiscal agent (restricted)	686,195	686,195	N/A
Investment in LAIF	<u>19,440,263</u>	<u>19,440,263</u>	Not Rated
Total cash and investments	<u>\$ 19,836,130</u>	<u>\$ 19,836,130</u>	

A. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the District's name and places the District ahead of general creditors of the institution.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 2 - CASH AND INVESTMENTS (concluded)

B. Investments

The District's investments are carried at fair value instead of cost, as required by U.S. generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end if material, and it includes the effects of these adjustments in income for that fiscal year.

The District places certain funds with the State of California's Local Agency Investment Fund (LAIF). The District is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the District's investment in this pool is reported in the accompanying financial statements based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

The management of the State of California Pooled Money Investment Account has indicated to the District that as of June 30, 2011 the carrying amount of the pool was \$66,352,783,817 and the estimated market value of the pool (including accrued interest) was \$66,515,727,874. The District's proportionate share of that value is \$19,440,263. Included in LAIF's investment portfolio are certain derivative securities or similar products in the form of structured notes, totaling \$1,100,100,000 and asset-backed securities totaling \$2,221,706,000. LAIF's (and the District's) exposure to risk (credit, market or legal) is not currently available.

The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. Funds are accessible and transferable to the master account with twenty-four hours notice. Financial statements for LAIF can be obtained from the California State Treasurer's Office: State Treasurer's Office, 915 Capitol Mall, Suite 110, Sacramento, CA 95814.

C. Restricted and Designated Cash and Equivalents

The District segregates certain cash and equivalents that have legal or Board of Directors' designated restrictions as to their uses. The District is required under the terms of certain long-term debt covenants to segregate and maintain \$686,195 restricted for debt service and \$18,276,729 restricted for Measure E capital projects as of June 30, 2011.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 3 - CAPITAL ASSETS

An analysis of fixed assets at June 30, 2011, is as follows:

<u>Governmental Activities</u>	Balance 6/30/10	Increase	Decrease	Balance 6/30/11
Capital assets, not being depreciated:				
Land	\$ 6,638,913	\$ -	\$ -	\$ 6,638,913
Construction in progress	<u>543,236</u>	<u>1,596,948</u>	-	<u>2,140,184</u>
Total capital assets, not being depreciated	<u>7,182,149</u>	<u>1,596,948</u>	-	<u>8,779,097</u>
Capital assets, being depreciated:				
Land and park improvements	5,558,231	89,132	-	5,647,363
Building and structure	3,564,043	77,967	-	3,642,010
Swimming pool	1,560,532	12,804	-	1,573,336
Furniture and equipment	<u>835,288</u>	<u>105,561</u>	-	<u>940,849</u>
Total capital assets, being depreciated	<u>11,518,094</u>	<u>285,464</u>	-	<u>11,803,558</u>
Less accumulated depreciation for:				
Land and park improvements	(4,377,135)	(103,889)	-	(4,481,024)
Building and structure	(1,902,205)	(358,427)	-	(2,260,632)
Swimming pool	(758,676)	(25,427)	-	(784,103)
Furniture and equipment	<u>(700,613)</u>	<u>(64,180)</u>	-	<u>(764,793)</u>
Total accumulated depreciation	<u>(7,738,629)</u>	<u>(551,923)</u>	-	<u>(8,290,552)</u>
Total capital assets being depreciated - net	<u>3,779,465</u>	<u>(266,459)</u>	-	<u>3,513,006</u>
Capital assets - net	<u>\$ 10,961,614</u>	<u>\$ 1,330,489</u>	<u>\$ -</u>	<u>\$ 12,292,103</u>
<u>Depreciation allocation:</u>				
Administration				\$ 42,455
Recreation				42,455
Senior citizens				42,463
Winslow center				42,455
Community center rental				42,455
Adult activities				42,455
Athletic and teens				42,455
Preschool and youth				42,455
Child care				42,455
Aquatics				42,455
Communications				42,455
Parks				42,455
Maintenance				42,455
Total depreciation expense				<u>\$ 551,923</u>

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 4 - LONG-TERM DEBT

A. Change in Long-Term Debt

The following is a summary of changes in long-term debt as of June 30, 2011:

	June 30, 2010	Additions	Retirements	June 30, 2011	Current
Certificates of Participation	\$ 2,470,000	\$ -	\$ 80,000	\$ 2,390,000	\$ 85,000
General obligation	20,000,000	-	-	20,000,000	575,000
Issuance/premiums, net	(17,531)	584	-	(16,947)	-
Loan payable	25,000	-	-	25,000	-
Loan payable	30,759	-	30,759	-	-
Compensated absences	190,705	8,953	-	199,658	-
Total	<u>\$22,698,933</u>	<u>\$ 9,537</u>	<u>\$ 110,759</u>	<u>\$ 22,597,711</u>	<u>\$ 660,000</u>

B. Certificates of Participation ("COP")

1998 COP

The District issued certifications of participation in January of 1998 to finance the acquisition of Pleasant Oaks Park. The total amount of the issue was \$1,895,000 with an average interest rate of 5.56%. The certificates mature through 2027 as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2012	\$ 55,000	\$ 76,268	\$ 131,268
2013	60,000	73,215	133,215
2014	60,000	69,885	129,885
2015	65,000	66,555	131,555
2016	70,000	62,948	132,948
2017	70,000	59,063	129,063
2018	75,000	55,125	130,125
2019	80,000	50,906	130,906
2020	85,000	46,406	131,406
2021	90,000	41,625	131,625
2022	95,000	36,563	131,563
2023	100,000	31,219	131,219
2024	105,000	25,594	130,594
2025	110,000	19,688	129,688
2026	115,000	13,500	128,500
2027	125,000	7,031	132,031
Total Debt Service	<u>\$ 1,360,000</u>	<u>\$ 735,591</u>	<u>\$ 2,095,591</u>

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

NOTE 4 - LONG-TERM DEBT (continued)

B. Certificates of Participation ("COP") (concluded)

2000 COP

The District entered into a purchase agreement with the City of Pleasant Hill for 2.25 acres of land beneath and surrounding the community center. The purchase price was \$953,000, including a promissory note in the amount of \$650,000. The note was refinanced in May 2000 with Certificates of Participation in the amount of \$1,285,000. The additional money was used for repairs and upgrades to the community center. The note will be amortized over 30 years at a simple interest rate of 5.80% with monthly installments commencing May 1, 2000.

Annual principal and interest amount through 2030 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2012	\$ 30,000	\$ 58,870	\$ 88,870
2013	30,000	57,130	87,130
2014	35,000	55,245	90,245
2015	35,000	53,215	88,215
2016	40,000	51,040	91,040
2017	40,000	48,720	88,720
2018	45,000	46,255	91,255
2019	45,000	43,645	88,645
2020	50,000	40,890	90,890
2021	50,000	37,990	87,990
2022	55,000	34,945	89,945
2023	60,000	31,610	91,610
2024	60,000	28,130	88,130
2025	65,000	24,505	89,505
2026	70,000	20,590	90,590
2027	75,000	16,385	91,385
2028	80,000	11,890	91,890
2029	80,000	7,250	87,250
2030	85,000	2,465	87,465
Total Debt Service	<u>\$ 1,030,000</u>	<u>\$ 670,770</u>	<u>\$ 1,700,770</u>

C. Loans Payable

During the fiscal year ended June 30, 2002, the District entered into an agreement with the Mt. Diablo Unified School District to contribute \$12,500 every September 15<sup>th</sup> for ten years for a total of \$125,000. The balance owed as of June 30, 2011 was \$25,000. The District is discussing repayment options with the Mt. Diablo Unified School District.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

NOTE 4 - LONG-TERM DEBT (concluded)

D. Measure E General Obligation Bond

The District issued general obligation bonds in August of 2009 to finance the acquisition, expansion and improvement of District facilities. Measure E was authorized by an election of registered voters of the District. The total amount of the issue was \$20,000,000 with an average interest rate of 7.4%. The certificates mature through 2040 as follows:

Year Ending June 30	Principal	Interest	Total
2012	\$ 575,000	\$ 911,025	\$ 1,486,025
2013	180,000	888,025	1,068,025
2014	405,000	880,825	1,285,825
2015	420,000	864,625	1,284,625
2016	435,000	852,025	1,287,025
2017	445,000	838,975	1,283,975
2018	460,000	825,625	1,285,625
2019	475,000	811,825	1,286,825
2020	490,000	795,200	1,285,200
2021	505,000	778,050	1,283,050
2022	525,000	757,850	1,282,850
2023	550,000	736,850	1,286,850
2024	570,000	714,850	1,284,850
2025	595,000	692,050	1,287,050
2026	625,000	662,300	1,287,300
2027	655,000	631,050	1,286,050
2028	685,000	598,300	1,283,300
2029	720,000	564,050	1,284,050
2030	755,000	528,050	1,283,050
2031	795,000	490,300	1,285,300
2032	830,000	452,935	1,282,935
2033	870,000	413,510	1,283,510
2034	915,000	371,750	1,286,750
2035	960,000	326,000	1,286,000
2036	1,005,000	278,000	1,283,000
2037	1,055,000	227,750	1,282,750
2038	1,110,000	175,000	1,285,000
2039	1,165,000	119,500	1,284,500
2040	1,225,000	61,250	1,286,250
Total	<u>\$ 20,000,000</u>	<u>\$ 17,247,545</u>	<u>\$ 37,247,545</u>

