# PINER-OLIVET UNION SCHOOL DISTRICT

## REGULAR MEETING - GOVERNING BOARD

Tuesday, December 15, 2020

Meeting Opening Session 7:00 p.m.

Public Session 7:00 p.m.

Closed Session 8:15 p.m.

**Adjournment 10:00 p.m.**

**This meeting will be held virtually via Zoom.**
**The public may observe and address the meeting by going to:**

Join Zoom Meeting
https://us02web.zoom.us/j/81983419791?pwd=OWpoWlBIS1dTZFFnSVVDSjRPd1JuUT09

Meeting ID: 819 8341 9791
Passcode: LU0N4M
One tap mobile
+16699009128,,81983419791#,,,,,,0#,,664632# US (San Jose)

## A G E N D A

A copy of the agenda, complete with backup materials, may be reviewed in the District Office, 3450 Coffey Lane, Santa Rosa, beginning the Monday prior to the Wednesday Board Meeting. Office hours are from 8:00 a.m. to 4:00 p.m. Monday through Friday or as otherwise posted. Agendas are posted at the District Office, and on our web site at www.pousd.org.
ADA Compliance: In compliance with Government Code § 54954.2(a), the Piner-Olivet Union School District, will, on request, make this agenda available in appropriate alternative formats to persons with a disability, as required by Section 202 of the American with Disabilities Acts of 1990 (42 U.S.C. § 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact Cathy Manno, Executive Secretary to the Superintendent, Piner-Olivet Union School District, 3450 Coffey Lane, Santa Rosa, CA 95403 (707) 522-3000 or email cmanno@pousd.org at least two days before the meeting date.

**www.pousd.org**

1. CALL TO ORDER
2. ROLL CALL
3. AGENDA MODIFICATION
4. COMMUNICATIONS, PETITIONS AND DELEGATIONS
   Persons addressing the Board without giving previous notice should realize that the action upon any request may be delayed. This is a time for members of the audience to address the Board regarding items not on the agenda. Individual speakers will be allowed three minutes to address the Board under this agenda item. The Board will not respond but may place the subject on a future Board Agenda. Anyone desiring an item to be placed on the prepared agenda shall notify the Secretary ten (10) working days prior to the meeting.

5. ANNUAL ORGANIZATION OF THE BOARD OF EDUCATION

   5.1 Swearing-In Appointed Board Members *(Attachment 1) (Pg.4)*

   5.2 Election of President *(Attachment 2) (Pgs. 5-6)*

   5.3 Election of Vice-President *(Attachment 3) (Pg.7)*

   5.4 Election of Clerk *(Attachment 4) (Pgs. 8-9)*

   5.5 Approval of a Schedule of Regular Meetings *(Attachment 5) (Pgs. 10-17)*

   5.6 Designate Board Representatives *(Attachment 6) (Pgs. 18-20)*

   5.7 Adoption of Board Bylaw 9323.1 Order of Business (Agenda Format) *(Attachment 7) (Pgs. 21-22)*

   5.8 Adoption of Existing Board Policies and Administrative Regulations

6. COMMENTS FROM THE GOVERNING BOARD

7. RECOGNITION OF EXCELLENCE
   None

8. SUPERINTENDENT'S REPORT
   8.1 Announcements

9. ASSOCIATION REPORTS
   9.1 POEA
   9.2 POCA

10. BOARD POLICIES
    None

11. DISCUSSION/INFORMATION ITEMS
    None

12. ACTION ITEMS
    12.1 (Second Reading – Action Item)
    **Approval of Resolution # 542 of the Board of Trustees of the Piner-Olivet Union School District Authorizing the Issuance and Sale of Not to Exceed $6,000,000 Aggregate Initial Principal Amount of Bonds of the District, Including Bonds that Allow for the Compounding of Interest, by a Negotiated Sale Pursuant to a Bond Purchase Agreement, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement for the Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions**
    The Board of Trustees will review, discuss, and consider approval of Resolution # 542 of the Board of Trustees of the Piner-Olivet Union School District Authorizing the Issuance and Sale of Not to Exceed $6,000,000 Aggregate Initial Principal Amount of Bonds of the District, Including Bonds that Allow for the Compounding of Interest, by a Negotiated Sale Pursuant to a Bond Purchase greement, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement for the Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions. *(Action 1) (Pgs. 23-190)*

    12.2 **Approval of Resolution # 543 of the Board of Trustees of the Piner-Olivet Union School District Authorizing the Sale and Issuance of Not to Exceed $7,500,000 Aggregate Principal Amount of Piner-Olivet Union School District General Obligation Refunding Bonds, Approving the Form of and Authorizing the Execution and Delivery of an Escrow Agreement, a Bond Purchase Agreement, a Forward Delivery Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions in Connection Therewith**
    The Board of Trustees will review, discuss and consider approval of Resolution #543 of the Board of Trustees of the Piner-Olivet Union School District Authorizing the Sale and Issuance of Not to Exceed $7,500,000 Aggregate Principal Amount of Piner-Olivet Union School District General Obligation Refunding Bonds, Approving the Form of and Authorizing the Execution and Delivery of an Escrow Agreement, a Bond Purchase Agreement, a Forward Delivery Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions in Connection Therewith *(Action 2) (Pgs. 191-380)*

    12.3 **Approval of Consulting Services Agreement between Isom Advisors, a Division of Urban Futures Inc. a California Corporation ("Advisor"), and Piner-Olivet Union School District**
    The Board of Trustees will review, discuss and consider approval of Consulting Services Agreement between Isom Advisors, a Division of Urban Future Inc. a California Corporation ("Advisor"), and Piner-Olivet Union School District. *(Action 3) (Pgs. 381-392)*

    12.4 **Approval of the First Interim Financial Report and Accompanying Budget Updates for the Piner-Olivet Union School District, Olivet Elementary Charter School, Schaefer Charter School, Northwest Prep Charter School and the Piner-Olivet Charter School**
    The Board of Trustees will review, discuss and consider approval of the First Interim Financial Report and accompanying budget updates for the Piner-Olivet Union School District, Olivet Elementary Charter School, Schaefer Charter School, Northwest Prep Charter School and the Piner-Olivet Charter School. *(Action 4) (Pgs. 393-493)*

12.5 Approval of the 2020-2021 Budget Overview for Parents
The Board of Trustees will review, discuss and consider approval of the 2020-2021 Budget Overview for Parents. *(Action 5)* *(Pgs. 494-514)*

12.6 Approval of Resolution # 544 Regarding Annual Accounting of Developer Fees for 2019- 2020
The Board of Trustees will review, discuss and consider approval of Resolution # 544 Annual Accounting of Developer Fees for 2019-2020. *(Action 6)* *(Pgs.515-522)*

13. CONSENT ITEMS

All matters listed under "consent items" are considered by the Board to be routine and will be enacted upon in one motion. The public has a right to comment on any consent item. At the request of any member of the Board, during "agenda modifications" any item on the consent agenda shall be removed and given individual consideration for action as a regular agenda item. Members of the public may request the Board to place a "consent item" on the regular agenda during "agenda modifications."

13.1 Approval of Minutes of Regular Board Meeting of November 4, 2020 *(Consent 1)* *(Pgs. 523-525)*
13.2 Approval of Minutes of Special Board Meeting of December 2, 2020 *(Consent 2)* *(Pg. 526)*
13.3 Approval of Personnel Action Report *(Consent 3)* *(Pg. 527)*
13.4 Approval of Vendor Warrants *(Consent 4)* *(Pgs.528-535 )*
13.5 Approval of Routine Budget Updates *(Consent 5)* *(Pgs. 536-554)*

14. ROUND TABLE COMMENTS FROM THE GOVERNING BOARD

15. DATES AND FUTURE AGENDA ITEMS

15.1. Next Regular Board Meeting – TBD

## 16. CLOSED SESSION

Adjournment to Closed Session during this meeting to consider and/or take action upon any of the following items:

16.1 With respect to every item of business to be discussed in closed session pursuant to Gov. Code Section 54957:
- 16.1.1 PUBLIC EMPLOYMENT DISCIPLINE/DISMISSAL/RELEASE
  (No additional information required)
- 16.1.2 PUBLIC EMPLOYMENT EMPLOYMENT/APPOINTMENT
  Title: Account Tech
- 16.1.3 PUBLIC EMPLOYEE PERFORMANCE EVALUATION
  Title: Superintendent

16.2. With respect to every item of business to be discussed in closed session pursuant to Gov. Code Section 54957.6:
- 16.2.1 CONFERENCE WITH LABOR NEGOTIATOR
  Name of Agency Negotiator: Dr. Steve Charbonneau, Superintendent
  Name of organization representing employees: Piner-Olivet Educators' Association, CTA Affiliate
- 16.2.2 CONFERENCE WITH LABOR NEGOTIATOR
  Name of Agency Negotiator: Dr. Steve Charbonneau, Superintendent
  Name of organization representing employees: Piner-Olivet Classified Association, CSEA Affiliate.
- 16.2.3 CONFERENCE WITH LABOR NEGOTIATOR
  Name of Agency Negotiator: Dr. Steve Charbonneau, Superintendent
  Name of organization representing employees: Confidential, Supervisory, Administrative Staff

17. RECONVENE TO PUBLIC MEETING

18. REPORT OF CLOSED SESSION ACTION, IF ANY

19. ADJOURNMENT

# Board Bylaw
**Oath Or Affirmation**

BB 9224
**Board Bylaws**

Prior to entering upon the duties of their office, all Governing Board members shall take the oath or affirmation required by law. (California Constitution, Article 20, Section 3; Government Code 1360)

(cf. 4112.3/4212.3/4312.3 - Oath or Affirmation)

The oath may be administered and certified by a Board member, secretary or assistant secretary to the Board, Superintendent, deputy or assistant superintendent, principal, or County Superintendent of Schools or any other person authorized in Education Code 60.

The executed oath shall be filed with the County Clerk. (Government Code 1363)

Legal Reference:
EDUCATION CODE
60 Persons authorized to administer and certify oaths
GOVERNMENT CODE
1303 Misdemeanor for failure to take oath
1360-1369 Oath of office
3100-3109 Oath or affirmation of allegiance
CALIFORNIA CONSTITUTION
Article 20, Section 3 Oath of office
COURT DECISIONS
Chilton v. Contra Costa Community College District (1976) 55 Cal. App. 3d 544
Vogel v. County of Los Angeles (1967) 68 Cal. 2d 18, 22

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
Adopted: October 15, 2003 Santa Rosa, California

# Piner-Olivet Union SD

## Board Bylaw

**President**

BB 9121

**Board Bylaws**

The president shall preside at all Governing Board meetings. He/she shall:

1. Call the meeting to order at the appointed time

2. Announce the business to come before the Board in its proper order

3. Enforce the Board's policies relating to the order of business and the conduct of meetings

4. Recognize persons who desire to speak, and protect the speaker who has the floor from disturbance or interference

5. Explain what the effect of a motion would be if it is not clear to every member

6. Restrict discussion to the question when a motion is before the Board

7. Rule on issues of parliamentary procedure

8. Put motions to a vote, and state clearly the results of the vote

The president shall have all the rights of any member of the Board, including the right to move, second, discuss, and vote on all questions before the Board.

The Board President shall also perform other duties as directed by law, California Department of Education regulations and the Board, including the duty to:

1. Sign all instruments, acts, and orders necessary to carry out state requirements and the will of the Board

2. Consult with the Superintendent or designee on the preparation of the Board's agendas

3. Appoint and disband all committees, subject to Board approval

4. Call such meetings of the Board as he/she may deem necessary, giving notice as prescribed by law

5. Confer with the Superintendent or designee on crucial matters which may occur between Board meetings

6. Be responsible for the orderly conduct of all Board meetings

7. Share informational mail with other Board members

(cf. 9320 - Meetings and Notices)

When the president resigns or is absent or disabled, the vice president shall perform the president's duties. When both the president and vice president are absent or disabled, the clerk shall perform the president's duties.

Legal Reference:
EDUCATION CODE
35022 President of the board
35143 Annual organizational meetings; dates and notice
GOVERNMENT CODE
54950-54963 Ralph M. Brown Act

Management Resources:
CSBA PUBLICATIONS
Board Presidents' Handbook, revised 2002
CSBA Professional Governance Standards, 2000
Maximizing School Board Leadership: Boardsmanship, 1996
WEB SITES
CSBA: http://www.csba.org

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
adopted: June 6, 2001 Santa Rosa, California
revised: November 3, 2010
reviewed: December 7, 2011

# Board Bylaw
**Vice-President**

BB 9121.1
**Board Bylaws**

At the annual organizational meeting, the Governing Board shall appoint a vice-president from its own membership.

The duties of the vice-president shall be to serve as presiding officer in the absence of the president.

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
adopted: June 6, 2001 Santa Rosa, California
revised: November 3, 2010
reviewed: December 7, 2011

# Board Bylaw
**Clerk**

BB 9123
**Board Bylaws**

At the annual organizational meeting, the Governing Board shall elect a clerk from its own membership. (Education Code 35143)

(cf. 9100 - Organization)

The duties of the clerk shall be to:

1. Certify or attest to actions taken by the Board when required

2. Maintain such other records or reports as required by law

3. Sign the minutes of Board meetings following their approval

(cf. 9324 - Minutes and Recordings)

4. Sign documents on behalf of the district as directed by the Board

5. Serve as presiding officer in the absence of the president and vice president

(cf. 9121 - President)

6. Perform any other duties assigned by the Board

Legal Reference:
EDUCATION CODE
17593 Repair and supervision of property (duty of district clerk)
35038 Appointment of clerk by county superintendent of schools
35039 Dismissal of clerk
35121 Appointment of clerk in certain city and high school districts
35143 Annual organizational meetings
35250 Duty to keep certain records and reports
38113 Duty of clerk (re provision of school supplies)
GOVERNMENT CODE
54950-54963 Ralph M. Brown Act

Management Resources:

CSBA PUBLICATIONS
CSBA Professional Governance Standards, 2000
Maximizing School Board Leadership: Boardsmanship, 1996
WEB SITES
CSBA: http://www.csba.org

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
adopted: October 15, 2003 Santa Rosa, California
revised: November 3, 2010
reviewed: December 7, 2011

# Board Bylaw
**Meetings And Notices**

BB 9320
**Board Bylaws**

Meetings of the Governing Board are conducted for the purpose of accomplishing district business. In accordance with state open meeting laws (Brown Act), the Board shall hold its meetings in public and shall conduct closed sessions during such meetings only as authorized by law. To encourage community involvement in the schools, Board meetings shall provide opportunities for questions and comments by members of the public. All meetings shall be conducted in accordance with law and the Board's bylaws, policies, and administrative regulations.

(cf. 9321 - Closed Session Purposes and Agendas)
(cf. 9321.1 - Closed Session Actions and Reports)
(cf. 9323 - Meeting Conduct)

A Board meeting exists whenever a majority of Board members gather at the same time and place to hear, discuss, or deliberate upon any item within the subject matter jurisdiction of the Board or district. (Government Code 54952.2)

A majority of the Board shall not, outside of an authorized meeting, use a series of communications of any kind, directly or through intermediaries, to discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the Board. However, an employee or district official may engage in separate conversations with Board members in order to answer questions or provide information regarding an item within the subject matter jurisdiction of the Board, as long as that employee or district official does not communicate the comments or position of any Board members to other Board members. (Government Code 54952.2)

In order to help ensure participation in the meeting by disabled individuals, the Superintendent or designee shall provide appropriate disability-related accommodations or modifications upon request in accordance with the Americans with Disabilities Act. (Government Code 54953.2, 54954.1)

Meeting notices and agendas shall specify that any individual who requires disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the Board meeting should contact the Superintendent or designee. (Government Code 54954.2)

Each agenda shall also list the address(es) designated by the Superintendent or designee for public inspection of agenda documents that are distributed to the Board less than 72 hours before the meeting. (Government Code 54957.5)

(cf. 9322 - Agenda/Meeting Materials)

Regular Meetings

The Board shall hold one regular meeting each month to be held on the first Wednesday of the month unless otherwise posted. The meetings will begin at 5:30 p.m. in the District

Office. Comment on the closed session agenda will be taken at that time. The meeting will be adjourned to closed session at 5:32 p.m. The open session meeting will continue in Room 24 at Schaefer Elementary School at 7:00 p.m. unless otherwise posted. Meetings will end at 10:00 p.m. The end of the meeting may be extended one time if approved by a majority of the Board.