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

NOTE 5 - INTER-FUND RECEIVABLES AND PAYABLES

Current inter-fund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2011, inter-fund balances comprised the following:

<u>Fund</u>	<u>Inter-fund Receivable</u>	<u>Inter-fund Payable</u>
General fund	\$ 695,554	\$ 263,080
Measure E	-	18,720
Special revenue funds:	-	-
Parkland	29,880	5,211
Reserves	14,435	-
Maintenance	-	39,031
Landscape	240,173	654,000
Total interfund receivable/payable	<u>\$ 980,042</u>	<u>\$ 980,042</u>

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description:

The District contributes to the California Public Employees' Retirement System (PERS); an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and District ordinance. Copies of PERS' annual financial report may be obtained from their Executive Office, 400 P Street, Sacramento, CA 95814.

Funding Policy:

Participants are required to contribute 7% of their annual covered salary. The District makes the contributions required of District employees on their behalf and for their account. The District is required to contribute at an actuarially determined rate; the current rate is 11.169% for non-safety employees of annual covered payroll. The contribution requirements of plan members and the District are established and may be amended by PERS.

Annual Pension Cost:

For 2011, the District's annual pension cost of \$362,993 for PERS was equal to the District's required and actual contributions. The required contribution was determined as part of the June 30, 2008 actuarial valuation using the entry age normal actuarial cost method.

A summary of principle assumptions and methods used to determine the Annual Required Contribution (ARC) is shown below.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 6 - DEFINED BENEFIT PENSION PLAN (concluded)

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	18 Years as of the Valuation Date
Asset Valuation Method	15-Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increase	3.55% to 14.45% depending on age, service and type of employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation component of 3.0% and an annual production growth of 0.25%

Three-Year Trend Information for PERS:

Fiscal Year	Annual Pension Cost (APC)	APC Contributed	Net Pension Obligation
6/30/2009	\$389,609	100%	\$ -0-
6/30/2010	\$394,101	100%	-0-
6/30/2011	\$362,993	100%	-0-

The Schedule of Funding Progress below shows the recent history of the actuarial value of assets, actuarial accrued liability, their relationship, and the relationship of the unfunded actuarial accrued liability to payroll:

Valuation Date	(A) Accrued Liabilities (AL)	(B) Actuarial Value of Assets (AVA)	(C) Unfunded Liabilities [UL]	(D) Funded Ratio (AVA/AL)	(E) Annual Covered Payroll	(F) UL as a % Of Payroll
6/30/2006	\$2,754,396,608	\$2,492,226,176	\$262,170,432	90.5%	\$699,897,835	37.5%
6/30/2007	\$2,611,746,790	\$2,391,434,447	\$220,312,343	91.6%	\$665,522,859	33.1%
6/30/2008	\$2,780,280,768	\$2,547,323,278	\$232,957,490	91.6%	\$688,606,681	33.8%
6/30/2009	\$3,104,798,222	\$2,758,511,101	\$346,287,121	88.9%	\$742,981,488	46.6%
6/30/2010	\$3,309,064,934	\$2,946,408,106	\$362,656,828	89.0%	\$748,401,352	48.5%

NOTE 7 - RISK MANAGEMENT

The District manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 7 - RISK MANAGEMENT (concluded)

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the District's responsibility.

The District is a member of a program through which certain specified and limited self-insured general liability, property loss and automobile liability are administered by the California Association for Park and Recreation Insurance (CAPRI) and shared by its participating members.

Complete audited financial statements for CAPRI can be obtained from CAPRI's office at 6341 Auburn Boulevard, Suite A, Citrus Heights, CA 95621.

CAPRI provides comprehensive general liability coverage with a \$10,000,000 limit per occurrence for personal injury and property damage to which the coverage applies. There is no deductible to the District.

CAPRI also provides public officials and employee liability coverage with a \$10,000,000 annual aggregate limit per member district because of a wrongful act(s) which occurs during the coverage period for which the coverage applies. There is a \$25,000 deductible for any covered claim for wrongful termination payable by the District.

All-Risk Property Loss coverage including Boiler & Machinery coverage is subject to a \$2,000 deductible per occurrence payable by the District.

CAPRI provides flood and earthquake coverage with an annual aggregate limit of \$5,000,000 for all the member districts. The deductible for all loss or damage arising from the risks of flood and/or earthquake is \$50,000 per occurrence or 5% of the value of the building, contents, and/or structure damaged, whichever is greater.

NOTE 8 - CONTINGENCIES

The District is involved in various claims and litigation arising in the ordinary course of business. District management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters will not have a materially adverse effect on the District's financial position or results of operations.

NOTE 9 - PART-TIME AND SEASONAL EMPLOYEE RETIREMENT PLAN

The District uses a FICA alternative (457) plan for the District's seasonal and part-time employees. This plan satisfies the requirements of Internal Revenue Code Section 3121, which requires the District to either include these employees under the Social Security System or a qualified pension plan. The District contributed \$24,374 during the year ended June 30, 2011.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Year Ended June 30, 2011

NOTE 10 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time and permanent part-time employees, permits them to defer a portion of their salary until future years. Under this plan, participants are not taxed on the deferred portion of the compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

NOTE 11 - NET ASSETS AND FUND BALANCES

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

A. Net Assets

Net assets are the excess of all the District's assets over all its liabilities, regardless of fund. Net assets are divided into three captions under GASB Statement No. 34. These captions apply only to net assets, which is determined only at the Government-wide level, and are described below:

*Invested in Capital, net of related debt* describes the portion of net assets that is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of net assets that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that the District cannot unilaterally alter. These include amounts for debt service requirements.

*Unrestricted* describes the portion of net assets that is not restricted to use.

B. Fund Equity

The accompanying financial statements reflect certain changes that have been made with respect to the reporting of the components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Pleasant Hill Recreation and Park District  
NOTES TO BASIC FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

NOTE 11 - NET ASSETS AND FUND BALANCES (concluded)

B. Fund Equity (concluded)

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Board of Directors serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District's policy specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

NOTE 12 - TRANSFERS

Transactions which constitute reimbursement of a fund for expenditures initially made from that fund, which are properly attributable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of the expenditures in the fund that is reimbursed. The funds below were combined with the general fund in previous years. The following schedule summarizes the transfers in and out for the fiscal year ended June 30, 2011:

	Transfers in	Transfers out
Major Funds:		
General fund	\$ -	\$ 12,932
Arts	10,961	-
Building	1,971	-
Totals	\$ 12,932	\$ 12,932

Pleasant Hill Recreation and Park District  
GENERAL FUND  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES

Budget and Actual

For the year ended June 30, 2011

(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues:				
Property taxes	\$ 2,452,000	\$ 2,452,000	\$ 2,589,011	\$ 137,011
Non-recreation	522,500	222,500	132,357	(90,143)
Senior citizens	368,400	349,440	372,791	23,351
Winslow center	12,000	14,500	11,846	(2,654)
Community center rental	181,000	124,000	114,652	(9,348)
Adult activities	251,000	215,500	209,223	(6,277)
Athletics & teens	629,000	561,000	602,346	41,346
Preschool, youth, & special	514,500	448,670	457,442	8,772
Child care	270,000	270,000	296,743	26,743
Aquatics	353,000	354,500	357,121	2,621
Total revenues	<u>5,553,400</u>	<u>5,012,110</u>	<u>5,143,532</u>	<u>131,422</u>
Expenditures:				
Administration	286,900	274,000	325,272	(51,272)
Recreation	270,800	261,370	297,058	(35,688)
Senior citizens	692,420	646,380	657,067	(10,687)
Winslow center	58,380	61,580	48,534	13,046
Community center rental	777,800	696,650	734,370	(37,720)
Adult activities	245,810	218,460	238,689	(20,229)
Athletics & teens	707,400	631,600	628,743	2,857
Preschool, youth, & special	426,600	374,640	361,472	13,168
Child care	233,240	223,340	232,340	(9,000)
Aquatics	653,700	641,890	656,507	(14,617)
Communications	147,810	137,890	147,467	(9,577)
Parks	586,380	513,430	468,937	44,493
Capital outlay	2,827,000	2,730,230	285,462	2,444,768
Debt service:				
Principal	251,200	251,200	110,711	140,489
Interest	12,500	12,500	139,781	(127,281)
Total expenditures	<u>8,177,940</u>	<u>7,675,160</u>	<u>5,332,410</u>	<u>2,342,750</u>
Excess (deficit) of revenues over (under) expenditures	<u>(2,624,540)</u>	<u>(2,663,050)</u>	<u>(188,878)</u>	<u>2,474,172</u>
Other Financing Sources (Uses):				
Issuance of debt				
Transfers in	2,500,000	2,500,000	-	(2,500,000)
Transfers out	-	-	(12,932)	(12,932)
Total Other Financing Sources (Uses)	<u>2,500,000</u>	<u>2,500,000</u>	<u>(12,932)</u>	<u>(2,512,932)</u>
Net change in Fund Balances	<u>\$ (124,540)</u>	<u>\$ (163,050)</u>	<u>(201,810)</u>	<u>\$ (38,760)</u>
Fund balances, beginning of period			<u>331,310</u>	
Fund balances, end of period			<u>\$ 129,500</u>	

Pleasant Hill Recreation and Park District  
LANDSCAPE FUND (250)  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
Budget and Actual  
For the year ended June 30, 2011  
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues:				
Property taxes	\$ 692,310	\$ 692,310	\$ 641,184	\$ (51,126)
Total revenues	<u>692,310</u>	<u>692,310</u>	<u>641,184</u>	<u>(51,126)</u>
Expenditures:				
Maintenance	<u>680,110</u>	<u>680,110</u>	<u>658,992</u>	<u>21,118</u>
Total expenditures	<u>680,110</u>	<u>680,110</u>	<u>658,992</u>	<u>21,118</u>
Excess (deficit) of revenues over (under) expenditures	<u>\$ 12,200</u>	<u>\$ 12,200</u>	(17,808)	<u>\$ (30,008)</u>
Fund balances, beginning of period			<u>74,786</u>	
Fund balances, end of period			<u>\$ 56,978</u>	

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## APPENDIX B

### FORM OF OPINION OF BOND COUNSEL

[Letterhead of Quint & Thimmig LLP]

[Closing Date]

Board of Directors  
Pleasant Hill Recreation & Park District  
147 Gregory Lane  
Pleasant Hill, California 94523

**OPINION:** \$8,000,000\* Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012)

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Members of the Board of Directors:

We have acted as bond counsel to the Pleasant Hill Recreation & Park District (the "District") in connection with the issuance by the District of \$8,000,000\* principal amount of Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012) (the "Bonds"), pursuant to section 5790 *et seq.* of the California Public Resources Code (the "Act"), and a resolution adopted by the Board of Directors of the District on March 28, 2012 (the "Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The District is duly created and validly existing as a recreation and park district with the power to cause the Board to issue the Bonds in its name and to perform its obligations under the Resolutions and the Bonds.

2. The Resolution has been duly adopted by the District and creates a valid first lien on the funds pledged under the Board Resolution for the security of the Bonds.

3. The Bonds have been duly authorized, executed and delivered by, are valid and binding general obligations of, the District. The Board of Supervisors of Contra Costa County is required to levy a tax upon all taxable property in the District for the payment of the principal of and interest on all outstanding bonds of the District, including the Bonds. The Bonds are payable from an *ad valorem* tax levied without limitation as to rate or amount.

4. Subject to the District's compliance with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the "Code"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. It is also our opinion that the Bonds are "qualified tax exempt obligations" under section 265(b)(3) of the Code.

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\* Preliminary, subject to change.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolutions may be subject to the bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In rendering this opinion, we have relied upon certifications of the District and others with respect to certain material facts. Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

## APPENDIX C

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the PLEASANT HILL RECREATION & PARK DISTRICT (the "District") in connection with the issuance by the District of \$8,000,000\* Pleasant Hill Recreation & Park District (Contra Costa County, California) General Obligation Bonds, Election of 2009, Series B (2012) (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Directors of the District on March 28, 2012 (the "Resolution"). The District covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings when used in this Disclosure Certificate:

"*Annual Report*" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Beneficial Owner*" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"*Dissemination Agent*" shall mean U.S. Bank National Association or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation. In the absence of such a designation, the District shall act as the Dissemination Agent.

"*EMMA*" or "*Electronic Municipal Market Access*" means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"*Listed Events*" shall mean any of the events listed in Section 5(a) or 5(b) of this Disclosure Certificate.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information which may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Participating Underwriter*" shall mean the original underwriter of the Bonds, required to comply with the Rule in connection with offering of the Bonds.

"*Rule*" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 3. Provision of Annual Reports.

(a) *Delivery of Annual Report*. The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (which currently ends on June 30), commencing with the report for the 2011-12 Fiscal Year, which is due not later than March 31, 2013, file with EMMA, in a readable PDF or other electronic format as prescribed by the MSRB, an Annual Report

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\* Preliminary, subject to change.

that is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

(b) *Change of Fiscal Year.* If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c), and subsequent Annual Report filings shall be made no later than nine months after the end of such new fiscal year end.

(c) *Delivery of Annual Report to Dissemination Agent.* Not later than fifteen (15) Business Days prior to the date specified in subsection (a) (or, if applicable, subsection (b)) of this Section 3 for providing the Annual Report to EMMA, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the District.

(d) *Report of Non-Compliance.* If the District is the Dissemination Agent and is unable to file an Annual Report by the date required in subsection (a) (or, if applicable, subsection (b)) of this Section 3, the District shall send a notice to EMMA substantially in the form attached hereto as Exhibit A. If the District is not the Dissemination Agent and is unable to provide an Annual Report to the Dissemination Agent by the date required in subsection (c) of this Section 3, the Dissemination Agent shall send a notice to EMMA in substantially the form attached hereto as Exhibit A.

(e) *Annual Compliance Certification.* The Dissemination Agent shall, if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been filed with EMMA pursuant to Section 3 of this Disclosure Certificate, stating the date it was so provided and filed.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) *Financial Statements.* Audited financial statements of the District for the preceding fiscal year, prepared in accordance generally accepted accounting principles. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information.* To the extent not included in the audited final statements of the District, the Annual Report shall also include financial and operating data with respect to the District for preceding fiscal year, substantially similar to that provided in the corresponding tables and charts in the official statement for the Bonds, as follows:

- (i) Assessed value of taxable property in the District as shown on the recent equalized assessment role; and
- (ii) Property tax levies, collections and delinquencies for the District, for the most recent completed fiscal year.

(c) *Cross References.* Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on EMMA. The District shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

(d) *Further Information.* In addition to any of the information expressly required to be provided under paragraph (b) of this Section 4, the District shall provide such further information, if any, as may be

necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Listed Events.

(a) *Reportable Events.* The District shall, or shall cause the Dissemination (if not the District) to, give notice of the occurrence of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (4) Substitution of credit or liquidity providers, or their failure to perform.
- (5) Defeasances.
- (6) Rating changes.
- (7) Tender offers.
- (8) Bankruptcy, insolvency, receivership or similar event of the obligated person.
- (9) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(b) *Material Reportable Events.* The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (1) Non-payment related defaults.
- (2) Modifications to rights of security holders.
- (3) Bond calls.
- (4) The release, substitution, or sale of property securing repayment of the securities.
- (5) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.
- (6) Appointment of a successor or additional trustee, or the change of name of a trustee.

(c) *Time to Disclose.* Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(5) and (b)(3) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds under the Resolution.

Section 6. Identifying Information for Filings with EMMA. All documents provided to EMMA under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent.

(a) *Appointment of Dissemination Agent*. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate and may discharge any such agent, with or without appointing a successor Dissemination Agent. If the Dissemination Agent is not the District, the Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with EMMA shall be prepared and provided to it by the District. The Dissemination Agent has undertaken no responsibility with respect to the content of any reports, notices or disclosures provided to it under this Disclosure Certificate and has no liability to any person, including any Bondholder, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the District shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition, except as may be provided by written notice from the District.

(b) *Compensation of Dissemination Agent*. The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the District from time to time and all expenses, legal fees and expenses and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the District, owners or Beneficial Owners, or any other party. The Dissemination Agent may rely, and shall be protected in acting or refraining from acting, upon any direction from the District or an opinion of nationally recognized bond counsel. The Dissemination Agent may at any time resign by giving written notice of such resignation to the District. The Dissemination Agent shall not be liable hereunder except for its negligence or willful misconduct.

(c) *Responsibilities of Dissemination Agent*. In addition of the filing obligations of the Dissemination Agent set forth in Sections 3(e) and 5, the Dissemination Agent shall be obligated, and hereby agrees, to provide a request to the District to compile the information required for its Annual Report at least 30 days prior to the date such information is to be provided to the Dissemination Agent pursuant to subsection (c) of Section 3. The failure to provide or receive any such request shall not affect the obligations of the District under Section 3.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate (and the Dissemination Agent shall agree to any amendment so requested by the District that does not impose any greater duties or risk of liability on the Dissemination Agent), and any provision of this Disclosure Certificate may be waived, provided that all of the following conditions are satisfied:

(a) *Change in Circumstances*. If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or the type of business conducted.