At least 72 hours prior to a regular meeting, the agenda shall be posted at one or more locations freely accessible to members of the public. (Government Code 54954.2)

Special Meetings

Special meetings of the Board may be called at any time by the presiding officer or a majority of the Board members. (Government Code 54956)

Written notice of special meetings shall be delivered personally or by any other means to all Board members and the local media who have requested such notice in writing. The notice shall be received at least 24 hours before the time of the meeting. The notice shall also be posted at least 24 hours before the meeting in a location freely accessible to the public. The notice shall specify the time and place of the meeting and the business to be transacted or discussed. No other business shall be considered at this meeting. (Education Code 35144; Government Code 54956)

Any Board member may waive the 24-hour written notice requirement prior to the time of the meeting by filing a written waiver of notice with the clerk or secretary of the Board or by being present at the meeting at the time it convenes. (Government Code 54956)

Every notice of a special meeting shall provide an opportunity for members of the public to directly address the Board concerning any item that has been described in the meeting notice, before or during the item's consideration. (Government Code 54954.3)

Emergency Meetings

In the case of an emergency situation for which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board may hold an emergency meeting without complying with the 24-hour notice and/or 24-hour posting requirement for special meetings pursuant to Government Code 54956. The Board shall comply with all other requirements for special meetings during an emergency meeting. (Government Code 54956.5)

An emergency situation means either of the following: (Government Code 54956.5)

1. An emergency, which shall be defined as a work stoppage, crippling activity, or other activity that severely impairs public health and/or safety as determined by a majority of the members of the Board

(cf. 4141.6/4241.6 - Concerted Action/Work Stoppage)

2. A dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist activity, or threatened terrorist act that poses peril so immediate and significant that requiring the Board to provide one-hour notice before holding an emergency meeting may endanger the public health and/or safety as determined by a majority of the members of the Board

(cf. 3516 - Emergencies and Disaster Preparedness Plan)

Except in the case of a dire emergency, the Board president or designee shall give notice of the emergency meeting by telephone at least one hour before the meeting to the local media that have requested notice of special meetings. All telephone numbers provided by the media in the most recent request for notification must be exhausted. If telephone services are not functioning, the notice requirement of one hour is waived and, as soon after the meeting as possible, the Board shall notify those media representatives of the meeting and shall describe the purpose of the meeting and any action taken by the Board. In the case of a dire emergency, the Board president or designee shall give such notice at or near the time he/she notifies the other members of the Board about the meeting. (Government Code 54956.5)

The minutes of the meeting, a list of persons the Board president or designee notified or attempted to notify, a copy of the roll call vote, and any actions taken at the meeting shall be posted for at least 10 days in a public place as soon after the meeting as possible. (Government Code 54956.5)

Adjourned/Continued Meetings

A majority vote by the Board may adjourn/continue any regular or special meeting to a later time and place that shall be specified in the order of adjournment. Less than a quorum of the Board may adjourn such a meeting. If no Board members are present, the secretary or the clerk may declare the meeting adjourned to a later time and shall give notice in the same manner required for special meetings. (Government Code 54955)

Within 24 hours after the time of adjournment, a copy of the order or notice of adjournment/continuance shall be conspicuously posted on or near the door of the place where the meeting was held. (Government Code 54955)

Study Sessions, Retreats, Public Forums, and Discussion Meetings

The Board may occasionally convene a study session or public forum to study an issue in more detail or to receive information from staff or feedback from members of the public.

The Board may also convene a retreat or discussion meeting to discuss Board roles and relationships.

(cf. 2000 - Concepts and Roles)
(cf. 2111 - Superintendent Governance Standards)
(cf. 9000 - Role of the Board)
(cf. 9005 - Governance Standards)
(cf. 9400 - Board Self-Evaluation)

Public notice shall be given in accordance with law when a quorum of the Board is attending a study session, retreat, public forum, or discussion meeting. All such meetings shall comply with the Brown Act and shall be held in open session and within district boundaries. Action items shall not be included on the agenda for these meetings.

Other Gatherings

Attendance by a majority of Board members at any of the following events is not subject to the Brown Act provided that a majority of the Board members do not discuss specific district business among themselves other than as part of the scheduled program: (Government Code 54952.2)

1. A conference or similar public gathering open to the public that involves a discussion of issues of general interest to the public or to school board members

2. An open, publicized meeting organized by a person or organization other than the district to address a topic of local community concern

3. An open and noticed meeting of another body of the district

4. An open and noticed meeting of a legislative body of another local agency

5. A purely social or ceremonial occasion

6. An open and noticed meeting of a standing committee of the Board, provided that the Board members who are not members of the standing committee attend only as observers

(cf. 9130 - Board Committees)

Individual contacts or conversations between a Board member and any other person are not subject to the Brown Act. (Government Code 54952.2)

Location of Meetings

Meetings shall not be held in a facility that prohibits the admittance of any person on the basis of ancestry or any characteristic listed in Government Code 11135, including, but not limited to, religion, sex, or sexual orientation. In addition, meetings shall not be held in a facility which is inaccessible to disabled persons or where members of the public must make a payment or purchase in order to be admitted. (Government Code 54961)

(cf. 0410 - Nondiscrimination in District Programs and Activities)

Meetings shall be held within district boundaries, except to do any of the following: (Government Code 54954)

1. Comply with state or federal law or court order or attend a judicial or administrative proceeding to which the district is a party

2. Inspect real or personal property which cannot conveniently be brought into the district, provided that the topic of the meeting is limited to items directly related to the property

3. Participate in meetings or discussions of multiagency significance, provided these meetings are held within one of the other agencies' boundaries, with all participating agencies giving the notice required by law

4. Meet in the closest meeting facility if the district has no meeting facility within its boundaries or if its principal office is located outside the district

5. Meet with elected or appointed state or federal officials when a local meeting would be impractical, solely to discuss legislative or regulatory issues affecting the district over which the state or federal officials have jurisdiction

6. Meet in or near a facility owned by the district but located outside the district, provided the meeting agenda is limited to items directly related to that facility

7. Visit the office of the district's legal counsel for a closed session on pending litigation, when doing so would reduce legal fees or costs

8. Attend conferences on nonadversarial collective bargaining techniques

9. Interview residents of another district regarding the Board's potential employment of an applicant for Superintendent of the district

10. Interview a potential employee from another district

Meetings exempted from the boundary requirements, as specified in items #1-10 above, shall still be subject to the notice and open meeting requirements for regular and special meetings when a quorum of the Board attends the meeting.

If a fire, flood, earthquake, or other emergency renders the regular meeting place unsafe, meetings shall be held for the duration of the emergency at a place designated by the Board president or designee, who shall so inform all news media who have requested notice of special meetings by the most rapid available means of communication. (Government Code 54954)

Teleconferencing

A teleconference is a meeting of the Board in which Board members are in different locations, connected by electronic means through audio and/or video. (Government Code 54953)

The Board may use teleconferences for all purposes in connection with any meeting within the Board's subject matter jurisdiction. All votes taken during a teleconference meeting shall be by roll call. (Government Code 54953)

During the teleconference, at least a quorum of the members of the Board shall participate from locations within district boundaries. (Government Code 54953)

Agendas shall be posted at all teleconference locations and shall list all teleconference locations whenever they are posted elsewhere. Additional teleconference locations may be provided to the public. (Government Code 54953)

All teleconference locations shall be accessible to the public. All teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the Board, including the right of the public to address the Board directly at each teleconference location. (Government Code 54953)

All Board policies, administrative regulations, and bylaws shall apply equally to meetings that are teleconferenced. The Superintendent or designee shall facilitate public participation in the meeting at each teleconference location.

Legal Reference:
EDUCATION CODE
35140 Time and place of meetings
35143 Annual organizational meeting, date, and notice
35144 Special meeting
35145 Public meetings
35145.5 Agenda; public participation; regulations
35146 Closed sessions
35147 Open meeting law exceptions and applications
GOVERNMENT CODE
11135 State programs and activities, discrimination
54950-54963 The Ralph M. Brown Act, especially:
54953 Meetings to be open and public; attendance
54954 Time and place of regular meetings
54954.2 Agenda posting requirements, board actions
54956 Special meetings; call; notice
54956.5 Emergency meetings
UNITED STATES CODE, TITLE 42

12101-12213 Americans with Disabilities Act
CODE OF FEDERAL REGULATIONS, TITLE 28
35.160 Effective communications
36.303 Auxiliary aids and services
COURT DECISIONS
Wolfe v. City of Fremont, (2006) 144 Cal.App. 544
ATTORNEY GENERAL OPINIONS
88 Ops.Cal.Atty.Gen. 218 (2005)
84 Ops.Cal.Atty.Gen. 181 (2001)
84 Ops.Cal.Atty.Gen. 30 (2001)
79 Ops.Cal.Atty.Gen. 69 (1996)
78 Ops.Cal.Atty.Gen. 327 (1995)

Management Resources:
CSBA PUBLICATIONS
The Brown Act: School Boards and Open Meeting Laws, rev. 2006
ATTORNEY GENERAL PUBLICATIONS
The Brown Act: Open Meetings for Legislative Bodies, 2003
LEAGUE OF CALIFORNIA CITIES PUBLICATIONS
Open and Public IV: A Guide to the Ralph M. Brown Act, rev. 2007
WEB SITES
CSBA: http://www.csba.org
CSBA, Agenda Online:
http://www.csba.org/Services/Services/GovernanceTechnology/AgendaOnline.aspx
California Attorney General's Office: http://www.caag.state.ca.us
Institute for Local Government: http://www.cacities.org/index.jsp?zone=ilsg

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
adopted: April 1, 2009 Santa Rosa, California

**Piner-Olivet Union School District**

**Governing Board**

## 2021 Regular Meeting Schedule
## Public Session Time: ________

| Month | 2nd Wednesday Regular Meeting |
|---|---|
| ***January*** | 13 |
| ***February*** | 10 |
| ***March*** | 10 |
| ***April*** | 14 |
| ***May*** | 12 |
| ***June*** | 2 & 16 |
| ***July*** | TBD |
| ***August*** | 11 |
| ***September*** | 8 |
| ***October*** | 13 |
| ***November*** | 10 |
| ***December*** | 8 |

***Exceptions because of holidays, winter/spring/summer breaks or workload.**

## Special Meeting and/or Workshop Schedule

| Month | Date |
|---|---|
| ***January*** | |
| ***February*** | |
| ***March*** | |
| ***April*** | |
| ***May*** | |
| ***June*** | |
| ***July*** | |
| ***August*** | |
| ***September*** | |
| ***October*** | |
| ***November*** | |
| ***December*** | |

**Approved:**

# Board Bylaw

**Board Representatives**

BB 9140

**Board Bylaws**

The Governing Board may appoint any of its members to serve as its representatives on district committees or advisory committees of other public agencies or organizations. Due to open meeting law requirements, a majority of the Board shall not be appointed to serve on the same committee.

(cf. 9270 - Conflict of Interest)
(cf. 9320 - Meetings and Notices)

When making such appointments, the Board shall clearly specify, on a case-by-case basis, what authority and responsibilities are involved. Board representatives shall not grant district support or endorsement for any activity without prior Board approval.

If a committee discusses a topic on which the Board has taken a position, the Board member may express that position as a representative of the Board. When contributing individual ideas or opinions on other topics, he/she shall make it clear that he/she is speaking as an individual, not on behalf of the Board.

(cf. 1220 - Citizen Advisory Committees)
(cf. 9010 - Public Statements)
(cf. 9130 - Board Committees)

At its annual organizational meeting, the Board shall designate one Board member as its representative to elect members to the county committee on school district organization. (Education Code 35023)

The Board shall provide the representative with nominees to this committee.

A Board member is eligible to serve as a member of the county committee on school district organization. (Education Code 4007)

(cf. 9100 - Organization)

Labor Relations Negotiators

The Board will designate a chief negotiator to represent it in negotiations with employee organizations. The Board itself will not negotiate with any employee organization directly. The chief negotiator shall be an employee of the district even though expert consultants in the field of negotiations may also be contracted to assist in the process of negotiations.

Although the negotiator will represent the Board in negotiations, the negotiator shall be responsible to the Superintendent or designee, who shall present a job description to the Board for approval and who shall annually evaluate the performance of the negotiator.

The Board's role in the negotiation process will be:

1. To assess, to the best of its ability, the needs of its employees.

2. To set priorities for the total educational program in the best interests of the students, the district and public in general.

3. To translate educational priorities and employee needs into a realistic budget.

4. To maintain the Board's position of authority and control as provided by law.

Legal Reference:
EDUCATION CODE
4000-4014 County committees on school district organization
35020-35046 School district officers and agents (power of governing board to employ or appoint)
35160 Authority of governing boards
GOVERNMENT CODE
54952.2 Meetings

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
Adopted: June 6, 2001 Santa Rosa, California

# Piner-Olivet Union School District

## GOVERNING BOARD OFFICERS

**Effective:**
**@ Regular Board Meeting held**
**December 15, 2020**

| | | |
|---|---|---|
| **PRESIDENT** | | |
| **VICE PRESIDENT** | | |
| **CLERK** | | |
| **MEMBER** | | |
| **MEMBER** | | |

| **GOVERNING BOARD REPRESENTATIVES** | |
|---|---|
| **Representative to:**<br>**County Committee on School District Organization** | |
| **Alternate to:**<br>**County Committee on School District Organization** | |
| **Representative to:**<br>**Certificated Negotiating Team** | |
| **Representative to:**<br>**Classified Negotiating Team** | |
| **Representative to:**<br>**Piner-Olivet Educational Foundation** | |
| **Representative to:**<br>**Piner-Olivet Charter School Executive Committee** | |
| **Representative to:**<br>**Northwest Prep Advisory Committee** | |
| **Board Subcommittee:**<br>**For Piner-Olivet Governing Board Policies** | |
| | |

# Board Bylaw
**Order Of Business (Agenda Format)**

BB 9323.1
**Board Bylaws**

Unless otherwise posted, the order of business at the regular meeting held on the first Wednesday of the month shall be as follows:

1. Call to order
2. Roll call
3. Public Comment on Closed Session Agenda
4. Adjourn to Closed Session
5. Closed Session
6. Reconvene to Public Session
7. Report of Closed Session Action not on the Action Agenda
8. Flag Salute
9. Agenda Modifications
10. Communications, Petitions and Delegations
11. Comments from the Governing Board
12. Recognition of Service to the District
13. Superintendent's Report
14. Association Reports
15. Board Policy Readings
16. Discussion/Information Items
17. Action Items
18. Consent Items

19. Round table comments at the end of each meeting

20. Dates and Future Agenda Items

21. Public Comment on Closed Session Agenda

22. Recess to Closed Session (If Necessary)

23. Reconvene to Public Meeting

24. Report of Closed Session Action not on the Action Agenda

25. Adjournment

Bylaw PINER-OLIVET UNION SCHOOL DISTRICT
adopted: June 6, 2001 Santa Rosa, California
revised: December 7, 2011
revised: December 5, 2012
revised: December 10, 2013

# Agenda Item Summary

Second Reading - Action Item: **12.1 APPROVAL OF RESOLUTION 542 OF THE BOARD OF TRUSTEES OF THE PINER-OLIVET UNION SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $6,000,000 AGGREGATE INITIAL PRINCIPAL AMOUNT OF BONDS OF THE DISTRICT, INCLUDING BONDS THAT ALLOW FOR THE COMPOUNDING OF INTEREST, BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE AGREEMENT, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS**

| | | |
|---|---|---|
| Regular Meeting of: December 15, 2020 | **Action** Item | Report Format: **Oral** |
| Attachment: Resolution and related documents | | |

**Presented by:** Dr. Steve Charbonneau, Superintendent

**Summary Statement:**

On November 2, 2010, the voters of the District approved Measure L, authorizing the District to issue up to $20,000,000 in aggregate principal of bonds for authorized projects.