(b) *Compliance as of Issue Date*. The undertaking, as amended or taking into account such waiver, would, in the opinion of a nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

(c) *Consent of Holders; Non-impairment Opinion.* The amendment or waiver either (i) is approved by the Bondholders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Bondholders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners.

If this Disclosure Certificate is amended or any provision of this Disclosure Certificate is waived, the District shall describe such amendment or waiver in the next following Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and no implied covenants or obligations shall be read into this Disclosure Certificate against the Dissemination Agent, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have the same rights, privileges and immunities hereunder as are afforded to the Paying Agent under the Resolution. The obligations of the District under this Section 12 shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: [Closing Date]

PLEASANT HILL RECREATION & PARK  
DISTRICT

By \_\_\_\_\_  
Authorized Officer

ACKNOWLEDGED:

U.S. BANK NATIONAL ASSOCIATION, as  
Dissemination Agent

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Pleasant Hill Recreation & Park District

Name of Issue: Pleasant Hill Recreation & Park District (Contra Costa County, California)  
General Obligation Bonds, Election of 2009, Series B (2012)

Date of Issuance: [Closing Date]

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate dated [Closing Date], furnished by the Issuer in connection with the Issue. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION, as  
Dissemination Agent

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

cc: Paying Agent

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## APPENDIX D

### BOOK-ENTRY SYSTEM

*The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest on the Bonds to Direct Participants, Indirect Participants or Beneficial Owners (as such terms are defined below) of the Bonds, confirmation and transfer of beneficial ownership interests in the Bonds and other Bond related transactions by and between DTC, Direct Participants, Indirect Participants and Beneficial Owners of the Bonds is based solely on information furnished by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.*

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the

Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct or Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as tenders, defaults, and proposed amendments to the Bonds documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its service as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the District determines that DTC shall no longer act and delivers a written certificate to the Paying Agent to that effect, then the District will discontinue the Book-Entry System with DTC for the Bonds. If the District determines to replace DTC with another qualified securities depository, the District will prepare or direct the preparation of a new single separate, fully registered Bond for each maturity of the Bonds registered in the name of such successor or substitute securities depository as are not inconsistent with the terms of the Resolution. If the District fails to identify another qualified securities depository to replace the incumbent securities depository for the Bonds, then the Bonds shall no longer be restricted to being registered in the Bond registration books in the name of the incumbent securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository or its nominee transferring or exchanging the Bonds shall designate.

In the event that the Book-Entry System is discontinued, the following provisions would also apply: (i) the Bonds will be made available in physical form, (ii) payment of principal of and interest on the Bonds will be payable upon surrender thereof at the trust office of the Paying Agent identified in the Resolution, and (iii) the Bonds will be transferable and exchangeable as provided in the Resolution.

*The District and the Paying Agent do not have any responsibility or obligation to DTC Participants, to the persons for whom they act as nominees, to Beneficial Owners, or to any other person who is not shown on the registration books as being an owner of the Bonds, with respect to (i) the accuracy of any records maintained by DTC or any DTC Participants; (ii) the payment by DTC or any DTC Participant of any amount in respect of the principal of and interest on the Bonds; (iii) the delivery of any notice which is permitted or required to be given to registered owners under the Resolution; (iv) any consent given or other action taken by DTC as registered owner; or (v) any other matter arising with respect to the Bonds or the Resolution. The District and the Paying Agent cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal of and interest on the Bonds paid to DTC or its nominee, as the registered owner, or any notices to the Beneficial Owners or that they will do so on a timely basis or will serve and act in a manner described in this Official Statement. The District and the Paying Agent are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner in respect to the Bonds or any error or delay relating thereto.*

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## **Board of Directors Meeting Minutes October 12, 2011**

The October 12, 2011 Board Meeting of the Pleasant Hill Recreation & Park District Board of Directors was called to order by Board Chair Bonato at 7:02 p.m. in the Conference Room at the Administration Office. She announced that the Board met in closed session and there was no decision made and nothing to report on.

### **PLEDGE OF ALLEGIANCE**

Project Manager Ron Johnson led the Pledge of Allegiance.

### **ROLL CALL**

**BOARD PRESENT:** Bonato, Donaghu, Glover, Shepard,

**ABSENT:** Sterrett

**STAFF PRESENT:** Berggren, Blair, Hunn, Kubota, Luke, Miller, Spatz, Young

### **PUBLIC COMMENT**

There was no public comment.

### **INDEPENDENT BOND OVERSIGHT COMMITTEE QUARTERLY REPORT**

Bond Oversight Committee Chair Norm Vanhole reported that the committee meets once a quarter and it is a little difficult to have a report prepared each quarter. Board Chair Bonato thanked the Committee for their efforts. She wants to make sure they have an accurate report and the Board of Directors will have a response letter completed and posted on the District's website. The letter will be presented to the Bond Oversight Committee before it will be posted for the public. The General Manager suggested in the future having a semi-annual or annual report from the Bond Oversight Committee.

### **TO CONSIDER ADJUSTMENTS TO PROJECT BUDGET (ACTION)**

The General Manager stated that Project Manager Ron Johnson has the update on bond projects budget. Accounting Supervisor Mark Blair completed a one page summary of the budget. Johnson reviewed the budget and remarked that a large cost is due to the Contra Costa Water District work that was not anticipated to cost as much. Another issue is the cost reduction efforts. There has been some progress made, which have been included into change orders #2 and #3. He said they will try and get an update on the cost reductions on a future agenda. He continued to report on some issues that have come up. Johnson remarked that they are bringing on a signage company who will be assisting in putting a bid package together with specs and plans. He commented they will give a high and low range and also have the design/build specs. Johnson said the Community Center is coming down. The contractor for the demolition project is good and great to work with. He stated that the bid did come in lower than expected. He said in Mid-November the Dahlin Group will provide the next set of plans and specifications for estimating. He will then have a better idea of where we are with the budget for the Community Center.

JIM UTZ, Lafayette resident – He asked when change orders are talked about, is it because the District is spending more than contracted. Board Chair Bonato explained that it is costs that are not anticipated, but if situations arise where the contractor is responsible, they are handled accordingly. Utz asked if there are unforeseen situations, does the contractor build it into their bid. Bonato said that the District did not pursue an all inclusive contract where all responsibility

shifts to the contractor. It is handled per issues that arise. Project Manager Ron Johnson said **there are weekly meetings with the contractor's staff, CSI and District staff. The District staff and CSI's construction Manager Kelly Johnson are communicating daily to discuss any issues that arise.**

HAROLD JEFFREY, Pleasant Hill resident and Bond Oversight Committee member – He said as a **member of the public, he goes on the District's website to be informed of change order** amounts for the projects. He said that the original amount is what is listed, but he stated that the change orders and more detailed information do not appear. He feels that it is time to list the change orders, or show the dollar amount and show the percentage more that it is costing for each project.

Accounting Supervisor Mark Blair said the summary report shows the cost expectations up to date. Board Chair Bonato asked how often Blair updates the bond project budget. He said it is updated almost daily, as soon as an invoice is received and to be paid out, he is recording it. She requested to have the General Manager work with her to have something up on the **District's website to keep the public abreast of the ongoing budget for the bond projects as well** as the updated photos of the progress of each project. The General Manager suggested posting the information on the website as soon as possible.

Board Chair Bonato asked about \$150,000 to be moved from the program contingency budget to primarily the bond project for the Senior Center. Johnson said it would go to the soft cost contingency budget. Board Member Shepard asked if it is something that has to be approved now. Johnson said it does not have to happen tonight, but eventually the Board will have to approve to shift the contingency funds in the next 3 – 4 months. Blair stated it is like reconciling your bank account.

Board Member Glover said if the \$150,000 was not approved and the Board decided to not approve any more funds to be transferred, what would happen. Johnson said they can discuss strategic plans in regards to funding and decision points and timing, but once the Senior Center and Teen Center are completed and not all the contingency fund is used, it can be used for the next bond project. Board Chair Bonato said the budget and the timing is not necessary, she is not convinced that amending or adjusting the budget is not sending the right message. Glover does not feel that the \$150,000 needs to be moved. He said it has been a complicated process and it is not an easy decision. Board Member Shepard stated she wants the District to be more cognizant of what we are spending. The Board further discussed the issue with the bond project fund.

Board Chair Bonato said there will be no motion and this item will be brought back to another board meeting.

## **BOND PROJECT UPDATES/STATUS**

### **a. Senior Center Update**

### **b. Teen Center Update**

### **c. Community Center Update on Demolition Project**

The General Manager said Johnson reviewed earlier some of the issues with the Senior Center and Teen Center. He said the Community Center demolition has started. There was nothing else to report. Board Member Shepard asked about the chairs and if Bev Moris has decided on the choice. The General Manager commented that Moris will be at a Board Meeting in November.

Board Chair Bonato started the regular board meeting at 7:00 p.m.

## **PUBLIC COMMENT**

There was no public comment.

## **REPORT FROM PLEASANT HILL TENNIS CLUB**

Pleasant Hill Tennis Club representative Jim Utz reported on the activities and membership of the Pleasant Hill Tennis Club. He said they had a picnic for the members, he passed out a newsletter that is sent out to members every other month and stated that they have a website that Rita Utz maintained. Utz reported on the funds they raise for the schools to maintain the courts at College Park High School and Pleasant Hill Middle School. He said they are in need of repairing the courts and need to raise funds to have them resurfaced. He shared some estimates he received. At the Middle School it is about \$150,000 to slip sheet surface the six courts and at the High School it would cost about \$180,000. This method would last about 15 – 20 years. Another option is to temporarily repair the courts which would last about 2 – 3 years. Utz said the cost is about \$70,000 and is hoping the costs can be split between the Tennis Club, the School District and Recreation District. Utz mentioned that he is working with the College Park High School and District tennis coach Deborah Gantt on a grant from USTA (United States Tennis Association). He is informing the District now, so we can plan to possibly budget for the repairs. He may have a better idea in January of who can donate funds towards the court repairs. Board Chair Bonato asked the General Manager some questions about the history of the District and the Tennis Club. He gave a brief history. Bonato thanked Utz for his report and the support of the Tennis Club.

## **CONSENT CALENDAR (ACTION)**

**A. To Approve Bills to be Paid**

**B. To Approve Minutes of August 24, 2011**

Upon motion of Donaghu/Glover, the Board approved the consent calendar as presented.

## **REPORT ON "LIGHT UP THE NIGHT" EVENT AT DOWNTOWN PLEASANT HILL**

Recreation Supervisor Katrina Hunn reported on the "Light Up the Night" event in Downtown Pleasant Hill, which the District will be taking part in. She stated that the craft vendors are being handled by Pam Lischeske and Hunn will be handling the live entertainment. She said she met with city staff and these decisions were made. She said the City is excited to work with the District. The City is planning on closing Crescent Drive like the Art, Jazz and Wine Festival. Hunn said that the City will be providing cookies and hot chocolate and the sleigh rides with the tree lighting. She announced that the tree lighting will be at 6:30 p.m. She mentioned that preschool will be conducting the face painting. The City will provide lighting and close the streets. She said they are at the beginning stages, but it will be a great event.

## **REPORT ON THE SECOND ANNUAL BLUES AND BREWS FESTIVAL**

The General Manager said the revenue generated this year was about \$3,000 with some invoices that have not been received yet. He said it is a great event and Recreation Supervisor Katrina Hunn does a wonderful job. Hunn reported on the success and challenges of the Blues and Brews Festival. Some Board Members had questions that Hunn answered. She said the first year there was not a bill from the Pleasant Hill Police Department, but this year there was an expense for overtime at \$1,700. She explained some of the differences and extra costs of some of the breweries, permits, extra fencing and more. She said there may be some more discussion for future events and working with the Police Department. The sponsorships were down from the first year and so the plans will be to try and promote more, divide responsibilities more with the Chamber and District staff. She commented that the event could not have been pulled off successfully without the support of volunteers and staff from the Chamber and District.

## **REPORT ON MASTER GARDENERS MEETING**

The General Manager reported that the Master Gardeners need to find a new site for their program and seem enthused about the Rodgers Ranch site. He said they are meeting this Friday with the Master Gardeners representatives, Friends of Rodgers Ranch Representative Denise Koroslev, and Park Superintendent Lynn Spatz in regards to finding a new location for the Master Gardeners program. He said they are finding out what they need and what can be done to make it work for their program. He stated it will be a positive program for the community and the District. He said nothing has been decided yet and we will wait to see what happens.

## **BOARD ANNOUNCEMENTS AND REQUESTS TO STAFF**

Board Member Glover played in the Pleasant Hill Allied Waste Community Foundation Golf Tournament raising funds for the youth and seniors in the community. He said it was a good event and he had a good time.

Board Member Donaghu said he attended the Chamber committee meeting for the 50<sup>th</sup> Anniversary Dinner Gala **and they have sold 100 tickets so far. He mentioned that the City's photo contest will** be displayed along with a display of the winning essays on Sundays Open House. He announced that the Chamber Mixer is on Wednesday.

Board Chair Bonato said she met with staff to interview a consultant in regards to a new District logo. She said they hope to narrow down the choices within the next 3 weeks. The choices will be presented in black and white first. She attended a meeting where Dawn Block and Michael Harris invited all the principals of local schools, MDUSD Superintendent Steven Lawrence and representatives from the Pleasant Hill Education Foundation. She promoted the new teen center and hopes to have a kickoff for the 5<sup>th</sup> graders from the Elementary Schools. She said the Middle School Principals were excited that there will be a place for their students after school. She said there was discussion about collaborating with the library. She would like to see if the District can get on the agenda for a future Pleasant Hill Education Foundation meeting.

## **STAFF ANNOUNCEMENTS**

The General Manager did not have any announcements.

## **ADJOURNMENT**

Board Chair Bonato adjourned the meeting at 8:02 p.m.

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Robert B. Berggren, Clerk of the Board

<u>Check</u>	<u>Date</u>	<u>Vendor No</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Voucher</u>
16542	03/28/2012	AEC	Architectural Energy Coporatio	7,000.00	000000
16543	03/28/2012	Alliance	Alliance Welding	33.38	000000
16544	03/28/2012	AmerSta	American Stage Tours	1,066.00	000000
16545	03/28/2012	AmFidAs	American Fidelity Assurance	217.58	000000
16546	03/28/2012	Antai	Antai Solutions LLC	6,859.00	000000
16547	03/28/2012	ARC	ARC	10.83	000000
16548	03/28/2012	ArcherNo	Archer Norris	1,483.50	000000
16549	03/28/2012	AshLum	Ashby Lumber Company, Inc.	58.92	000000
16550	03/28/2012	ATT3	ATT CALNET 2	725.09	000000
16551	03/28/2012	BANewsG	Bay Area News Group	250.00	000000
16552	03/28/2012	BankSac	Bank Of Sacramento Escrow Dept	86,761.05	000000
16553	03/28/2012	BayAreA	Bay Area Barricade Service Inc	280.47	000000
16554	03/28/2012	CaSt	California State Disbursement	297.00	000000
16555	03/28/2012	CaUsss	California USSSA	1,224.00	000000
16556	03/28/2012	CCCFireP	Contra Costa County Fire Prote	277.50	000000
16557	03/28/2012	CCPhon	Contra Costa Phone Service	240.00	000000
16558	03/28/2012	CCPub	Contra Costa Public Works Dept	469.00	000000
16559	03/28/2012	CCWat	Contra Costa Water District	387.57	000000
16560	03/28/2012	Cole	Cole Supply Co., Inc.	14.64	000000
16561	03/28/2012	CommPool	Commercial Pool Systems, Inc.	120.88	000000
16562	03/28/2012	Critical	Critical Solutions, Inc	54,728.14	000000
16563	03/28/2012	Dahlin	Dahlin Group	26,484.05	000000
16564	03/28/2012	DelDen	PBIA	4,412.55	000000
16565	03/28/2012	DiaPre	Diablo Press	297.69	000000
16566	03/28/2012	EastBay	East Bay Blue Print & Supply C	985.00	000000
16567	03/28/2012	EBMUD	East Bay Mud	159.68	000000
16568	03/28/2012	Elavon	Elavon	16.96	000000
16569	03/28/2012	FranTx	Franchise Tax Board	90.00	000000
16570	03/28/2012	Furber	Furber Saw, Inc.	837.37	000000
16571	03/28/2012	Harriman	Stephen E. Harriman AIA & Asso	13,782.77	000000
16572	03/28/2012	Javis,Fa	Javis Fay Doporto & Gibson LLP	49.02	000000
16573	03/28/2012	KaisFou	File #73029 Kaiser Foundation Health Plan	31,226.08	000000
16574	03/28/2012	KidzLove	Kidz Love Soccer Inc	3,766.50	000000
16575	03/28/2012	LeadingE	Leading Edge Pest Management	135.00	000000
16576	03/28/2012	Legal S	Legal Shield	105.65	000000
16577	03/28/2012	Leslie	Leslie's Pool Supplies Inc.	208.80	000000
16578	03/28/2012	Matrisc	Matriscope Engineering Labs	15,921.40	000000
16579	03/28/2012	McFadden	McFadden Construction	780,854.46	000000
16580	03/28/2012	McInerne	McInerney & Dillon	7,423.46	000000
16581	03/28/2012	MDUSD	Mt. Diablo Unified School Dist	2,077.00	000000
16582	03/28/2012	MobiMod	Mobile Modular Mngmnt Corp	265.22	000000
16583	03/28/2012	PacCoas	Pacific Coast Seed, Inc.	309.95	000000
16584	03/28/2012	PERS	PERS	14,572.57	000000
16585	03/28/2012	PG&E	Pacific Gas & Electric Co	260.46	000000
16586	03/28/2012	PhSen	Pleasant Hill Seniors Club	205.00	000000
16587	03/28/2012	Pioneer	Pioneer Manufacturing Co.	3,552.23	000000
16588	03/28/2012	PitBow	Pitney Bowes	357.00	000000
16589	03/28/2012	PleaHill	Pleasant Hill Rec & Park Distr	106,942.60	000000
16590	03/28/2012	PreAll	Preferred Alliance Inc	95.00	000000
16591	03/28/2012	Pruden	Prudential Municipal Pool/	1,326.11	000000
16592	03/28/2012	PurcRh	PRA Group	4,080.00	000000
16593	03/28/2012	R-Comput	R-Computer	368.05	000000
16594	03/28/2012	SiePac	Sierra Pacific Tours	650.00	000000
16595	03/28/2012	SiePac	Sierra Pacific Tours	800.00	000000
16596	03/28/2012	Superco	Superco Specialty Products	196.55	000000
16597	03/28/2012	TeeCom	TEECOM Design Group	471.85	000000