On December 2, 2020, the Board of Trustees reviewed the above-referenced resolution and related documents at its first reading as an informational item. On December 15, 2020, the Board of Trustees is requested to approve the above-referenced resolution authorizing the District to issue its second series of bonds under the November 2, 2010 authorization in an aggregate principal amount not exceeding $6,000,000.

The bonds will be sold and issued by the District. Isom Advisors, a Division of Urban Futures, Inc. will serve as the municipal advisor for the transaction, and Orrick, Herrington & Sutcliffe LLP will serve as bond counsel and disclosure counsel. Raymond James & Associates, Inc. will serve as the underwriter.

The Board of Trustees is asked to approve the resolution referenced above to effect the issuance of the bonds and approve various documents and actions, as follows:

1. ***Resolution.*** The resolution authorizes the issuance of the bonds and establishes parameters for the terms thereof, approves the forms of and authorize the execution and delivery of the financing documents (including the Bond Purchase Agreement and the Continuing Disclosure Certificate), approves the form of and authorize the distribution of the official statement (in preliminary and final form), and sets forth the security provisions for the bonds and the covenants of the District to bond owners.

2. ***Bond Purchase Agreement.*** The Bond Purchase Agreement will specify the purchase price of the bonds to be paid by the underwriter, the interest rates, maturity dates and principal amounts of each maturity of the bonds, the date, time and place of the closing

of the bond issue, the allocation of the expenses incurred in connection with the bond issue, the parties' representations to and agreements with each other and the conditions which the school district must satisfy before the underwriter becomes obligated to purchase the bonds.

3. ***Continuing Disclosure Certificate.*** Federal securities laws indirectly require school districts to disclose and annually update certain financial and operating information relevant to the security and repayment of bonds. The Continuing Disclosure Certificate contains the undertakings of the District to provide the ongoing disclosure in the form of annual reports and event notices.

4. ***Official Statement.*** The Official Statement (in its preliminary and final form) is used to provide information to investors and prospective investors about the District and the bonds. The bonds constitute securities for purposes of state and federal securities laws and, therefore, the offering and sale of the bonds through the Official Statement is subject to certain provisions of such laws, including, importantly, the anti-fraud laws. The Official Statement sets forth information about the terms of the bonds, the security for the bonds, the sources and uses of the proceeds of the bonds, the school district, the documents under which the bonds are issued, and the tax-exemption of interest on the bonds.

**Budget Implications:**

The bonds will be paid from taxes on property within the District levied and collected by the County of Sonoma. The bonds will finance projects authorized by the voters at the November 2, 2010 election.

**Recommendation:**

On December 15, 2020, it is recommended that the Board of Trustees approve the resolution and authorize staff to take the necessary steps to complete the financing.

**RESOLUTION NO. 542**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE PINER-OLIVET UNION SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $6,000,000 AGGREGATE INITIAL PRINCIPAL AMOUNT OF BONDS OF THE DISTRICT, INCLUDING BONDS THAT ALLOW FOR THE COMPOUNDING OF INTEREST, BY A NEGOTIATED SALE PURSUANT TO A BOND PURCHASE AGREEMENT, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS**

**WHEREAS,** an election was duly called and regularly held in the Piner-Olivet Union School District (the "District"), located in the County of Sonoma, California (the "County"), on November 2, 2010, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District (the "Bond Measure"):

> *"To provide funds to acquire, construct and improve classrooms and facilities, expand student access to computers and technology, and provide renewable energy and related improvements to better maintain schools and reduce annual operating costs, shall Piner Olivet Union School District be authorized to issue up to $20,000,000 in bonds at legal interest rates, with a Citizens' Oversight Committee and annual audits, and no money used for administrative salaries?"*

and

**WHEREAS,** passage of said proposition required at least a 55% affirmative vote of the votes cast therein, and at least 55% of the votes cast on said proposition were in favor of issuing said bonds; and

**WHEREAS,** on February 24, 2011, pursuant to the Paying Agent Agreement, dated as of February 1, 2011, by and between the District and The Bank of New York Mellon Trust Company, N.A., as paying agent, a portion of such bonds, designated "Piner-Olivet Union School District General Obligation Bonds, Election of 2010, Series 2011," in an aggregate initial principal amount of $8,033,224.60, was issued and sold, leaving $11,966,775.40 aggregate principal amount authorized but unissued under the Bond Measure; and

**WHEREAS,** at this time, the Board of Trustees deems it necessary and desirable to authorize and consummate the sale of an additional portion of the bonds, designated the "Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of

2010, Series 2021" (the "Series 2021 Bonds"), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate initial principal amount not exceeding $6,000,000, for purposes of financing projects authorized to be financed under the Bond Measure, according to the terms and in the manner hereinafter set forth; and

**WHEREAS,** Sections 53506 and following of the California Government Code (the "Government Code"), including Section 53508.7 thereof, provide that a school district may issue and sell bonds on its own behalf at a private or negotiated sale pursuant to Sections 15140 and 15146 of the California Education Code (the "Education Code"); and

**WHEREAS,** Section 15140(b) of the Education Code provides that the board of supervisors of a county may authorize a school district in the county to issue and sell its own bonds without the further action of the board of supervisors or officers of the county if said school district has not received a qualified or negative certification in its most recent interim report; and

**WHEREAS,** on April 26, 2011, the Board of Supervisors (the "Board of Supervisors") of the County passed Resolution No. 11-0215 adopting the procedures authorized by Section 15140(b) of the Education Code, and has directed that any school district in the County that has not received a qualified or negative certification in its most recent interim report shall issue and sell its own bonds; and

**WHEREAS,** the District has not received a qualified or negative certification in its most recent interim report; and

**WHEREAS,** the Series 2021 Bonds shall be issued and sold by the District on its own behalf at a negotiated sale pursuant to such authorization from the Board of Supervisors of the County, which the District determines will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Series 2021 Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriter (as defined herein) to pre-market the Series 2021 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds; and

**WHEREAS,** subsection (c) of Section 15146 of the Education Code requires the Board of Trustees to be presented with (i) an analysis containing the total overall cost of any bonds that allow for the compounding of interest that are proposed to be issued, (ii) a comparison to the overall cost of current interest bonds, (iii) the reasons bonds that allow for the compounding of interest are being recommended, and (iv) a copy of the disclosure made by the underwriter of the Series 2021 Bonds in compliance with Municipal Securities Rulemaking Board Rule G-17; and

**WHEREAS,** in compliance with subsection (c) of Section 15146 of the Education Code, presented on Exhibit A attached hereto is (i) an analysis containing the total overall cost of any bonds that allow for the compounding of interest that are proposed to be issued, (ii) a comparison to the overall cost of current interest bonds, (iii) the reasons bonds that allow for the compounding of interest are being recommended, and (iv) a copy of the disclosure made by Raymond James & Associates, Inc., as underwriter of the Series 2021 Bonds (the "Underwriter"), in compliance with Municipal Securities Rulemaking Board Rule G-17; and

**WHEREAS,** the Board of Trustees confirms the reason for the issuance of bonds that allow for the compounding of interest is to provide sufficient and timely funds for the projects specified in the Bond Measure, and the Municipal Securities Rulemaking Board Rule G-17 submission of the underwriter of the Series 2021 Bonds has been received by the Board of Trustees; and

**WHEREAS,** in compliance with subsection (b) of Section 15146 of the Education Code, this Resolution was submitted at two consecutive meetings of the Board of Trustees, first as an information item and second as an action item; and

**WHEREAS,** the Board of Trustees has determined that securing the timely payment of the principal of and interest on the Series 2021 Bonds by obtaining a municipal bond insurance policy with respect thereto could be economically advantageous to the District; and

**WHEREAS,** a form of Bond Purchase Agreement (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Bond Purchase Agreement") to purchase the Series 2021 Bonds proposed to be entered into with the Underwriter has been prepared; and

**WHEREAS,** Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series 2021 Bonds, the Underwriter must have reasonably determined that the issuer or other obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series 2021 Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

**WHEREAS,** in order to cause such requirement to be satisfied, the District desires to execute and deliver a Continuing Disclosure Certificate (such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Continuing Disclosure Certificate"), a form of which has been prepared; and

**WHEREAS,** the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2021 Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Preliminary Official Statement"); and

**WHEREAS,** Government Code Section 5852.1 requires that the Board of Trustees obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

**WHEREAS,** in compliance with Government Code Section 5852.1, the Board of Trustees has obtained from Isom Advisors, a Division of Urban Futures, Inc., as financial advisor under

Education Code Section 15146(b)(1)(C) and as municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and the Underwriter the required good faith estimates and such estimates are disclosed and set forth on Exhibit B attached hereto; and

**WHEREAS,** the District has previously adopted a local debt policy (the "Debt Management Policy") that complies with Government Code Section 8855(i), and the District's sale and issuance of the Series 2021 Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

**WHEREAS,** the Board of Trustees has been presented with the form of each document referred to herein relating to the financing contemplated hereby, and the Board of Trustees has examined each document and desires to approve, authorize and direct the execution of such documents and the consummation of such financing; and

**WHEREAS,** the District desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Series 2021 Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Treasurer-Tax Collector of the County and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of principal of and interest on the Series 2021 Bonds, all pursuant to Sections 15250 and 15251 of the Education Code; and

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

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Piner-Olivet Union School District, as follows:

**Section 1. <u>Recitals</u>.** All of the above recitals are true and correct and the Board of Trustees so finds.

**Section 2. <u>Definitions</u>.** Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Resolution, have the meanings specified herein, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

**"Auditor-Controller"** means the Auditor-Controller of the County or any authorized deputy thereof.

**"Authorized Officers"** means the President of the Board of Trustees, or such other member of the Board of Trustees as the President may designate, the Superintendent of the District, the Chief Business Official of the District, or such other officer or employee of the District as the Superintendent may designate.

**"Board of Supervisors"** means the Board of Supervisors of the County.

**"Board of Trustees"** means the Board of Trustees of the District.

**"Bond Purchase Agreement"** means the Bond Purchase Agreement relating to the sale of the Series 2021 Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

**"Bonds"** means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on June 6, 1995, and pursuant to the Bond Measure, as all such Bonds are required by State law to be paid from the interest and sinking fund.

**"Capital Appreciation Bonds"** means the Series 2021 Bonds accreting interest semiannually to the maturity date thereof payable in accordance with Section 5(e) hereof.

**"Cede & Co."** means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2021 Bonds.

**"Code"** means the Internal Revenue Code of 1986.

**"Continuing Disclosure Certificate"** means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series 2021 Bonds.

**"County"** means the County of Sonoma.

**"Current Interest Bonds"** means those Series 2021 Bonds bearing interest payable semiannually on a current basis in accordance with Section 5(d) hereof.

**"District"** means the Piner-Olivet Union School District.

**"DTC"** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Series 2021 Bonds, including any such successor thereto appointed pursuant to Section 9 hereof.

**"Interest Date"** means February 1 and August 1 of each year, commencing on August 1, 2021, with respect to the Current Interest Bonds and, for purposes of compounding interest on the Capital Appreciation Bonds, commencing on August 1, 2021, or such other dates as may be set forth in the Bond Purchase Agreement.

**"Investment Agreement"** shall have the meaning set forth in Section 15 hereof.

**"Official Statement"** means the Official Statement of the District relating to the Series 2021 Bonds.

**"Opinion of Bond Counsel"** means an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds.

**"Owner"** means, with respect to any Series 2021 Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

**"Paying Agent"** means The Bank of New York Mellon Trust Company, N.A., or the Treasurer of the County, including his or her designated agents, or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2021 Bonds in accordance with Section 8 hereof.

**"Preliminary Official Statement"** means the Preliminary Official Statement of the District relating to the Series 2021 Bonds.

**"Record Date"** means, with respect to any Interest Date for Series 2021 Bonds, the 15th day of the calendar month immediately preceding such Interest Date for such Series 2021 Bonds, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement.

**"Registration Books"** means the books for the registration and transfer of the Series 2021 Bonds maintained by the Paying Agent in accordance with Section 8(d) hereof.

**"Series 2021 Bonds"** means the bonds authorized and issued pursuant to this Resolution, in one or more series or subseries, designated the "Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021," with such additional or other series or subseries designations as may be approved as herein provided.

**"State"** means the State of California.

**"Tax Certificate"** means the Tax Certificate with respect to the Series 2021 Bonds not issued as Taxable Bonds, executed by the District, dated the date of issuance of such Series 2021 Bonds.

**"Tax-Exempt"** means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

**"Taxable Bonds"** means those Series 2021 Bonds the interest on which is not Tax-Exempt.

**"Treasurer"** means Treasurer-Tax Collector of the County or any authorized deputy thereof.

**"Underwriter"** means Raymond James & Associates, Inc., as underwriter.

**Section 3. Authorization and Designation of Bonds.** The Series 2021 Bonds described herein are being issued pursuant to the authority of Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code, and other applicable provisions of law, including applicable provisions of the Education Code. The Board of Trustees hereby authorizes the issuance and sale, by a negotiated sale, of not to exceed $6,000,000 aggregate initial principal amount of Series 2021 Bonds. The Series 2021 Bonds may be issued in one or more series or subseries and shall be designated "Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021," with appropriate additional or other series or subseries designations as approved by an Authorized Officer. The Series 2021 Bonds may be issued as Current Interest Bonds and/or Capital Appreciation Bonds, all as provided in Section 5 hereof. The proceeds of the Series 2021 Bonds, exclusive of any premium and accrued interest received, shall be applied to finance projects authorized to be financed under the Bond Measure.

**Section 4. Form of Bonds; Execution.** (a) *Form of Series 2021 Bonds*. The Series 2021 Bonds shall be issued in fully registered form without coupons. The Current Interest Bonds and the Capital Appreciation Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the forms attached hereto as Exhibit C and Exhibit D, respectively, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Bonds*. The Series 2021 Bonds shall be signed by the manual or facsimile signatures of the President of the Board of Trustees, and countersigned by the manual or facsimile signature of the Secretary or Clerk of the Board of Trustees (or the designee of any of such respective officers if any are unavailable). The Series 2021 Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(c) *Valid Authentication*. Only such of the Series 2021 Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series 2021 Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number*. The Paying Agent shall assign each Series 2021 Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

**Section 5. Terms of Bonds.** (a) *Date of Series 2021 Bonds*. The Current Interest Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement. The Capital Appreciation Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations*. The Current Interest Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof. The Capital Appreciation Bonds shall be issued in denominations of $5,000 accreted value at maturity ("maturity value") or any integral multiple thereof, except that the first numbered Capital Appreciation Bond may be issued in a denomination such that the maturity value of such Capital Appreciation Bond shall not be an integral multiple of $5,000.

(c) *Maturity*. The Current Interest Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Current Interest Bond shall mature later than the date which is 30 years from the date of the Current Interest Bonds, to be determined as provided in subsection (a) of this Section; provided, however, that Current Interest Bonds may have a maturity greater than 30 years, but not greater than 40 years, if an Authorized Officer, for and on behalf of the District, makes a finding in writing that the useful life of the facility financed with such Current Interest Bonds equals or exceeds the maturity date of such Current Interest Bonds. No Current Interest Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Current Interest Bonds shall be issued.

The Capital Appreciation Bonds shall mature on the date or dates, in each of the years, and in such maturity values as shall be set forth in the Bond Purchase Agreement. No Capital Appreciation Bond shall mature later than the date which is 25 years from the date of the Capital Appreciation Bonds, to be determined as provided in subsection (a) of this Section. No Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Capital Appreciation Bonds shall be issued.