<u>Check</u>	<u>Date</u>	<u>Vendor No</u>	<u>Vendor Name</u>	<u>Amount</u>	<u>Voucher</u>
16598	03/28/2012	UniBank	Union Bank Of California	1,724.68	000000
16599	03/28/2012	VilMus	Village Music School/Robert Ko	785.40	000000
16600	03/28/2012	VSP	PBIA	59.55	000000
16601	03/28/2012	walj	Jean Walton	600.00	000000
16602	03/28/2012	WatersM	Waters Moving & Storage	50.00	000000
16603	03/28/2012	WinkMaj	Marjorie Winkler & Assoc	675.00	000000
16604	03/28/2012	WRA	WRA	496.00	000000
<b>CHECK TOTAL:</b>				<b>\$1,190,181.21</b>	



## Board of Directors Meeting Minutes October 26, 2011

The October 26, 2011 Board Meeting of the Pleasant Hill Recreation & Park District Board of Directors was called to order by Board Chair Bonato at 6:00 p.m. in the Conference Room at the Administration Office.

### **PLEDGE OF ALLEGIANCE**

Board Member Cecile Shepard led the Pledge of Allegiance.

### **ROLL CALL**

**BOARD PRESENT:** Bonato, Shepard, Sterrett

**ABSENT:** Donaghu, Glover

**STAFF PRESENT:** Berggren, Hunn, Kubota, Spatz, Young

### **PUBLIC COMMENT**

There was no public comment.

### **BOND PROJECT UPDATES/STATUS**

#### **a. Fundraising Report**

The General Manager remarked that there has been a lot happening in the fundraising area on in the last couple of weeks. Campaign Coordinator Sandy Noack commented that it is an exciting time and they will take the campaign public for the Senior and Teen Centers, which starts in November. She said it will allow the general public to participate in purchasing furniture and make donations towards the Furniture, Fixtures and Equipment (FF&E) for the bond project facilities, which are not covered by the bond measure. She said the need for the two centers is approximately \$850,000. Noack said the campaign brochure will be in the Spare Time Spotlight reaching 68,000 residents and also inserted in the Senior Sounds, 1,500 will be sent out. She said they are selling bricks for the Senior Center and there are other opportunities to donate. She explained they have established a Campaign Business Committee existing of General Manager Bob Berggren, Matt Rinn, Karen Mitchoff, Bobby Glover, John Hanecak, Tom McHale, Tom MacDonald and Steve Leshner and will be meeting soon.

Board Member Shepard had a question in regards to the campaign going public and thought the original plan was to wait. Noack explained that the District is challenged by a major donor foundation to go public, so the plans have changed to start to go to the public earlier. Board Chair Bonato asked about donor specific donations for specific sites. She is concerned that the Community Center be left out if the funding all is directed toward the Senior and Teen Centers. Further discussion followed.

#### **b. Senior Center Update**

#### **c. Teen Center Update**

Board Member Sterrett thanked Bond Project Facilities Coordinator Carrie Miller for her weekly bond reports. She appreciates the pictures and reports. The General Manager showed the Board where the bricks for the Senior Center will be installed. He said the pouring of the concrete will take two days, which they are preparing for. The concrete pour for the Teen Center will take place on Friday.

#### **d. Community Center Update on Demolition Project**

The demolition is continuing. The General Manager said the Dahlin Group is working on plans and should have 60% plans completed by the second week of November. Board Chair Bonato

read a letter that she received from a public member, Sonny vanWestrop, who stated that she believes not putting in a full kitchen at the Community Center was not a good decision and the community would want it, plus there could be more rentals.

### **TO CONSIDER DATE TO TOUR THE SENIOR CENTER AND TEEN CENTER CONSTRUCTION SITES**

Board Chair Bonato stated this agenda item will be brought back to the next board meeting.

Board Chair Bonato started the regular board meeting at 7:04 p.m.

### **PUBLIC COMMENT**

There was no public comment.

### **INTRODUCTION OF NEW EX-OFFICIO MEMBER GENESIS CASSIDY FROM COLLEGE PARK HIGH SCHOOL**

Recreation Supervisor Katrina Hunn introduced Genesis Cassidy, a freshman at College Park High School. Hunn said Cassidy was chosen from the leadership class at College Park High School to be the ex-officio member for Pleasant Hill Recreation & Park District. Cassidy said she is a volunteer at ARF, volunteers at the pool and likes being involved with the community.

#### **a. Ex-Officio Member Report**

Cassidy reported College Park High School just had homecoming, they are starting plans for the senior breakfast, the Freshman football team is playing Benicia this week and Varsity is playing Ygnacio Valley High School at home on Friday. Teen Council members are planning on assisting with Breakfast with Santa, assisting in the Cell Phone Workshop Senior Class, the Art, Jazz and Wine Festival and on December 1, they will assist with various activities for the Light Up the Night event in Downtown Pleasant Hill.

### **CONSENT CALENDAR (ACTION)**

#### **A. To Approve Bills to be Paid**

#### **B. To Approve Minutes of June 27, 2011**

#### **C. To Approve Resolution 2011-10-26, Honoring Friends of Rodgers Ranch on their 20<sup>th</sup> Anniversary**

Upon motion of Sterrett/Shepard, the Board approved the A. Bills to be paid and C. Resolution 2011-10-26, honoring Friends of Rodgers Ranch on their 20<sup>th</sup> Anniversary. Item B. Minutes of June 27, 2011 were pulled for further review.

### **PRESENTATION TO FRIENDS OF RODGERS RANCH FOR ACKNOWLEDGMENT OF THEIR 20<sup>TH</sup> ANNIVERSARY**

Board Chair Bonato invited the Friends of Rodgers Ranch Board Members to come up and receive the resolution that was just passed. She thanked the Friends of Rodgers Ranch (FORR) and expressed appreciation from the District. She acknowledged the many accomplishments of FORR and mentioned that they recently received a \$1,250 donation from the Daughters of the American Revolution for the rehabilitation of the kitchen. She said the farmhouse is almost completed. Bonato said it has been a great partnership. FORR Representative Denise Koroslev said the Diablo Valley Woodworkers is building a new cabinet under the sink and will help restore the original hutch in the kitchen. Bonato presented a special award to Ellen Stevahn, one of the founders of Friends of Rodgers Ranch, and to President Denise Koroslev for all their endless efforts in restoring the ranch and for their continued dedication. Bonato read the award for Ellen Stevahn, "Making the Difference – In gratitude and recognition of your spirit and dedication to make Rodgers Ranch a living history and a part of our community." Stevahn and Koroslev thanked the District and Bonato for the special recognition and stated it is quite an honor.

### **REPORT ON MASTER GARDENERS MEETING AT RODGERS RANCH SITE**

The General Manager said staff met with Janet Miller and some other members of the Master Gardeners group. He said the Master Gardeners Group is looking for a new site for their program, so they are taking a look at Rodgers Ranch. He said they are very interested, but there are some drawbacks. He mentioned there may be other opportunities for some other programs such as being a satellite campus, specialty crops, native plant program, or some other options. Bonato said it seemed to lean more towards a definite program site. The one challenge is getting equipment up the hill and accessibility since one area is not level. She said there were discussions to maybe have a community program. Denise Koroslev mentioned that when the barn gets restored and completed, it can be used as a classroom for the Master Gardeners program.