The Current Interest Bonds and the Capital Appreciation Bonds may mature in the same year or years as any other Current Interest Bonds or Capital Appreciation Bonds, without limitation. The aggregate initial principal amount of the Series 2021 Bonds issued as Current Interest Bonds or Capital Appreciation Bonds shall not exceed $6,000,000.

(d) *Interest; Current Interest Bonds*. The Current Interest Bonds shall bear interest at an interest rate or rates not to exceed 6.00% per annum, payable on the Interest Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Current Interest Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date for such Current Interest Bond, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date for such Current Interest Bond, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Current Interest Bond, interest is in default on any outstanding Current Interest Bonds, such Current Interest Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Bonds.

(e) *Interest; Capital Appreciation Bonds*. The Capital Appreciation Bonds shall not bear current interest; each Capital Appreciation Bond shall accrete in value daily over the term to its maturity (on the basis of a 360-day year consisting of twelve 30-day months), from its initial principal (denominational) amount on the date of issuance thereof to its stated maturity value at maturity thereof, on the basis of a constant interest rate or rates (which shall not exceed 6.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). The accreted value per $5,000 maturity value of the Capital Appreciation Bonds on each Interest Date shall be given for reference in a table of accreted values to appear in the Capital Appreciation Bonds; provided, however, that the accreted value determined in accordance with this Section shall prevail over any different accreted value given in such table. Interest on the Capital Appreciation Bonds shall be payable only upon maturity or prior redemption thereof.

(f) *Interest; Tax-Exempt or Taxable.* Each series of Series 2021 Bonds or portion thereof may be issued such that the interest on such series of Series 2021 Bonds is Tax-Exempt or such that the interest on such series of Series 2021 Bonds is not Tax-Exempt. The Board of Trustees hereby finds and determines that, pursuant to Section 5903 of the Government Code, the interest payable on each series of Series 2021 Bonds or portion thereof issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such series of Series 2021 Bonds.

**Section 6. <u>Payment of Bonds</u>.** (a) *Request for Tax Levy*. The money for the payment of principal, redemption premium, if any, and interest on the Series 2021 Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series 2021 Bonds in such year, and to pay from such taxes all amounts due on the Series 2021 Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Series 2021 Bonds, and to pay the principal, redemption premium, if any, and interest thereon, and all fees and expenses of the Paying Agent, insofar as permitted by law, including specifically by Section 15232 of the Education Code, as and when the same become due.

(b) *Principal*. The principal of the Current Interest Bonds and the accreted value of the Capital Appreciation Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at maturity or earlier redemption at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date*. The interest on the Current Interest Bonds shall be payable on each Interest Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Date, such interest to be paid by check or draft mailed on such Interest Date (if a business day, or on the next business day if the Interest Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Current Interest Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Date.

(d) *Interest and Sinking Fund*. Principal and interest due on the Series 2021 Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the Education Code.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Series 2021 Bonds. The obligation for repayment of the Series 2021 Bonds is the sole obligation of the District.

(f) *Pledge of Taxes.* The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of Bonds of the

District and amounts on deposit in the interest and sinking fund of the District to the payment of the principal or redemption price of and interest on the Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Bonds and successors thereto. The property taxes and amounts held in the interest and sinking fund of the District shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund of the District to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

(g) *Insurance.* The payment of principal of and interest on all or a portion of the Series 2021 Bonds may be secured by a municipal bond insurance policy as shall be described in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized and directed to qualify the District for municipal bond insurance for the Series 2021 Bonds and authorize that such insurance be obtained if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to the Series 2021 Bonds. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized and directed to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

**Section 7. Redemption Provisions.** (a) *Optional Redemption*. The Series 2021 Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. Subject to the requirements of Section 15144.2 of the Education Code, the Bond Purchase Agreement may provide that the Series 2021 Bonds shall not be subject to optional redemption, and may provide separate and distinct redemption provisions for the Current Interest Bonds and the Capital Appreciation Bonds.

(b) *Selection.* If less than all of the Series 2021 Bonds (Current Interest Bonds or Capital Appreciation Bonds), if any, are subject to such redemption and are called for redemption, such Series 2021 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Series 2021 Bonds of any given maturity are called for redemption, the portions of such Series 2021 Bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption*. The Series 2021 Bonds, if any, which are designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately or as otherwise directed by the District by the amount of any Series 2021 Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Series 2021 Bonds shall not be subject to mandatory sinking fund redemption. The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Series 2021 Bonds as shall be necessary to accomplish the purposes of this Section.

(d) *Notice of Redemption*. Notice of any redemption of the Series 2021 Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series 2021 Bonds and the date of issue of the Series 2021 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the series of Series 2021 Bonds and the dates of maturity or maturities of Series 2021 Bonds to be redeemed; (vi) if less than all of the Series 2021 Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Series 2021 Bonds of each maturity of such series to be redeemed; (vii) in the case of Series 2021 Bonds of a series redeemed in part only, the respective portions of the principal amount of the Series 2021 Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2021 Bonds of a series to be redeemed; (ix) a statement that such Series 2021 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2021 Bonds will not accrue or accrete after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

(e) *Effect of Notice*. A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Series 2021 Bonds or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Series 2021 Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Series 2021 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue or accrete thereon as of the redemption date, and upon presentation and surrender of such Series 2021 Bonds at the place specified in the notice of redemption, such Series 2021 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2021 Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Series 2021 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series 2021 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the interest and sinking fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2021 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series 2021 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Funds for Redemption*. Prior to or on the redemption date of any Series 2021 Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Series 2021 Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series 2021 Bonds to be redeemed upon presentation and surrender of such Series 2021 Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series 2021 Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Series 2021 Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of Bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such Bonds. If no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Bonds*. If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Series 2021 Bonds all or any part of the principal, interest and premium, if any, on the Series 2021 Bonds at the times and in the manner provided herein and in the Series 2021 Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District and the County as provided in Section 6 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under the Series 2021 Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Series 2021 Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Series 2021 Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Series 2021 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(i) *Unclaimed Monies*. Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal or accreted value of, redemption premium, if any, or interest on the Series 2021 Bonds and remaining unclaimed for two years after the principal or accreted value of all of the Series 2021 Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from the fund; or, if no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

**Section 8. <u>Paying Agent</u>.** (a) *Appointment; Payment of Fees and Expenses*. This Board of Trustees does hereby consent to and confirm the appointment of The Bank of New York Mellon Trust Company, N.A., to act as the initial paying agent for the Series 2021 Bonds. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Series 2021 Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent*. The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which shall be the Treasurer of the County, including his or her designated agents, or any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least $50,000,000 in net assets.

(c) *Principal Corporate Trust Office*. The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Series 2021 Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated for a particular purpose, which includes the office of the Treasurer of the County, or the office of his or her designated agents, if the Treasurer of the County is acting in the capacity of the Paying Agent. If no office is so designated for a particular purpose, such functions shall be conducted at the office of The Bank of New York Mellon Trust Company, N.A., in Dallas, Texas, or the principal corporate trust office of any successor Paying Agent.

(d) *Registration Books*. The Paying Agent shall keep or cause to be kept at its principal corporate trust office, sufficient books for the registration and transfer of the Series 2021 Bonds, which shall at all times be open to inspection by the District and the County, 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 the Registration Books, Series 2021 Bonds as provided in Sections 9 and 10 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series 2021 Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District.

(e) *Merger or Consolidation.* Any bank, national banking association or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (b) of this Section shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**Section 9. Transfer Under Book-Entry System; Discontinuation of Book-Entry System.** (a) *Appointment of Depository; Book-Entry System.* Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for each series of the Series 2021 Bonds and the Series 2021 Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC. One bond certificate shall be issued for each maturity of each series or subseries of the Current Interest Bonds and the Capital Appreciation Bonds; provided, however, that if different CUSIP numbers are assigned to Series 2021 Bonds of a series or subseries maturing in a single year or, if Series 2021 Bonds of the same series or subseries maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Series 2021 Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 10 hereof:

(i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository;

provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the District can be obtained, or (2) a determination by the District that it is in the best interests of the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(b) *Transfers.* In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series 2021 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series 2021 Bond for each maturity shall be executed and delivered (in the case of Current Interest Bonds, in the aggregate principal amount of such Current Interest Bonds then outstanding, and in the case of Capital Appreciation Bonds, in the aggregate maturity value of such Capital Appreciation Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Series 2021 Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series 2021 Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 5 hereof and the receipt of such a written request of the District, and thereafter, the Series 2021 Bonds shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Series 2021 Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) *Partial or Advance Refundings.* In the case of partial redemption or an advance refunding of the Series 2021 Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series 2021 Bonds indicating the date and amounts of such reduction in principal.

(d) *Treatment of Registered Owner.* The District and the Paying Agent shall be entitled to treat the person in whose name any Series 2021 Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series 2021 Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Series 2021 Bonds.

(e) *Form of Payment.* So long as the outstanding Series 2021 Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Series 2021 Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

**Section 10. <u>Transfer and Exchange</u>.** (a) *Transfer*. Following the termination or removal of DTC or successor depository pursuant to Section 9 hereof, any Series 2021 Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2021 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Series 2021 Bond or Series 2021 Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2021 Bond or Series 2021 Bonds, of the same maturity, Interest Date and interest rate or rates (in the case of Current Interest Bonds, for a like aggregate principal amount, and in the case of Capital Appreciation Bonds, for a like aggregate maturity value). The Paying Agent may require the payment by any Owner of Series 2021 Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Series 2021 Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2021 Bonds for redemption, and (ii) after any Series 2021 Bond has been selected for redemption.

(b) *Exchange*. The Series 2021 Bonds may be exchanged for Series 2021 Bonds of other authorized denominations of the same series, maturity, Interest Date and interest rate or rates, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2021 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Series 2021 Bond or Series 2021 Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2021 Bond or Series 2021 Bonds of the same series, maturity and interest payment mode and interest rate or rates (in the case of Current Interest Bonds, for a like aggregate principal amount, and in the case of Capital Appreciation Bonds, for a like aggregate maturity value). The Paying Agent may 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 exchange of any Series 2021 Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2021 Bonds for redemption, and (ii) after any Series 2021 Bond has been selected for redemption.

**Section 11. <u>Bond Purchase Agreement; Sale of Bonds</u>.** *(a) Bond Purchase Agreement.* The form of Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the true interest cost for the Series 2021 Bonds shall not be in excess of 4.45%, (b) the interest rates on the Current Interest Bonds shall not exceed 6.00% per annum, (c) the Capital Appreciation Bonds shall accrete in value at compounded interest rates not to exceed 6.00% per annum, (d) the ratio of total debt service to principal of the Series 2021 Bonds shall not exceed four to one, (e) the annual estimated change in the assessed value of taxable property within the District over the term of the Series 2021 Bonds assumed in the structuring of the Series 2021 Bonds shall not exceed 4.50%, (f) the Underwriter's discount for the sale of Series 2021 Bonds shall not exceed 0.80% of the principal amount of such Series 2021 Bonds (exclusive of any costs of issuance the Underwriter contracts to pay), and (g) the Series 2021 Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite the aggregate initial principal amount of the Series 2021 Bonds, and with respect to the Current Interest Bonds, shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any, and with respect to the Capital Appreciation Bonds, shall recite the date thereof, the initial principal amounts, maturity dates, and maturity values of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any.

(b) *Method of Sale.* The Board of Trustees hereby finds and determines that the sale of the Series 2021 Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Series 2021 Bonds to fit the needs of particular purchasers, and greater opportunity for the Underwriter to pre-market the Series 2021 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds.

(c) *Reserves and Capitalized Interest.* In accordance with subsections (i) and (j) of Section 15146 of the Education Code, the Authorized Officers are each hereby authorized to cause to be deposited in the interest and sinking fund of the District proceeds of sale of the Series 2021 Bonds (in addition to any premium or accrued interest received) to fund (i) an annual reserve permitted by Section 15250 of the Education Code, and/or (ii) capitalized interest in an amount not exceeding the interest scheduled to become due on the Series 2021 Bonds for a period of two years from the date of issuance of the Series 2021 Bonds, as shall be set forth in the Bond Purchase Agreement, if any such a deposit is deemed by the Authorized Officer executing the same to be in the best interests of the District.

(d) *Good Faith Estimates.* In accordance with Government Code Section 5852.1 and subsection (b) of Section 15146 of the Education Code, good faith estimates of the following have been obtained from the Municipal Advisor and the Underwriter and are set forth on Exhibit B attached hereto: (a) the true interest cost of the Series 2021 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Series 2021 Bonds, (c) the amount of proceeds of the Series 2021 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds, and (d) the sum total of all debt service payments on the Series 2021 Bonds calculated to the final maturity of the Series 2021 Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Series 2021 Bonds. In accordance with Section 15146(b)(4) of the Education Code, the actual costs associated with the issuance of the Series 2021 Bonds shall be presented to this Board of Trustees at its next scheduled public meeting following the sale of the Series 2021 Bonds.

(e) *Costs of Issuance.* In accordance with subsection (h) of Section 15146 of the Education Code, to the extent not contracted to be paid by the Underwriter, the Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 8, as cost of issuance administrator, proceeds of sale of the Series 2021 Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 2.00% of the principal amount of the Series 2021 Bonds sold, as shall be set forth in the Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of the Series 2021 Bonds.

**Section 12. Continuing Disclosure Certificate.** The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said form, as is necessary to cause the requirements of Rule 15c2-12 to be satisfied, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such determination, requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.

**Section 13. Preliminary Official Statement.** The Preliminary Official Statement to be distributed in connection with the public offering of the Series 2021 Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized Officer, is hereby approved, and the use of such Preliminary Official Statement in connection with the offering and sale of the Series 2021 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to the Preliminary Official Statement prior to the offering and sale of the Series 2021 Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2021 Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to the Board of Trustees of a revised draft of the Preliminary Official Statement with accompanying directions and instructions to members of the Board of Trustees to review the revised Preliminary Official Statement and provide comments to such Authorized Officer.

**Section 14. Official Statement.** The preparation and delivery of an Official Statement with respect to the Series 2021 Bonds, and its use by the Underwriter in connection with the offering and sale of the Series 2021 Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Series 2021 Bonds with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Series 2021 Bonds and any amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

**Section 15. Investment of Proceeds.** (a) *Deposit of Proceeds.* As provided in subsection (g) of Section 15146 of the Education Code, (i) except as provided in Section 11(e), the proceeds of the sale of the Series 2021 Bonds, exclusive of any premium or accrued interest received, shall be deposited in the County treasury to the credit of the building fund of the District, (ii) the proceeds deposited in the building fund of the District shall be drawn out as other school moneys are drawn out, and (iii) the bond proceeds withdrawn shall not be applied to any purposes other than those for which the Series 2021 Bonds were issued. In accordance with subsection (g) of Section 15146 of the Education Code, at no time shall the proceeds of the Series 2021 Bonds be withdrawn by the District for investment outside the County treasury. Amounts in the building fund of the District shall be invested so as to be available for the aforementioned disbursements and the District shall keep a written record of such disbursements. Pursuant to subsection (g) of Section 15146 of the Education Code, any premium or accrued interest received by the District from the sale of the Series 2021 Bonds, shall be deposited in the interest and sinking fund of the District.

(b) *Investment of Proceeds.* All funds held in the interest and sinking fund of the District shall be invested at the sole discretion of the Treasurer of the County pursuant to State law, including Government Code Section 53601 *et. seq.*, and the investment policy of the County, as either may be amended or supplemented from time to time. Proceeds of the Series 2021 Bonds held in the building fund of the District shall be invested at the sole discretion of the Treasurer of the County pursuant to State law, including Government Code Section 53601 *et. seq.*, and the investment policy of the County, as either may be amended or supplemented from time to time.