### **REPORT ON CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) ANNUAL CONFERENCE**

Board Member Sterrett reported on the conference where there were 509 attendees. She also passed out some goodies she received at the conference. She attended the opening ceremony, the CSDA board meeting, which discussion and votes were made on whether they would increase their dues. The decision was made to increase their fees by 2.8%. Sterrett said the Leadership Foundation is not going to be able to financially keep it going, but they decided to fold it into their education department and SDRMA is funding it by donating \$50,000. She spoke about the CSDA elections. She said the keynote speaker, Tim Sanders, spoke about building strong relationships now and reaching out to your neighbors, especially during difficult times. She commented that he said hire ones that look you in the eye and smile and "readers are leaders". Another speaker was Libby Gill who spoke about passion, backed by vision and backed by execution and to keep things simple. Sterrett said one issue that was discussed in one of the roundtable sessions was on CSDA Chapters. She said there are 17 strong chapters and one of CSDA's goals is to have 20 chapters. So, she said that chapter presidents received a draft affiliation agreement, which states chapters need to be members of CSDA, also the chapters cannot take a stand against a legislative issue, but a District alone can represent themselves and how they stand on any issue. The chapter leaders came to the session with a negative feeling and did not quite understand this from the affiliation agreement. It was not a good session. She continued to report on the other conference events and courses and said it was a great conference. Board Chair Bonato thanked Sterrett for her report.

### **REPORT ON CONTRA COSTA SPECIAL DISTRICTS ASSOCIATION QUARTERLY MEETING**

Board Member Sterrett attended the CCSDA Quarterly meeting with Bob Doyle of East Bay Regional Park District as the speaker. He gave a history of the EBRPD and said it was established in 1929 and is the largest park district in the State. She spoke about loop trails for elder hikers or physically impaired. She said Gayle Uilkema spoke about an ID Project Device, which is a portable fingerprinting system that is hooked up to the AIFA system. She said they use federal funds to purchase the unit and is available to cities and counties. She said that the budget is tight for the chapter and Central Contra Costa Sanitary District, one of the members of CCSDA, volunteered their site at no cost for the quarterly meetings. She did announce that all the meetings will be in the mornings only and the next meeting is January 23, 2012. Sterrett said there will be no fee increases on chapter dues.

### **BOARD ANNOUNCEMENTS AND REQUESTS TO STAFF**

Board Chair Bonato said she attended the Friends of Rodgers Ranch General Meeting where she learned of the 20<sup>th</sup> Anniversary. She thanked the Board for approving the resolution and to award and recognize all the efforts of the Friends of Rodgers Ranch. She also thanked staff for setting up the meeting and presentation of Rodgers Ranch for the Master Gardeners. She said having this group local would be good.

Bonato continued to report that she attended the Bond Oversight Committee Meeting and they received the **Board's** response to the third quarterly report. She said the committee talked about going to bi-annual reports. She encouraged them to do a summary report and not add all the attachments. Bonato said the committee is waiting for the District audit to be completed and it will be a combined audit. She said they are shifting to emphasize the construction sub-committee. The BOC thanked the Board and staff for staying on schedule with bond projects. She asked to get a report on retaining a consultant on long range plans. She also wanted a Winslow Center proposal on the glue-lam beams and to talk about the appearance of the front of the building at a future meeting.

### **STAFF ANNOUNCEMENTS**

The General Manager made the following announcements:

- He reported that the Art, Jazz and Wine Festival had good weather and it was a good event with a large crowd. Board Member Sterrett agreed and said it looked like it was successful.
- There is an opportunity for staff, Katrina Hunn (teens) and Kendra Luke (seniors), to make a presentation to a recreation programming class at Cal State East Bay in Concord. They will give a presentation about the District and the class will come up with a marketing plan, trends, analysis of programs and suggest some new classes. The General Manager explained that Hunn and Luke will go back to see the student presentations and help grade them as well as get some ideas for new programs.
- The Hospice Tree Lighting is on December 3, 2011 at 5:30 p.m. Board Chair Bonato wants to have the Recreation District more involved.

### **ADJOURNMENT**

Board Chair Bonato adjourned the meeting at 9:02 p.m.

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Robert B. Berggren, Clerk of the Board



# Board of Directors RESOLUTION

PLEASANT HILL RECREATION & PARK DISTRICT

147 Gregory Lane  
Pleasant Hill, CA 94523  
(925) 682-0896  
(925) 682-1633 fax  
pleasanthillrec.com

**PLEASANT HILL RECREATION & PARK DISTRICT  
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA  
BOARD OF DIRECTORS**

**IN THE MATTER TO** **RESOLUTION 2012-03-28C**  
**APPROVE AUTHORIZATION TO APPLY FOR LOCAL GRANT FUNDS FROM THE EAST  
BAY REGIONAL PARK DISTRICT UNDER MEASURE WW PARK BOND EXTENSION FOR  
THE TEEN CENTER BOND PROJECT**

**THE PLEASANT HILL RECREATION AND PARK DISTRICT BOARD OF DIRECTORS  
DOES FIND:**

**WHEREAS**, the people of the East Bay Regional Park District have enacted the Measure WW Park Bond Extension which provides funds for the acquisition and development of neighborhood, community, regional parks and recreation lands and facilities; and

**WHEREAS**, the East Bay Regional park District Board of Directors has the responsibility for the administration of the grant program, setting up necessary procedures; and

**WHEREAS**, said procedures require the Applicant's Governing Body to certify by resolution the approval of the Applicant to apply for the Local Grant allocation of funds; and

**WHEREAS**, the Applicant will enter into a Contract with the East Bay Regional Park District;

**NOW, THEREFORE, BE IT RESOLVED THAT** the Pleasant Hill Recreation and Park District Board of Directors hereby:

1. Approves the execution of a grant contract in the amount of \$150,000 from the Local Grant Program under the East Bay Regional Park District measure WW Park Bond Extension; and
2. Certifies that the Applicant has or will have sufficient funds to operate and maintain the Project(s); and
3. Certifies that the Applicant has reviewed, understands and agrees to the General Provisions contained in the Contract shown in the Procedural Guide; and
4. Appoints the General Manager as agent to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of Project(s).

**PASSED AND ADOPTED ON** March 28, 2012, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Dennis Donaghu, Chair

I hereby certify that the foregoing resolution was approved by the vote indicated herein above at the regular meeting of the Board of Directors on March 28, 2012.

\_\_\_\_\_  
Robert B. Berggren, Clerk of the Board

Mar 27, 2012

To: Bob Berggren

From: Mark Blair

Re; Needed Board Resolutions for EBRPD WW application.

The deadline for submitting requests for reimbursement under EBRPD WW grant in the 2012 year is Mar 31, 2012. We need to submit our requests for the Teen Center (\$150k) and the Community Center (\$700k) before this deadline to receive any reimbursement in calendar 2012.

A part of this submission packet requirement is a copy of the Board Resolution authorizing the use of these available WW funds.

In reviewing our records, I find that we have documentation in our Board Minutes that indicates the Board has approved these actions but it was not in a formal resolution format. As such, we need to generate and have approved the required Board Resolutions at our Mar 28, 2012 Board Meeting to comply with these requirements.



# Board of Directors RESOLUTION

PLEASANT HILL RECREATION & PARK DISTRICT

147 Gregory Lane  
Pleasant Hill, CA 94523  
(925) 682-0896  
(925) 682-1633 fax  
pleasanthillrec.com

**PLEASANT HILL RECREATION & PARK DISTRICT  
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA  
BOARD OF DIRECTORS**

**IN THE MATTER TO** **RESOLUTION 2012-03-28D**  
**APPROVE AUTHORIZATION TO APPLY FOR LOCAL GRANT FUNDS FROM THE EAST  
BAY REGIONAL PARK DISTRICT UNDER MEASURE WW PARK BOND EXTENSION FOR  
THE COMMUNITY CENTER BOND PROJECT**

**THE PLEASANT HILL RECREATION AND PARK DISTRICT BOARD OF DIRECTORS  
DOES FIND:**

**WHEREAS**, the people of the East Bay Regional Park District have enacted the Measure WW Park Bond Extension which provides funds for the acquisition and development of neighborhood, community, regional parks and recreation lands and facilities; and

**WHEREAS**, the East Bay Regional park District Board of Directors has the responsibility for the administration of the grant program, setting up necessary procedures; and

**WHEREAS**, said procedures require the Applicant's Governing Body to certify by resolution the approval of the Applicant to apply for the Local Grant allocation of funds; and

**WHEREAS**, the Applicant will enter into a Contract with the East Bay Regional Park District;

**NOW, THEREFORE, BE IT RESOLVED THAT** the Pleasant Hill Recreation and Park District Board of Directors hereby:

1. Approves the execution of a grant contract in the amount of \$700,000 from the Local Grant Program under the East Bay Regional Park District measure WW Park Bond Extension; and
2. Certifies that the Applicant has or will have sufficient funds to operate and maintain the Project(s); and
3. Certifies that the Applicant has reviewed, understands and agrees to the General Provisions contained in the Contract shown in the Procedural Guide; and
4. Appoints the General Manager as agent to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of Project(s).