(c) *Investment Agreements.* To the extent permitted by law, at the written request of an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, "Investment Agreements"), which comply with the requirements of each rating agency then rating the Series 2021 Bonds necessary in order to maintain the then-current rating on the Series 2021 Bonds. Pursuant to Section 5922 of the Government Code, the Board of Trustees hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Series 2021 Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Series 2021 Bonds and funds held to pay the Series 2021 Bonds.

**Section 16. Tax Covenants.** (a) *General.* The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any Tax-Exempt Series 2021 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of any Tax-Exempt Series 2021 Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series 2021 Bonds.

(b) *Yield Restriction.* In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the Treasurer of the County on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Treasurer in writing, and the District shall make its best efforts to ensure that the Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) *Reliance on Opinion of Bond Counsel.* Notwithstanding any provision of this Section, if the District shall provide to the Treasurer of the County an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on any Tax-Exempt Series 2021 Bonds under Section 103 of the Code, the Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and each Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

**Section 17. Professional Services.** Isom Advisors, a Division of Urban Futures, Inc., shall serve as Municipal Advisor to the District for the Series 2021 Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as bond counsel and disclosure counsel to the District for the Series 2021 Bonds. Raymond James & Associates, Inc. shall serve as Underwriter for the Series 2021 Bonds.

**Section 18. Delegation of Authority.** The Authorized Officers are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation negotiating the terms of the insurance policy, if any, referred to herein.

**Section 19. Approval of Actions.** All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.

**Section 20. Debt Management Policy; Notice to California Debt and Investment Advisory Commission**. With the passage of this Resolution, the Board of Trustees hereby certifies that the Debt Management Policy complies with Government Code Section 8855(i), and that the Series 2021 Bonds authorized to be issued pursuant to this Resolution are consistent with such policy, and instructs Bond Counsel, on behalf of the District, with respect to each series of Series 2021 Bonds issued pursuant to this Resolution, (a) to cause notices of the proposed sale and final sale of the Series 2021 Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Government Code Section 8855, and (b) to check, on behalf of the District, the "Yes" box relating to such certifications in the notice of proposed sale filed pursuant to Government Code Section 8855.

**Section 21. Electronic Signatures; DocuSign**. The Board of Trustees hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign.

**Section 22. Filing with County.** The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Series 2021 Bonds, and to file with the Auditor-Controller and with the Treasurer of the County a copy of the executed Bond Purchase Agreement and this Resolution, and the schedule of amortization of the principal of and payment of interest on the Series 2021 Bonds, and to file with the Treasurer of the County a proposed schedule of draws on the building fund of the District, and this Resolution shall serve as the notice required to be given by Section 15140(c) of the Education Code and as the District's request to the Auditor-Controller of the County and the Board of Supervisors of the County to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Series 2021 Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Series 2021 Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series 2021 Bonds the principal, interest, and premium, if any, due on the Series 2021 Bonds in each year, and to create in the County treasury to the credit of the District a building fund and an interest and sinking fund pursuant to Section 15146 of the Education Code.

**Section 23. Contract with Bondholders.** The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board of Trustees and the officers of the District shall be enforceable by any owner of Bonds by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

**Section 24. Amendments.** This Resolution may be modified or amended without the consent of the Owners in order to cure ambiguities or provide clarification, provided that such modification or amendment does not materially adversely affect the rights of owners of Bonds. For any other purpose, this Resolution may be modified or amended only with the consent of the Owners of a majority of the aggregate initial principal amount of all Series 2021 Bonds then outstanding; provided that any such modification or amendment to Section 6(f) or Section 23 shall require the consent of the owners of a majority of the aggregate initial principal amount of all Bonds then outstanding. No such modification or amendment shall extend the maturity of, reduce the interest rate or redemption premium on or principal amount of any Series 2021 Bond or reduce the percentage of consent required for amendment hereof without the express consent of all the owners so affected.

**Section 25. Indemnification of County.** The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of any resolution by the Board of Supervisors of the County authorizing the District to issue and sell the Series 2021 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the Education Code, as permitted by Section 53508.7 of the Government

Code. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

**Section 26.** **<u>Effective Date</u>.** This Resolution shall take effect from and after its date of adoption.

**PASSED AND ADOPTED** this day, December 15, 2020.

____________________________________
President of the Board of Trustees
of the Piner-Olivet Union School District

ATTEST:

____________________________________
Clerk of the Board of Trustees
of the Piner-Olivet Union School District

# EXHIBIT A

## EDUCATION CODE SECTION 15146(c) INFORMATION AND ANALYSIS

In accordance with subsection (c) of Section 15146 of the California Education Code, the following information is presented:

(i) ***Analysis of Total Overall Cost of Series 2021 Bonds that Allow for Compounding of Interest.*** Set forth in Schedule A-1 hereto is an analysis containing the total overall cost of any Series 2021 Bonds that allow for the compounding of interest that are proposed to be issued.

(ii) ***Comparison to Overall Cost of Current Interest Bonds.*** Set forth also in Schedule A-1 hereto is a comparison to the overall cost of current interest bonds.

(iii) ***Reason Bonds that Allow for Compounding of Interest Are Being Recommended.*** Based on current municipal bond interest rates, current assessed values in the District, the tax rate currently being levied for repayment of bonds issued under the Bond Measure, and the maximum legal tax rate, the District can only access the next $6,000,000 of authorized but unissued bonds under the Bond Measure at this time by including a combination of both current interest bonds and capital appreciation bonds in the bond structure.

(iv) ***Copy of Underwriter Disclosure in Compliance with Municipal Securities Rulemaking Board Rule G-17.*** Set forth in Schedule A-2 hereto is copy of the disclosure made by Raymond James & Associates, Inc., as underwriter of the Series 2021 Bonds, in compliance with Municipal Securities Rulemaking Board Rule G-17.

The analysis and information set forth in Schedule A-1 hereto has been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the District's financial advisor under California Education Code Section 15146(b)(1)(C) and as the District's municipal advisor under Section 15B of the Securities Exchange Act of 1934 and constitute estimates only. The actual cost of the Series 2021 Bonds that allow for the compounding of interest may differ from such estimates due to (a) the actual date of the sale of the Series 2021 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Series 2021 Bonds that allow for the compounding of interest sold being different from the estimated principal amount, (c) the actual amortization of the Series 2021 Bonds that allow for the compounding of interest being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Series 2021 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the district's financing plan, or a combination of such factors. The actual date of sale of the Series 2021 Bonds and the actual principal amount of Series 2021 Bonds sold, including the principal amount of Series 2021 Bonds that allow for the compounding of interest, will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Series 2021 Bonds, including Series 2021 Bonds that allow for the compounding of interest, will depend on market interest rates at the time of sale thereof. The actual amortization of the Series 2021 Bonds, including the Series 2021 Bonds that allow for the compounding of interest, will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District. The Board of

Trustees has approved the issuance of the Series 2021 Bonds with a maximum true interest cost of 4.45% and a maximum ratio of total debt service to principal of four to one.

## SCHEDULE A-1

### Analysis of Total Overall Cost of Series 2021 Bonds that Allow for Compounding of Interest & Comparison to Overall Cost of Current Interest Bonds

[Attached.]

## Piner-Olivet Union School District
## Election of 2010 Series 2021 General Obligation Bonds
## AB 182 Information

| | Option 1 - CABs & CIBs | | | | Option 2 - CIBs[1] | | | | Option 1 | Option 2 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Principal | Current Interest | Compounded Interest | Total Debt Service | Principal | Current Interest | Total Debt Service | All CIBs vs | Tax Rate[1] | Tax Rate[1] | |
| 8/1/2021 | $0 | $12,309 | | $12,309 | $130,000 | $124,594 | $254,594 | $242,285 | $22.72 | $22.72 | |
| 8/1/2022 | $70,000 | $23,200 | | $93,200 | $30,000 | $234,800 | $264,800 | $171,600 | $22.97 | $21.44 | |
| 8/1/2023 | $60,000 | $20,400 | | $80,400 | $0 | $233,600 | $233,600 | $153,200 | $22.84 | $21.36 | |
| 8/1/2024 | $60,000 | $18,000 | | $78,000 | $0 | $233,600 | $233,600 | $155,600 | $22.91 | $28.41 | |
| 8/1/2025 | $60,000 | $15,600 | | $75,600 | $0 | $233,600 | $233,600 | $158,000 | $22.89 | $28.26 | |
| 8/1/2026 | $60,000 | $13,200 | | $73,200 | $0 | $233,600 | $233,600 | $160,400 | $22.95 | $28.19 | |
| 8/1/2027 | $65,000 | $10,800 | | $75,800 | $0 | $233,600 | $233,600 | $157,800 | $22.95 | $27.91 | |
| 8/1/2028 | $65,000 | $8,200 | | $73,200 | $0 | $233,600 | $233,600 | $160,400 | $22.84 | $27.69 | |
| 8/1/2029 | $70,000 | $5,600 | | $75,600 | $0 | $233,600 | $233,600 | $158,000 | $22.93 | $27.52 | |
| 8/1/2030 | $70,000 | $2,800 | | $72,800 | $0 | $233,600 | $233,600 | $160,800 | $22.89 | $27.38 | |
| 8/1/2031 | | | | $0 | $0 | $233,600 | $233,600 | $233,600 | $23.68 | $29.96 | |
| 8/1/2032 | | | | $0 | $0 | $233,600 | $233,600 | $233,600 | $23.80 | $29.84 | |
| 8/1/2033 | | | | $0 | $0 | $233,600 | $233,600 | $233,600 | $24.01 | $29.81 | |
| 8/1/2034 | | | | $0 | $0 | $233,600 | $233,600 | $233,600 | $24.04 | $29.62 | |
| 8/1/2035 | | | | $0 | $0 | $233,600 | $233,600 | $233,600 | $22.88 | $28.25 | |
| 8/1/2036 | $52,505 | $0 | $27,495 | $80,000 | $0 | $233,600 | $233,600 | $153,600 | $22.95 | $26.35 | |
| 8/1/2037 | $234,802 | $0 | $135,198 | $370,000 | $0 | $233,600 | $233,600 | -$136,400 | $22.97 | $20.08 | |
| 8/1/2038 | $242,182 | $0 | $152,818 | $395,000 | $0 | $233,600 | $233,600 | -$161,400 | $22.96 | $19.67 | |
| 8/1/2039 | $692,535 | $0 | $477,465 | $1,170,000 | $275,000 | $233,600 | $508,600 | -$661,400 | $22.97 | $9.98 | |
| 8/1/2040 | $693,741 | $0 | $521,259 | $1,215,000 | $305,000 | $222,600 | $527,600 | -$687,400 | $22.93 | $9.96 | |
| 8/1/2041 | $696,205 | $0 | $568,795 | $1,265,000 | $335,000 | $210,400 | $545,400 | -$719,600 | $22.96 | $9.90 | |
| 8/1/2042 | $697,029 | $0 | $617,971 | $1,315,000 | $370,000 | $197,000 | $567,000 | -$748,000 | $22.95 | $9.89 | |
| 8/1/2043 | $700,399 | $0 | $669,601 | $1,370,000 | $410,000 | $182,200 | $592,200 | -$777,800 | $22.99 | $9.94 | |
| 8/1/2044 | $702,254 | $0 | $722,746 | $1,425,000 | $450,000 | $165,800 | $615,800 | -$809,200 | $22.99 | $9.94 | |
| 8/1/2045 | $702,630 | $0 | $777,370 | $1,480,000 | $495,000 | $147,800 | $642,800 | -$837,200 | $22.96 | $9.97 | |
| 8/1/2046 | | | | $0 | $540,000 | $128,000 | $668,000 | $668,000 | | $9.96 | |
| 8/1/2047 | | | | $0 | $585,000 | $106,400 | $691,400 | $691,400 | | $9.92 | |
| 8/1/2048 | | | | $0 | $635,000 | $83,000 | $718,000 | $718,000 | | $9.90 | |
| 8/1/2049 | | | | $0 | $690,000 | $57,600 | $747,600 | $747,600 | | $9.91 | |
| 8/1/2050 | | | | $0 | $750,000 | $30,000 | $780,000 | $780,000 | | $9.95 | |
| **Total** | **$5,994,282** | **$130,109** | **$4,670,718** | **$10,795,109** | **$6,000,000** | **$5,861,394** | **$11,861,394** | | **$24.04** | **$29.96** | **Max Tax Rate** |
| | | | | | | | $1,066,285 | | **$23.08** | **$19.79** | **Avg Tax Rate** |

**Notes**

1. tax rates per $100k of AV; assumes 4.0% AV growth; not to exceed $30 per Ed Code

| | Option 1 - CABs & CIBs | | |
|---|---|---|---|
| | Principal | Debt Service | Debt Ratio |
| **CABs** | $5,414,282 | $10,085,000 | **1.86x** |
| **CIBs** | $580,000 | $710,109 | **1.22x** |
| **Total** | **$5,994,282** | **$10,795,109** | **1.80x** |
| **% CABs** | 90% | 93% | |
| **% CIBs** | 10% | 7% | |
| | | | |

| | Option 2 - CIBs1 | | |
|---|---|---|---|
| | Principal | Debt Service | |
| **CABs** | $0 | $0 | **#DIV/0!** |
| **CIBs** | $6,000,000 | $11,861,394 | **1.98x** |
| **Total** | **$6,000,000** | **$11,861,394** | **1.98x** |
| **% CABs** | 0% | 0% | |
| **% CIBs** | 100% | 100% | |
| **Debt Ratio** | **1.98x** | | |

# SCHEDULE A-2

## Underwriter Disclosure in Compliance with Municipal Securities Rulemaking Board Rule G-17

[Attached.]

**RAYMOND JAMES®**

November 6, 2020

Dr. Steve Charbonneau
Superintendent
Piner-Olivet Union School District
3450 Coffey Lane
Santa Rosa, CA 95403

Re: Disclosures by Underwriter/Senior Managing Underwriter
Pursuant to MSRB Rule G-17
General Obligation Bonds, Election of 2010, Series 2021 and
2021 General Obligation Refunding Bonds

Dear Steve:

We are writing to provide you, as Superintendent of Piner-Olivet Union School District (the "Issuer"), and an official of the Issuer with the authority to bind the Issuer by contract, with certain disclosures relating to the captioned bond issue (the "Bonds") to:

i. Confirm and engage Raymond James & Associates, Inc. ("RJA"), to serve as underwriter, and not as a financial advisor or municipal advisor, pursuant to the Securities and Exchange Commission's Municipal Advisor Rule in connection with the issuance of the Bonds, and;
ii. Provide certain underwriting disclosures as required by Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2012-25 (May 7, 2012)[1].

As part of our services as underwriter, RJA may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

I. Disclosures Concerning the Underwriter's Role:

(i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.

(ii) The primary role of the underwriter is to purchase the Bonds with a view to distribution in an arm's-length commercial transaction with the Issuer. The underwriter has financial and other interests that differ from those of the Issuer.

(iii) Unlike a municipal advisor, the underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.

[1] Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriter of Municipal Securities (effective August 2, 2012).

10250 Constellation Blvd., Suite 850 // Los Angeles, CA 90067
209 Avenida Del Mar, Suite 207 // San Clemente, CA 92672
One Embarcadero Center, Suite 650 // San Francisco, CA 94111

(iv) The underwriter has a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.

(v) The underwriter will review the official statement for the Bonds in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction[2].

II. Disclosures Concerning the Underwriter's Compensation:

The underwriter will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

III. Additional Conflicts and Business Relationships Disclosures:

In the ordinary course of its various business activities, RJA and its affiliates, officers, directors, and employees may purchase, sell or hold a broad array of investments and may actively trade securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (whether directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. RJA and its affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

IV. Disclosures Concerning Structure of Municipal Securities Financing:

Since RJA has recommended to the Issuer a financing structure that may be considered a "complex municipal securities financing" for purposes of MSRB Rule G-17, attached is a description of the material financial characteristics of that financing structure as well as the material financial risks of the financing that are known to the underwriter and reasonably foreseeable at this time.

In accordance with the requirements of MSRB Rule G-17, if RJA recommends a "complex municipal securities financing" to the Issuer that is not otherwise described herein, this letter will be supplemented to provide disclosure of the material financial characteristics of that financing structure as well as the material financial risks of the financing that are known to the underwriter and reasonably foreseeable at that time.

If you or any other Issuer official has any questions or concerns about these disclosures, then please make those questions or concerns known immediately to the undersigned. In addition, the Issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

---

2 Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriter is solely for purposes of satisfying the underwriter's obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

It is our understanding that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

Under SEC and MSRB Rules, **we are required to confirm our role as underwriter, and also seek your acknowledgement that you have received this letter. Accordingly, please send me an email to that effect or sign and return a copy of this letter to me via email as a PDF attachment.** Depending on the structure of the transaction that the Issuer decides to pursue, or if additional potential or actual material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you and the Issuer in connection with the issuance of the Bonds. We appreciate your business.

Sincerely,

RAYMOND JAMES & ASSOCIATES, INC.

By:________________________________

John R. Baracy, Managing Director

Confirmation and acknowledgement:

_________________________

Name: Dr. Steve Charbonneau

Title: Superintendent

Date: ____________________

## Fixed Rate Structure Disclosure

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds ("Fixed Rate Bonds"), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds. If you decide that you would like to pursue this financing alternative, we may provide you with additional information more specific to your particular issue.

### Financial Characteristics

*Maturity and Interest*. Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies and authorities. Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. The final maturity date typically will range between 10 and 30 years from the date of issuance. Interest on the Fixed Rate Bonds typically is paid semiannually at a stated fixed rate or rates for each maturity date.

*Redemption*. Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

### Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

*General Obligation Bonds*

"General obligation bonds" are debt securities to which your full faith and credit is pledged to pay principal and interest. If you have taxing power, generally you will pledge to use your ad valorem (property) taxing power to pay principal and interest. Ad valorem taxes necessary to pay debt service on general obligation bonds may not be subject to state constitutional property tax millage limits (an unlimited tax general obligation bond). The term "limited" tax is used when such limits exist.

General obligation bonds constitute a debt and, depending on applicable state law, may require that you obtain approval by voters prior to issuance. In the event of default in required payments of interest or principal, the holders of general obligation bonds have certain rights under state law to compel you to impose a tax levy.

*Revenue Bonds*

**"**Revenue bonds" are debt securities that are payable only from a specific source or sources of revenues. Revenue bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants or excise or other specified taxes. Generally, subject to state law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the bonds.

**Financial Risk Considerations**

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

*Issuer Default Risk*

You may be in default if the funds pledged to secure your bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds, the trustee and any credit support provider may be able to exercise a range of available remedies against you. For example, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the bonds are revenue bonds, you may be required to take steps to increase the available revenues that are pledged as security for the bonds. A default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

*Redemption Risk*

Your ability to redeem the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service.

*Refinancing Risk*

If your financing plan contemplates refinancing some or all of the bonds at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your ability to refund the bonds to take advantage of lower interest rates.

*Reinvestment Risk*

You may have proceeds of the bonds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the bonds, which is referred to as "negative arbitrage".

*Tax Compliance Risk*

The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing the bonds.

## EXHIBIT B

## GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series 2021 Bonds in compliance with Section 15146(b)(1)(D) of the California Education Code and Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the District's financial advisor under Education Code Section 15146(b)(1)(C) and the District's municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and by Raymond James & Associates, Inc., the underwriter of the Series 2021 Bonds (the "Underwriter").

*Principal Amount.* The Municipal Advisor and the Underwriter have informed the District that, based on the District's financing plan and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the aggregate initial principal amount of the Series 2021 Bonds to be sold in a public offering is $5,994,281.95 (the "Estimated Principal Amount").

*True Interest Cost of the Series 2021 Bonds.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Series 2021 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2021 Bonds, is 2.94%.

*Finance Charge of the Series 2021 Bonds.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Series 2021 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2021 Bonds), is $197,954.26, as follows:

| | | |
|---|---|---|
| a) | Underwriter's Discount | $47,954.26 |
| b) | Credit Enhancement | N/A* |
| c) | Bond Counsel and Disbursements | 35,000.00 |
| d) | Disclosure Counsel and Disbursements | 25,000.00 |
| e) | Municipal Advisor and Disbursements | 67,500.00 |
| f) | Rating Agency | 15,000.00 |
| g) | Other Expenses | 7,500.00 |

_______________

* A municipal bond insurance policy with respect to the Series 2021 Bonds is not expected to be obtained unless economically advantageous to the District.

*Amount of Proceeds to be Received.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District for sale of the Series 2021 Bonds, less the finance charge of the Series 2021 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Series 2021 Bonds, is $5,844,281.95.

*Total Payment Amount.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2021 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Series 2021 Bonds, plus the estimated finance charge for the Series 2021 Bonds, as described above, not paid with the proceeds of the Series 2021 Bonds, calculated to the final maturity of the Series 2021 Bonds, is $10,749,362.25.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Series 2021 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Series 2021 Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Series 2021 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Series 2021 Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Series 2021 Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Series 2021 Bonds and the actual principal amount of Series 2021 Bonds sold will be determined by the District based on need for project funds and other factors. The actual interest rates borne by the Series 2021 Bonds will depend on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District, the Municipal Advisor and the Underwriter. The Board of Trustees has approved the issuance of the Series 2021 Bonds with a maximum true interest cost of 4.45%.

## EXHIBIT C

## FORM OF CURRENT INTEREST BOND

| **Number** | **UNITED STATES OF AMERICA** | **Amount** |
|---|---|---|
| **R-__** | **STATE OF CALIFORNIA** | **$__________** |
| | **COUNTY OF SONOMA** | |

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2021**

**CURRENT INTEREST BOND**

| Maturity Date | Interest Rate | Dated as of | CUSIP No. |
|---|---|---|---|
| August 1, 20__ | ____% | _______ __, 2020 | __________ |

Registered Owner: CEDE & CO.

Principal Amount: ________________________________________ DOLLARS

Piner-Olivet Union School District, County of Sonoma, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified 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 this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before ________ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _________ 1, 20__, and thereafter on February 1 and August 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Trustees of the District on December 15, 2020 (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., the paying agent/registrar and transfer agent of the District (the "Paying Agent"). Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Current Interest Bonds aggregating at least $1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate initial principal amount of $_________, and designated as "Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 2, 2010. The Bonds are issued and sold by the Board of Trustees of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _________, 2020 (the "Bond Purchase Agreement"), by and between the District and Raymond James & Associates, Inc., as underwriter.

The Current Interest Bonds are issuable as fully registered bonds without coupons in the denomination of $5,000 principal amount or any integral multiple thereof, provided that no Current Interest Bond shall have principal maturing on more than one principal maturity date. 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 the same tenor, interest payment mode, and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payment mode, and same aggregate initial principal amount will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the registered 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 Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

The Board of Trustees of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Trustees duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any Bond 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.

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 and registration hereon endorsed shall have been signed by the Paying Agent.

**IN WITNESS WHEREOF,** the Board of Trustees of the Piner-Olivet Union School District, County of Sonoma, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

____________________________________
President of the Board of Trustees of the
Piner-Olivet Union School District

Countersigned:

____________________________________
Clerk of the Board of Trustees of the
Piner-Olivet Union School District

## CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _______________.

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS PAYING AGENT**

By: ___________________________________
Authorized Officer

**ASSIGNMENT**

For value received the undersigned do(es) hereby sell, assign and transfer unto ______________________________ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) ______________________________ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

________________________
I.D. Number

_________________________________________
Note: The signature(s) 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.

Dated: __________________

Signature Guarantee: ______________________________
Note: Signature must be guaranteed by an eligible guarantor institution.

**EXHIBIT D**

**FORM OF CAPITAL APPRECIATION BOND**

**Number**
**CAB-__**

**UNITED STATES OF AMERICA**
**STATE OF CALIFORNIA**
**COUNTY OF SONOMA**

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2021**

**CAPITAL APPRECIATION BOND**

| Maturity Date | Interest Rate | Dated as of | CUSIP No. |
|---|---|---|---|
| August 1, 20__ | | __________, 2020 | _________ |

Registered Owner: CEDE & CO.

Principal Amount: ________________________________________ DOLLARS

Accreted Value at Maturity: ________________________________________ DOLLARS

Piner-Olivet Union School District of the County of Sonoma, State of California (the "District"), acknowledges itself obligated to and promises to pay, to the Registered Owner identified above or registered assigns, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, the accreted value hereof on such date, consisting of the Principal Amount hereof plus interest accrued thereon to such date, commencing on the date hereof, compounded on February 1 and August 1 of each year commencing on _______ 1, 20__, at the Interest Rate specified above, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, until the obligation represented hereby shall have been discharged, as provided in the Resolution adopted by the Board of Trustees of the District on December 15, 2020 (the "Resolution"). The accreted value hereof shall be determined in accordance with the Resolution and as reflected in the Table of Accreted Values hereinafter set forth; provided, however, that any accreted value determined in accordance with the Resolution shall prevail over any accreted values given in the Table of Accreted Values. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The accreted value hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., the paying agent/registrar and transfer agent of the District (the "Paying Agent").

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying tenors, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate initial principal amount of $_________, and designated as "Piner-Olivet Union School District (Sonoma

County, California) General Obligation Bonds, Election of 2010, Series 2021" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 2, 2010. The Bonds are issued and sold by the Board of Trustees of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated __________, 2020 (the "Bond Purchase Agreement"), by and between the District and Raymond James & Associates, Inc., as underwriter.

The Capital Appreciation Bonds are issuable as fully registered bonds without coupons in the denomination of $5,000 accreted value at maturity (the "maturity value") or any integral multiple thereof, except that the first numbered Bond may be issued in a denomination such that the maturity value of such Bond shall not be in an integral multiple of $5,000, and provided that no Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. 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 maturity value of Bonds of the same tenor, interest payment mode, and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations for the same tenor and interest payment mode and same aggregate maturity value will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the registered 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 Bonds are subject to optional and mandatory sinking fund redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.]

The Board of Trustees of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond, and that this Bond is in substantially the form prescribed by order of this Board duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of the maturity value of this Bond (or redemption price hereof upon redemption prior to maturity), shall be raised by taxation upon the taxable property of the District.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to 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.

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 and registration hereon endorsed shall have been signed by the Paying Agent.

**IN WITNESS WHEREOF**, the Board of Trustees of the Piner-Olivet Union School District, County of Sonoma, State of California, has caused this Bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

____________________________________
President of the Board of Trustees of the
Piner-Olivet Union School District

Countersigned:

____________________________________
Clerk of the Board of Trustees of the
Piner-Olivet Union School District

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on ______________.

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS PAYING AGENT**

By: ________________________________
Authorized Officer

**ASSIGNMENT**

For value received the undersigned do(es) hereby sell, assign and transfer unto ______________________________ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) ______________________________ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

________________________
I.D. Number

_________________________________________
Note: The signature(s) 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.

Dated: __________________

Signature Guarantee: ______________________________
Note: Signature must be guaranteed by an eligible guarantor institution.

**CAPITAL APPRECIATION BOND**

**TABLE OF ACCRETED VALUES**

## CLERK'S CERTIFICATE

I, _______________, Clerk of the Board of Trustees of the Piner-Olivet Union School District, County of Sonoma, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly conducted on December 15, 2020, in accordance with law, including in accordance with Executive Order N-29-20, signed by the Governor of the State of California on March 17, 2020, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was acknowledged, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 3450 Coffey Lane, Santa Rosa, California, a location freely accessible to members of the public, and on the District's website at http://www.pousd.org/board-agenda-packets.html, and a brief description of the resolution appeared on the agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in the District administrative office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: __________, 2020

__________________________________
Clerk of the Board of Trustees of
Piner-Olivet Union School District

4143-6805-3800.3

**$[__________]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2021**

**BOND PURCHASE AGREEMENT**

[__________], 2021

Piner-Olivet Union School District
3450 Coffey Lane
Santa Rosa, California 94503

The undersigned, Raymond James & Associates, Inc. (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the Piner-Olivet Union School District (the "District") which, upon the acceptance hereof, will be binding upon the District and the Underwriter. By execution of this Purchase Agreement, the District acknowledges the terms hereof and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 PM, California time, on the date hereof.

**Section 1. Purchase and Sale of the Bonds.** (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District for reoffering to the public and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the $[__________] aggregate initial principal amount of the Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021 (the "Bonds"), consisting of $[__________] aggregate principal amount of current interest bonds (the "Current Interest Bonds"), and $[__________] aggregate initial principal amount of capital appreciation bonds (the "Capital Appreciation Bonds").

(b) The Bonds shall be issued in the principal amounts and shall bear or accrete interest at the rates and shall mature on the dates and in the years shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds issued as Current Interest Bonds shall bear interest payable from the date thereof and such interest shall be payable on each February 1 and August 1, commencing August 1, 2021. The Bonds issued as Capital Appreciation Bonds shall accrete interest from their date, compounded semiannually on February 1 and August 1, commencing August 1, 2021, and shall be paid at maturity or earlier redemption thereof as shown in Exhibit A hereto.

(c) *[If District paying COI out of bond proceeds:]* [The Underwriter shall purchase the Bonds at a price of $[__________] (the "Purchase Price") (which represents the aggregate principal amount of the Bonds, [plus/less] net original issue premium of $[__________], and less underwriter's discount in the amount of $[__________]). From the Purchase Price, the

Underwriter shall withhold and hereby agrees to wire on the Closing Date (as defined below), in immediately available funds by check, draft or wire transfer [(i)] to The Bank of New York Mellon Trust Company, N.A., as costs administrator, the amount of $[__________] to pay the costs of issuance of the Bonds as provided in Section 11 hereof, such amount not exceeding two percent (2%) of the principal amount of the Bonds in accordance with California Education Code Section 15146(h)[, and (ii) to the Insurer (defined herein), the amount of $___________ representing the premium and fees for the Policy (defined herein)]. The remaining amount of the Purchase Price ($[__________]), shall be paid, in immediately available funds, by wire transfer to or upon the order of the County of Sonoma (the "County") on behalf of the District on the Closing Date.]

*[If Underwriter paying COI:]*[The Underwriter shall purchase the Bonds at a price of $__________ (the "Purchase Price"), which shall be paid, in immediately available funds, by wire transfer to or upon the order of the County of Sonoma (the "County") on behalf of the District on the Closing Date.]

(d) The District acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter; (ii) the Underwriter is acting solely as underwriter and principal in connection with the matters contemplated by and with respect to all communications under this Purchase Agreement, and is not acting as the agent or fiduciary of the District or as Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of the District and its advisors in connection with the matters contemplated by this Purchase Agreement, irrespective of whether the Underwriter or any affiliates thereof have provided or are providing other services to the District; (iii) the Underwriter has financial and other interests that differ from those of the District; (iv) in connection with the purchase and sale of the Bonds, the District has consulted its own financial, legal and other advisors to the extent it has deemed appropriate; and (v) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters) nor has it assumed any other obligation to the District except the obligations expressly set forth in this Purchase Agreement. The District also acknowledges that it previously received from the Underwriter a letter regarding Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that it has provided to the Underwriter an acknowledgement of such letter.

**Section 2. <u>The Bonds</u>.** (a) The Bonds shall be dated their date of delivery and shall mature on August 1 in the years shown on Exhibit A hereto and be subject to redemption all as shown on Exhibit A hereto. The Bonds shall be issued and secured pursuant to the provisions of the Resolution of the Board of Trustees of the District (the "Board of Trustees") adopted on December 15, 2020 (the "Resolution"), this Purchase Agreement and Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code (the "Act"). The Bonds were authorized under and pursuant to a bond authorization approved by more than 55% of the voters of the District voting at an election held on November 2, 2010 (the "Election") approving an amount not more than $20,000,000 of general obligation bonds of the District. The Bonds are being issued to provide funding for projects authorized by voters at the Election. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Resolution.