**PASSED AND ADOPTED ON** March 28, 2012, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Dennis Donaghu, Chair

I hereby certify that the foregoing resolution was approved by the vote indicated herein above at the regular meeting of the Board of Directors on March 28, 2012.

\_\_\_\_\_  
Robert B. Berggren, Clerk of the Board

# Memo



**To:** Bob Berggren, General Manager  
**From:** Katrina Hunn, Recreation Supervisor I  
**CC:** Tina L. Young, Acting Recreation Superintendent  
**Date:** 3/22/12  
**Re:** Blues & Brews Festival

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The Blues & Brews Festival will be held on July 21, 2012 in Pleasant Hill Park. This event is organized by a group of Community Members, District staff, Chamber Board Members, and supporters of the Teen Center. The committee members are:

Katrina Hunn, Event Chair  
Paul & Sheila Cotruvo, Music and Backstage  
Justin Pitcher, Logistics  
Tricia Kelley, Beer Tent Manager  
Valerie Meagan, Brewery Coordinator  
Alison Klippel, Craft Vendor Coordination  
Michael Saenz, Event Banker  
Matthew Rinn, Chamber President  
Joe Stokley, Sponsorships  
Pete Sabine, Social Media  
Stephen Anthony, Volunteer Coordination  
Kendra Luke, Merchandise

This year's bands are Lydia Pense and Coldblood, our headliners, and Chris Cain, Tip of the Top and Jinx Jones. Attached is the event budget for 2012. The committee is working hard to secure sponsorships and find in-kind donations. We have been meeting with last years vendors to see how we can reduce our expenses this year. We reduced the music budget by \$2000. We have made purchases the last two years that can be reused. We are excited to bring the venue back to Pleasant Hill Park and are working hard to make it the event of the year in Pleasant Hill.

## 2012 Blues &amp; Brews ~ Proposed Budget

<u>Revenue</u>	Vol	Amount
<b>Sponsors</b>		
Event sponsor \$2500	2	5,000.00
Beer Booth Sponsor \$350	12	4,200.00
Souvenir Cup \$1000	1	1,000.00
Music \$500	10	5,000.00
Food Booth \$550	5	2,750.00
		<hr/>
		17,950.00
<b>Sales</b>		
Pre-Sale Beverage Tickets \$30	300	9,000.00
Beverage Tickets \$40	200	8,000.00
Single Pour \$5	2000	10,000.00
		<hr/>
		27,000.00
Craft Booths \$200	10	2,000.00
<b>Total Estimated Revenue</b>		<b>46,950.00</b>

Expenses

## Advertising

Posters/Flyers/beverage tickets, programs	800.00
Advertising	1,500.00
PR	500.00
Graphic Design	500.00
Signage	250.00
Banners	200.00
	<hr/>
	3,750.00

## Beverages

Wine	800.00
Beer	5,000.00
Water, Soft Drinks (provided by in-kind donations)	-
	<hr/>
	5,800.00

## Rentals

Stage, Tents, tables, chairs, portapotties, fencing, generators	10,000.00
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## Event Promos

Cups (have cups from last year)	-
	<hr/>
	-

## Entertainment

Sound	1,400.00
Bands	7,000.00
Children's play area (provided by sponsorship)	-
	<hr/>
	8,400.00

## Logistics and Setup

Dumpster	120.00
Event permits	800.00
Police services	1,800.00
Liquor Licenses	100.00
Miscellaneous supplies	600.00
Ice and trailer	800.00
Handwashing stations	50.00
	<hr/>
	4,270.00

<b>Total Expenses</b>	<b>32,220.00</b>
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## Proposed Profit

14,730.00



## **MEMORANDUM**

TO: Board of Directors

FROM: General Manager

DATE: March 20, 2012

RE: Agenda Item #10 – March 28, 2012 Board Meeting

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### **To Consider Resolution 2012-03-28B, Intention to Approve Amendment to Contract for Public Employee Retirement System (ACTION)**

The District needs to amend its contract with CalPERS in order to establish this second tier PERS plan for employees hired after July 1, 2011. This amended plan will establish the rate of 2% at 60 for new employees along with three year final compensation for employees hired after July 1, 2011.

Staff is recommending the approval of the resolution of intention, which is the first step in this process that needs to be passed to establish the 2% at 60 plan, including the three year final compensation. Following the approval by the Board of Directors, the District will then make the public disclosure of future annual costs to be presented at the April 11, 2012 meeting and then the final certification and signing of the amendment would take place at the April 25, 2012 Board Meeting. As required by CalPERS, there must be at least 20 days between the date of the resolution of intention and the certification of compliance with government code section 20475 and signing the amendment to contract. So, as outlined above, we will need to cover these items over a three board meeting time period.

Again, staff is recommending the Board approve the resolution of intention to start the process of amending the contract with CalPERS for new employees hired after July 1, 2011.



## **MEMORANDUM**

TO: Board of Directors

FROM: General Manager

DATE: March 20, 2012

RE: Agenda Item #11 – March 28, 2012 Board Meeting

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### **Report from Program Committee**

The Program Committee consisting of Board Members Sherry Sterrett and Bobby Glover are meeting on Thursday, March 22. The attached agenda is included for the items that the Program Committee will be covering.



## **MEMORANDUM**

TO: Board of Directors

FROM: General Manager

DATE: March 20, 2012

RE: Agenda Item #4 – March 28, 2012 Board Meeting

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### **To Approve Resolution 2012-03-28A, Authorizing the Issuance and Sale of Its General Obligation Bonds, Election of 2009, Series B (2012) in the Aggregate Principal Amount of Not to Exceed \$8,000,000 (ACTION)**

Bond Counsel Brian Quint has provided the resolution that the Board has to approve for the authorization sale of the final \$8,000,000 for the District bond projects. Brian Quint is out of town and will not be able to attend the Board Meeting. However, Craig Hill with Northcross, Hill and Ach will be on hand to answer any questions regarding the next issuance.

Attached to your packet is correspondence from Craig Hill outlining the schedule of this next issuance titled Series B, General Obligation Bonds. As indicated by Craig Hill, April 2 will be the notice of intention to sale bonds, April 6 the preliminary official statement is made public, April 18 is when the public, competitive bond auction occurs and at that point we would know our interest rate, and May 1 the Series B bonds close.

The General Manager is recommending approving the authorization of issuance and sales of the final \$8,000,000 for the completion of the bond projects.



## **MEMORANDUM**

TO: Board of Directors  
FROM: General Manager  
DATE: March 20, 2012  
RE: Agenda Item #5 – March 28, 2012 Board Meeting

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### **To Consider Going to Bid for the Community Center Bond Project (ACTION)**

As with the Senior Center and Teen Center projects, we are now excited to present to the Board of Directors and recommend approval to proceed with the bid process for the Community Center project. At this current date, CSI estimating consultant, Sierra West Group, has prepared the final estimate for the Community Center based on the 95% Construction Documents, which is generally in line with the construction budget. The Dahlin Group is in the process of adjusting and updating their plans regarding the comments received from the City of Pleasant Hill, District Staff, other agencies and CSI. At this point, we have not yet received comments from the Fire District, PG&E and the Contra Costa Water District, but we will incorporate their comments, if any, and include them as an addendum to the bid package.

The following is the anticipated schedule for key milestone activities once the Board of Directors have approved going to bid and to advertise for bids:

- Advertise for Bids: March 30, 2012
- Bid Documents Available to Bidders: April 9, 2012
- Pre-Bid Conference: April 12, 2012
- Issue Addendum 1, if needed: May 2, 2012
- Open Bids: May 8, 2012
- Award Contract at Board of Directors Meeting: May 23, 2012
- Notice to Proceed with Construction: May 30, 2012

The above dates may fluctuate slightly based on issues that develop during this process, and a special Board Meeting might be necessary to help facilitate work starting as soon as practical in later May or early June.

We are excited for the opportunity to go out to bid at this time for the Community Center. We are looking forward to reviewing the results of the competitive bids in their current construction market. Ron Johnson from CSI will be on hand at the March 28, 2012 meeting to answer questions and further explain the bid process as needed.



## **MEMORANDUM**

TO: Board of Directors  
FROM: General Manager  
DATE: March 20, 2012  
RE: Agenda Item #8 – March 28, 2012 Board Meeting

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### **Consent Calendar (ACTION)**

- a. To Approve Bills to be Paid**
- b. To Approve Minutes of October 12 and 26, 2011**



## **MEMORANDUM**

TO: Board of Directors

FROM: General Manager

DATE: March 20, 2012

RE: Agenda Item #9 – March 28, 2012 Board Meeting

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### **Report on Plans for 2012 Blues and Brews Festival**

At a recent board meeting, there were some questions from Board Members regarding the upcoming Blues and Brews Festival at Pleasant Hill Park. Attached is information regarding the event for this year including the budget schedule, plans and committee currently working on the 2012 Blues and Brews Festival.