(b) [The payment of principal of and interest on the Bonds will be secured by a municipal bond insurance policy (the "Policy") to be issued simultaneously with the issuance of the Bonds by [__________]. (the "Insurer").]

(c) In order to assist the Underwriter with compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (the "Rule"), the District will enter into the Continuing Disclosure Certificate, dated the Closing Date (the "Continuing Disclosure Certificate").

(d) The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolution. The Bonds shall be in definitive form, shall bear CUSIP numbers, and shall be in fully registered form, registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC").

**Section 3. Use of Documents.** The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, this Purchase Agreement, the Preliminary Official Statement (defined below), the Official Statement (defined below), the Resolution and the Continuing Disclosure Certificate, and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

**Section 4. Public Offering of the Bonds.** The Underwriter agrees to make a bona fide initial public offering of all the Bonds at prices no higher than, or yields not lower than, those set forth on Exhibit A hereto. Subsequent to such initial public offering but subject to the provisions set forth in Section 5 below, the Underwriter reserves the right to lower such initial offering prices as the Underwriter deems necessary in connection with the marketing of the Bonds; provided, however, that the Underwriter shall not change the interest rates set forth in Exhibit A. Subject to the provisions set forth in Section 5 below, the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth on Exhibit A hereto. The Underwriter also reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

**Section 5. Establishment of Issue Price.** (a) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District's municipal advisor, Isom Advisors, a Division of Urban Futures, Inc. (the "Municipal Advisor"), and any notice or report to be provided to the District may be provided to the District's Municipal Advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price (meaning single) at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. Unless the hold the offering price rule (described below) applies, that reporting obligation shall continue, whether or not the Closing Date (as defined herein) has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel (as defined herein). For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth ($5^{th}$) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(1) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(i) (A) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (B) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(ii) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(iii) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(2) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) "public" means any person other than an underwriter or a related party;

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) "sale date" means the date of execution of this Purchase Agreement by all parties.

**Section 6. Official Statement.** (a) The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated [_________], 20[__] (as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement"). The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revisions or additions to the offering price(s), interest rate(s), yield(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule. By the execution of this Purchase Agreement, the District ratifies the use by the Underwriter of the Preliminary Official Statement.

(b) The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto, and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, being herein called the "Official Statement") in such quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds. The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

(c) The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system.

(d) Each party hereto agrees that it will notify the other party hereto if, within the period from the date of this Purchase Agreement to and including the date which is 25 days following the End of the Underwriting Period (as hereinafter defined), such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case which might cause the Official Statement (as the same may have been theretofore supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the written opinion of the District or the Underwriter, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the District or the Underwriter during such period), necessary so that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and furnish copies of such supplement or amendment to the Underwriter in such numbers as the Underwriter may reasonably request. The District and the Underwriter agree that they will cooperate in the preparation of any such amendment or supplement. As used herein, the term "End of the Underwriting Period" means the later of such time as (i) the District delivers the Bonds to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "End of the Underwriting Period" shall be deemed to be the Closing Date (as defined herein). Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the End of the Underwriting Period.

**Section 7. Closing.** At 9:00 a.m., California time, on [__________], 2021, or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the "Closing" or "Closing Date"), the District will direct The Bank of New York Mellon Trust Company, N.A., as the paying agent (the "Paying Agent") to deliver to the Underwriter, through the facilities of DTC, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed, and shall cause the other documents hereinafter mentioned to be delivered at the offices of Orrick, Herrington & Sutcliffe

LLP ("Bond Counsel") in Irvine, California. Upon fulfillment of all conditions to Closing herein, the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds (by wire transfer or such other manner of payment as the Underwriter and the District shall reasonably agree upon) to the account of the District.

**Section 8. <u>Representations, Warranties and Agreements of the District</u>.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) The District is a school district duly organized and validly existing under the laws of the State of California (the "State"), with the power to issue the Bonds under the laws of the State and pursuant to the Act;

(b) (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the Resolution was duly adopted at a meeting of the Board of Trustees, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, and the Resolution has not been amended, modified or rescinded, (iii) the District has full legal right, power and authority to enter into this Purchase Agreement and the Continuing Disclosure Certificate, to adopt the Resolution, to issue and to deliver the Bonds to the Underwriter, to perform its obligations under each such document or instrument and to carry out and effectuate the transactions contemplated by this Purchase Agreement and the Resolution; (iv) the execution and delivery or adoption of and the performance by the District of the obligations represented by, the Bonds, the Resolution, the Continuing Disclosure Certificate and this Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (v) this Purchase Agreement constitutes, and, when executed and delivered, the Continuing Disclosure Certificate will constitute, a valid and legally binding obligation of the District, enforceable against the District in accordance with its terms; and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement;

(c) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained;

(d) The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Bonds;

(e) As of the time of acceptance hereof and as of the time of the Closing, the District is not and will not be, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, a default or event of default under any such instrument; and, as of such times, to the best knowledge of the District, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, the Resolution, the Continuing Disclosure Certificate and the Bonds and the compliance with the provisions hereof and thereof and of the Resolution do not conflict with or constitute on the part of the District a violation of, or material default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and do not conflict with or result in a violation or breach of, or constitute a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject;

(f) As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending (in which service of process has been completed against the District) or, to the best knowledge of the District, otherwise pending or threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District or the titles of the officials of the District to such offices; (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the levy of any taxes contemplated by the Resolution, or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement, the Continuing Disclosure Certificate or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Continuing Disclosure Certificate, the Resolution or this Purchase Agreement; (iii) contesting the completeness or accuracy of the Preliminary Official Statement; or (iv) except as disclosed in the Preliminary Official Statement and the Official Statement, in which a final adverse decision could (A) result in any material adverse impact on the financial condition of the District, (B) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Purchase Agreement, the Continuing Disclosure Certificate or the Resolution, (C) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (D) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of such interest on the Bonds from California personal income taxation;

(g) Preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the District, and the information contained therein (excluding the statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] and any information provided by the Underwriter, and so identified as source thereof, for inclusion in the Official Statement) is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except that no representation and warranty is made concerning statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] or any information provided by the Underwriter, and so identified as source thereof, for inclusion in the final Official Statement;

(h) The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement contain, and up to and including the Closing will contain, no material misstatement of any material fact and do not, and up to and including the Closing will not, omit to state any material fact necessary to make the statements contained therein, in light of the circumstances in which such statements were made, not misleading. At the time of the Closing, there shall not have been any material adverse changes in the financial condition of the District since the date of the Official Statement;

(i) The District agrees that if at any time before the Closing Date any event occurs as a result of which the Official Statement as then in effect would include any untrue statement of a material fact or omit to state any fact necessary to make the statements made therein not misleading in any material respect, the District shall promptly prepare an amendment or supplement that will correct such statement or omission. The District will advise the Underwriter promptly of any proposal to so amend or supplement the Official Statement and will effect such amendment or supplement in a form and manner approved by the Underwriter;

(j) The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations or such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(k) To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the Resolution and the 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 Official Statement;

(l) Except as disclosed in the Preliminary Official Statement and the Official Statement, in the preceding five years, the District has not failed to comply in all material respects with any previous undertakings with regard to the Rule to provide annual reports or notices of enumerated events required by such undertakings;

(m) Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District nor any entity nor person on behalf of the District will have issued any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement;

(n) The District agrees to take all steps required by law and by the County to ensure that the Board of Supervisors of the County annually levies a tax upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds as and when the same become due;

(o) The audited financial statements of the District for the fiscal year ended June 30, [2019], were prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial position and results of operation of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise disclosed in the Official Statement;

(p) The District has not received a qualified or negative certification in its most recent interim report pursuant to Section 42130 *et seq.* of the California Education Code; and

(q) Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

**Section 9. Conditions to Closing.** (a) The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Agreement are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(1) The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the Closing Date; and the District shall be in compliance with each of the agreements made by it in this Purchase Agreement;

(2) At the time of the Closing, (A) the Official Statement, this Purchase Agreement, the Continuing Disclosure Certificate and the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the parties hereto; (B) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (C) the District shall perform or has performed all of its obligations required under or specified in the Resolution, this Purchase Agreement or the Official Statement to be performed at or prior to the Closing;

(3) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, shall be pending (in which service of process has been completed against the District) or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, or contesting in any way the completeness or accuracy of the Official Statement;

(4) Between the date hereof and the Closing, the market price for the Bonds, or the market for or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected, in the judgment of the Underwriter, by reason of any of the following:

(i) legislation enacted by the Congress of the United States, or by the legislature of the State, or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(A) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or

(B) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Resolution is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(ii) the declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;

(iii) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

(iv) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or a change to the net capital requirements of, the Underwriter;

(v) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(vi) withdrawal or downgrading of any underlying rating or credit watch status or outlook of the District's outstanding indebtedness by a national rating agency or the occurrence of any adverse change of a material nature of the financial condition, results of operation or properties of the District;

(vii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(viii) any proceeding shall have been commenced or be threatened in writing by the SEC against the District;

(ix) Any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement;

(x) the suspension by the SEC of trading in the outstanding securities of the District; or

(xi) a material disruption in securities settlement, payment or clearance services or the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets.

(5) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(i) An approving opinion of Orrick, Herrington & Sutcliffe LLP as Bond Counsel, substantially in the form attached as Appendix C to the Official Statement, dated the Closing Date and addressed to the District;

(ii) A reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in (5)(i) above;

(iii) A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that (i) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended, (ii) assuming due authorization, execution and delivery by all the parties thereto other than the District, the Continuing Disclosure Certificate and this Purchase Agreement have each been duly executed and delivered by the District and constitute valid and binding obligations of the District, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against school districts or counties in the State of California (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Certificate for purposes of the Rule), and (iii) statements contained in the Official Statement under the captions "THE SERIES 2021 BONDS" (excluding any and all information contained under the subheadings ["– Authority for Issuance; Purpose," [" – Bond Insurance Policy,"] "– Application and Investment of Series 2021 Bond Proceeds," "– Debt Service," "– Outstanding Bonds" and "–Aggregate Debt Service"]) and "TAX MATTERS," excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Bonds and the Resolution, and the form and content of Bond Counsel's approving opinion, are accurate in all material respects;

(iv) A certificate signed by an appropriate official of the District, to the effect that (i) such official is authorized to execute this Purchase Agreement and the Continuing Disclosure Certificate, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the Closing Date, (iii) the District has complied with all the terms of the Resolution and this Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (iv) to the best of such official's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, (v) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (vi) each of the conditions listed in Section 9(a)(5) of this Purchase Agreement has been satisfied on the date hereof and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied on the date hereof, and (vii) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase

Agreement substantially conform to the descriptions thereof contained in the Resolution and this Purchase Agreement;

(v) The letter of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District ("Disclosure Counsel"), addressed to the District and the Underwriter, dated the Closing Date, to the effect that, based on such counsel's participation in conferences with representatives of the County, the District, the District's Municipal Advisor, the Underwriter, Kutak Rock LLP, as counsel to the Underwriter, and others, during which the contents of the Official Statement and related matters were discussed, and based on such counsel's participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the District, the County and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the District and the Underwriter, as a matter of fact and not opinion, that, during the course of such counsel's engagement as disclosure counsel with respect to the Bonds, no facts came to the attention of such counsel's attorneys rendering legal services in connection with such representation with respect to the Bonds which caused such counsel to believe that the Official Statement as of its date and as of the Closing Date (except for any CUSIP numbers, financial, accounting, statistical, economic or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about relationships among the parties, any information about litigation, any management discussions and analysis, any statements about compliance with prior continuing disclosure undertakings, Appendices [__], [__], [__] and [__], or any information about book-entry, tax-exemption, DTC, Cede & Co., ratings, rating agencies, the Municipal Advisor, the Underwriter, underwriting, [the Policy, or the Insurer] included or referred to therein or omitted therefrom, as to which such counsel expressly excludes from the scope of this paragraph and as to which such counsel expresses no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vi) The Continuing Disclosure Certificate signed by an appropriate official of the District and in form and substance reasonably satisfactory to the Underwriter;

(vii) A non-arbitrage certificate of the District with respect to the Bonds in form satisfactory to Bond Counsel;

(viii) Evidence satisfactory to the Underwriter that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(ix) A certificate, together with fully executed copies of the Resolution, of the District Clerk to the effect that:

(A) such copies are true and correct copies of the Resolution; and

(B) that the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the Closing Date;

(x) Certificates of the appropriate officials of the District evidencing their determinations respecting the Preliminary Official Statement in accordance with the Rule;

(xi) An opinion of Kutak Rock LLP, as counsel to the Underwriter, in form and substance acceptable to the Underwriter;

(xii) [The Policy with respect to the Bonds insured by the Insurer;]

(xiii) [A certificate of the Insurer in form and substance satisfactory to Bond Counsel and the Underwriter;]

(xiv) [An opinion of counsel to the Insurer addressed to the District and the Underwriter in form and substance satisfactory to Bond Counsel and the Underwriter;] and

(xv) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence (i) compliance by the District and the Paying Agent with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(b) If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be canceled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

**Section 10. <u>Conditions to Obligations of the District</u>.** The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) the receipt by the District and the Underwriter of the opinions and certificates being delivered at the Closing by persons and entities other than the District.

**Section 11. <u>Expenses</u>.** (a) *[If Underwriter paying COI:]*[The Underwriter shall pay costs of issuance of the Bonds up to the amount of $_________, including but not limited to the following: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel, and any other consultants to the District, including the District's Municipal Advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fee for the Bond rating(s), including all necessary expenses for travel relating to such rating(s); (iv) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (v) the initial fees of the Paying Agent and related fees and expenses; [(vi) the CUSIP Bureau registration fees; (vii) the fee of Underwriter's Counsel;] [(viii) the premium and fees associated with the Policy;] and (ix) all other fees and expenses incident to the issuance and sale of the Bonds. Any such expenses which exceed in the aggregate $[_________] shall be paid by the District and may be paid from the proceeds of the Bonds.]

*[If District paying COI out of bond proceeds:]*[The District shall to the extent permitted by applicable law pay all expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds, including but not limited to the following: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel, and any other consultants to the District, including the District's Municipal Advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fee for the Bond rating(s), including all necessary expenses for travel relating to such rating(s); (iv) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (v) the initial fees of the Paying Agent and related fees and expenses; [(vi) the CUSIP Bureau registration fees; (vii) the fee of Underwriter's Counsel;] [(viii) the premium and fees associated with the Policy;] and (ix) all other fees and expenses incident to the issuance and sale of the Bonds.]

(b) All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, [CUSIP Bureau registration fees,] [fee of Underwriter's Counsel,] expenses for travel (except in connection with securing a rating on the sale of the Bonds) and other expenses (except as provided above) shall be paid by the Underwriter.

(c) The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

**Section 12. Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Piner-Olivet Union School District at 3450 Coffey Lane, Santa Rosa, California 94503, Attention: Superintendent, or if to the Underwriter, to Raymond James & Associates, Inc., 10250 Constellation Blvd., Suite 850, Los Angeles, California 90067; Attention: John Baracy, Managing Director.

**Section 13. Severability.** In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 14. Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

**Section 15. Electronic Signature.** Each of the parties hereto agrees that the transaction consisting of this Purchase Agreement may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent (a) that, by signing of this Purchase Agreement using an electronic signature, it is signing, adopting and accepting this Purchase Agreement, and (b) that signing this Purchase Agreement using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Purchase Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Purchase Agreement in a usable format.

**Section 16. Execution in Counterparts.** This Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

**Section 17. Applicable Law.** This Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

Very truly yours,

**RAYMOND JAMES & ASSOCIATES, INC.**

By:__________________________________
Authorized Representative

The foregoing is hereby agreed to and accepted:

**PINER-OLIVET UNION SCHOOL DISTRICT**

By:________________________________

Date | Time: _________________________

## EXHIBIT A

## MATURITY SCHEDULE

**$[__________]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION BONDS, ELECTION OF 2010, SERIES 2021**

**$[_________] Current Interest Bonds**

$[_________] Serial Current Interest Bonds

| Maturity (August 1) | Principal Amount | Interest Rate | Yield | Price | 10% Test Satisfied* | 10% Test Not Satisfied | Subject to Hold-The-Offering Price Rule |
|---|---|---|---|---|---|---|---|

**$[_________] [_____]% Term Bonds due August 1, 20[__] – Yield [_____]% - Price [_____]%**
**[10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price Rule]**

**$[_________] [_____]% Term Bonds due August 1, 20[__] – Yield [_____]% - Price [_____]%**
**[10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price Rule]***

**$[__________] Capital Appreciation Bonds**

$[__________] Serial Capital Appreciation Bonds

| Maturity (August 1) | Initial Principal Amount | Accretion Rate | Reoffering Yield | Maturity Value | 10% Test Satisfied* | 10% Test Not Satisfied | Subject to Hold-The-Offering Price Rule |
|---|---|---|---|---|---|---|---|

**$[_________] Initial Principal Amount of Term Capital Appreciation Bonds due August 1, 20[__]**
**[_____]% Accretion Rate - $[_________] Maturity Value – Reoffering Yield [_____]%**

**[10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price Rule]**
**$[_________] Initial Principal Amount of Term Capital Appreciation Bonds due August 1, 20[__]**

**[_____]% Accretion Rate - $[_________] Maturity Value – Reoffering Yield [_____]%**
**[10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price Rule]**

---

* At the time of the execution of this Purchase Agreement and assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement.
[C] Yield to call at par and priced to call at par on August 1, 20[__].

## TERMS OF REDEMPTION

**EXHIBIT B**

**CERTIFICATE OF THE UNDERWRITER**

Raymond James & Associates, Inc. has acted as the Underwriter in connection with the sale and issuance by the Piner-Olivet Union School District (the "Issuer") of its $[__________] aggregate initial principal amount of Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021 (the "Bonds"), being issued on the date hereof, and the Underwriter, hereby certifies and represents the following:

**Issue Price.**

**[NOT USING HOLD THE PRICE]**

1. **[10% OF EACH MATURITY SOLD BY CLOSING]** As of the date hereof, the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price or yield set forth on Exhibit A to the Bond Purchase Agreement, dated [SALE DATE], 2021 (the "Purchase Agreement"), by and between the Underwriter and the Issuer.

OR

1. **[LESS THAN 10% OF CERTAIN MATURITIES SOLD BY CLOSING]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated [SALE DATE], 2021 (the "Purchase Agreement"), by and between the Underwriter and the Issuer, as Subject-to-Hold-the Offering-Price Rule (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement.]

2. With respect to the Undersold Maturities, the Underwriter agrees to notify the Issuer in writing of the first price or yield at which at least 10% of each such Undersold Maturity is ultimately sold by the Underwriter to the Public as soon as practicable after such applicable sales have occurred. If all of an Undersold Maturity is sold to the Public but not more than 10% of the Undersold Maturity is sold by the Underwriter to the Public at any particular price or yield, the Underwriter agrees to notify the Issuer in writing of the amount of the Undersold Maturity sold by the Underwriter to the Public at each of the respective prices or yields at which the Undersold Maturity is sold to the Public.

**[USING HOLD THE PRICE]**

1. As of [SALE DATE], 2021 (the "Sale Date"), all of the Bonds were the subject of a bona fide offering to the Public at the Initial Offering Price.

[2. **[USING HOLD THE PRICE FOR A PORTION OF THE ISSUE]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated [SALE DATE], 2021, by and between the Underwriter and the Issuer, as Subject-to-Hold-The-Offering-Price Rule (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the respective **[Initial Offering Price OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement]. Attached hereto as Schedule 1 is a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Underwriter in the Purchase Agreement between the Issuer and the Underwriter dated [SALE DATE], 2021, the Underwriter has not offered or sold any of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date.

2. **[USING HOLD THE PRICE FOR 100% OF THE ISSUE].** As agreed to in writing by the Underwriter in the Purchase Agreement between the Issuer and the Underwriter dated [SALE DATE], 2021, the Underwriter has not offered or sold any Bond to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication.]

**[ADD SECTION ON QUALIFIED GUARANTEE IF APPLICABLE]**

**Defined Terms.**

*"Initial Offering Price"* means the prices or yields set forth on the inside cover page of the Issuer's Official Statement in respect of such Bonds dated [SALE DATE], 2021.

*"Maturity"* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

*"Public"* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

*"Related Party"* means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

*"Underwriter"* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial

sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The Underwriter understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate to which this certificate is included as Exhibit A and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, in connection with its opinion as to the exclusion of interest on the Bonds from federal gross income, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. The Underwriter is certifying only as to facts in existence on the date hereof. Nothing herein represents the Underwriter's interpretation of any laws; in particular the Treasury Regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

The Underwriter agrees that this Certificate may be executed by electronic means, and further agrees and acknowledges that it is the Underwriter's intent (i) that, by the Underwriter signing this Certificate using an electronic signature, it is signing, adopting and accepting this Certificate, and (ii) that signing this Certificate using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Certificate on paper. The Underwriter acknowledges that it has been provided with an electronic or paper copy of this Certificate in a usable format.

## CONTINUING DISCLOSURE CERTIFICATE

**THIS CONTINUING DISCLOSURE CERTIFICATE** (this "Disclosure Certificate") is executed and delivered by the Piner-Olivet Union School District (the "District") in connection with the issuance of $__________ aggregate initial principal amount of Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021 (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on December 15, 2020 (the "Resolution"). The District covenants and agrees as follows:

**Section 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

**Section 2. 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, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 hereof.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" shall mean Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"Financial Obligation" shall mean, for the purposes of the Listed Events set out in Section 5(a)(x) and 5(b)(viii), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Holder" shall mean the person in whose name any Bond shall be registered.

"Listed Events" shall mean any of the events listed in Section 5(a) or (b) hereof.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" shall mean the Official Statement, dated __________, 2021 (including all exhibits or appendices thereto), relating to the offer and sale of Bonds.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) 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 3. Provision of Annual Reports.** (a) 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 due date shall be April 1 of each year, so long as the District's fiscal year ends on June 30), commencing with the report for [the 2019-20 Fiscal Year (which is due not later than April 1, 2021]), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 hereof. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 hereof; provided, however, 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. If the District's fiscal year changes, it shall give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than 15 business days prior to the date specified in subsection (a), the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall, in a timely manner, send or cause to be sent to the MSRB a notice in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) (if the Dissemination Agent is other than the District), provide any Annual Report received by it to the MSRB as provided herein; and

(ii) (if the Dissemination Agent is other than the District), file a report with the District certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

**Section 4. Content of Annual Reports.** The District's Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District's audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a) hereof, 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 provided to the MSRB in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) The adopted budget of the District for the then-current fiscal year.

(ii) Assessed value of taxable property in the District for the then-current fiscal year as shown on the most recent equalized assessment role.

(iii) If the County of Sonoma (the "County") no longer includes the tax levy for payment of the Bonds in its Teeter Plan, the property tax levies, collections, and delinquencies for the District for the most recently completed fiscal year.

(iv) Top twenty property owners in the District for the then-current fiscal year, as measured by secured assessed valuation, the amount of their respective taxable value, and their percentage of total secured assessed value, if provided by the County.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

**Section 5. <u>Reporting of Significant Events</u>.** (a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers or their failure to perform;

(v) adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vi) tender offers;

(vii) defeasances;

(viii) rating changes;

(ix) bankruptcy, insolvency, receivership or similar event of the District; or

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

For the purposes of the event identified in subparagraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(b) 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, in a timely manner not later than ten business days after the occurrence of the event:

(i) unless described in paragraph 5(a)(v), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(ii) modifications to rights of Bond Holders;

(iii) Bond calls;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) non-payment related defaults;

(vi) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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;

(vii) appointment of a successor or additional paying agent or the change of name of a paying agent; or

(viii) incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect Bond holders.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 3 hereof, as provided in Section 3(b) hereof.

(d) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the District determines would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection (b)(iii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

(e) The District intends to comply with the Listed Events described in subsection (a)(x) and subsection (b)(viii), and the definition of "Financial Obligation" in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885, dated August 20, 2018 (the "2018 Release"), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

**Section 6. Format for Filings with MSRB**. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

**Section 7. Termination of Reporting Obligation.** The District's obligations under this Disclosure Certificate shall terminate upon the legal 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 a filing with the MSRB.

**Section 8. 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 Dissemination Agent, with or without appointing a successor Dissemination Agent. 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. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

**Section 9. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Section 3(a) hereof, Section 4 hereof, or Section 5(a) or (b) hereof, 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 the District with respect to the Bonds, or the type of business conducted;

(b) the undertaking, as amended or taking into account such waiver, would, in the opinion of 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; and

(c) the proposed amendment or waiver either (i) is approved by the Holders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next 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 a filing with the MSRB, 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 required to be filed pursuant to this Disclosure Certificate, 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 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 or any other event required to be reported.

**Section 11. Default.** In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds 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; provided, that any such action may be instituted only in Superior Court of the State of California in and for the County or in U.S. District Court in or nearest to the County. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and 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 (if the Dissemination Agent is other than the District), 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) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

**Section 13. <u>Beneficiaries</u>.** This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 14. <u>Electronic Signature</u>.** Each of the parties hereto agrees that the transaction consisting of this Disclosure Certificate may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent (a) that, by signing of this Disclosure Certificate using an electronic signature, it is signing, adopting and accepting this Disclosure Certificate, and (b) that signing this Disclosure Certificate using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Disclosure Certificate on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Disclosure Certificate in a usable format.

Dated: ___________, 2021

**PINER-OLIVET UNION SCHOOL DISTRICT**

By: ________________________________

ACCEPTED AND AGREED TO:

**ISOM ADVISORS, A DIVISION OF URBAN FUTURES, INC.,**
as Dissemination Agent

By: __________________________
Authorized Signatory

**EXHIBIT A**

**NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE ANNUAL REPORT**

| | |
|---|---|
| Name of Issuer: | **PINER-OLIVET UNION SCHOOL DISTRICT** |
| Name of Issue: | Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021 |
| Date of Issuance: | __________, 2021 |

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Certificate of the District, dated __________, 2021. [The District anticipates that the Annual Report will be filed by _____________.]

Dated:_______________

**PINER-OLIVET UNION SCHOOL DISTRICT**

**NEW ISSUE—BOOK-ENTRY ONLY**

**Rating[s]: S&P [(Insured)]: "[___]"**
**Moody's [(Underlying)]: "[___]"**
**(See "MISCELLANEOUS — Rating[s]" herein.)**

*[In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2021 Bonds maturing on and after [August 1, 2022] (the "Tax-Exempt Bonds") is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Bond Counsel, interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Series 2021 Bonds is exempt from State of California personal income taxes. Bond Counsel further observes that interest on the Series 2021 Bonds maturing on [__________], 20[__] (the "Federally Taxable Bonds") is not excluded from gross income for federal income tax purposes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2021 Bonds. See "TAX MATTERS" herein.]*

**$[__________]***

# PINER-OLIVET UNION SCHOOL DISTRICT
## (Sonoma County, California)
## General Obligation Bonds, Election of 2010, Series 2021

**Dated: Date of Delivery** **Due: As shown herein**

*This cover page is not a summary of this issue; it is only a reference to the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.*

The Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021 (the "Series 2021 Bonds") are issued by the Piner-Olivet Union School District (the "District"), located in the County of Sonoma (the "County"), to (i) finance specific projects approved by the voters of the District and (ii) pay costs of issuance of the Series 2021 Bonds, as further described herein. The Series 2021 Bonds were authorized at an election of the voters of the District held on November 2, 2010, at which at least 55% of the voters voting on the proposition authorized the issuance and sale of $20,000,000 aggregate principal amount of bonds of the District. The Series 2021 Bonds are being issued under the laws of the State of California (the "State") and pursuant to a resolution of the Board of Trustees of the District, adopted on December 15, 2020.

The Series 2021 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal or accreted value of and interest on the Series 2021 Bonds, all as more fully described herein. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS" herein.

The Series 2021 Bonds will be issued as current interest bonds (the "Current Interest Bonds") and/or capital appreciation bonds (the "Capital Appreciation Bonds"), all as set forth on the inside front cover hereof. Interest on the Tax-Exempt Bonds issued as Current Interest Bonds is payable on each February 1 and August 1 to maturity or earlier redemption thereof, commencing August 1, 2021. Interest on the Federally Taxable Bonds issued as Current Interest Bonds is payable at maturity. Principal of the Tax-Exempt Bonds issued as Current Interest Bonds is payable on August 1 in each of the years and in the amounts set forth on the inside front cover hereof. Principal of the Federally Taxable Bonds issued as Current Interest Bonds is payable on [________], 20[__] in the amount set forth on the inside front cover hereof.

The Tax Exempt Bonds issued as Capital Appreciation Bonds will not pay interest on a current, periodic basis but will accrete in value to their maturity value payable at maturity or earlier redemption thereof on August 1 in each of the years and in the amounts set forth on the inside front cover hereof. Interest on the Tax-Exempt Bonds issued as Capital Appreciation Bonds will be compounded on each February 1 and August 1 to maturity or earlier redemption thereof, commencing August 1, 2021.

The Series 2021 Bonds will be issued in denominations of $5,000 principal amount or maturity value, as applicable, or any integral multiple thereof as shown on the inside front cover hereof.

[The scheduled payment of principal of (or, in the case of the Capital Appreciation Bonds, the accreted value) and interest on the Tax-Exempt Bonds (the "Insured Bonds"), as indicated on the inside cover page, and only those maturities, when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Insured Bonds by [__________].]

[Insurer logo]

The Series 2021 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 for the

* *Preliminary; subject to change.*

Series 2021 Bonds. Individual purchases of the Series 2021 Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Series 2021 Bonds purchased by them. See "THE SERIES 2021 BONDS – Form and Registration" herein. Payments of the principal or accreted value of and interest on the Series 2021 Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as paying agent, registrar and transfer agent with respect to the Series 2021 Bonds, to DTC for subsequent disbursement to DTC participants, who will remit such payments to the beneficial owners of the Series 2021 Bonds. See "THE SERIES 2021 BONDS – Payment of Principal and Interest" herein.

**The Series 2021 Bonds are subject to redemption prior to maturity as described herein.* See "THE SERIES 2021 BONDS — Redemption" herein.**

*The Series 2021 Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Irvine, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Irvine, California, as Disclosure Counsel to the District; and for the Underwriter by Kutak Rock LLP, Irvine, California, as counsel to the Underwriter. It is anticipated that the Series 2021 Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about [___________], 2021.*

[Raymond James logo]

Dated __________, 2021



4160-6382-1865.3

**MATURITY SCHEDULE***
**BASE CUSIP†: 723291**

**$[__________]***
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Bonds, Election of 2010, Series 2021**

**$__________ Current Interest Bonds**

$__________ Serial Current Interest Bonds

| Maturity | Principal Amount | Interest Rate | Yield | CUSIP Number† |
|---|---|---|---|---|
| ***Federally Taxable Bonds*** | | | | |
| | $ | % | % | |
| ***Tax-Exempt Bonds*** | | | | |
| | $ | % | % | |

$__________ _____% Term Tax-Exempt Current Interest Bonds due August 1, 20__ – Yield _____% - CUSIP Number† ___

**$__________ Capital Appreciation Bonds**

$__________ Serial Capital Appreciation Bonds

| Maturity (August 1) | Initial Principal Amount | Accretion Rate | Reoffering Yield | Maturity Value | CUSIP Number† |
|---|---|---|---|---|---|
| ***Tax-Exempt Bonds*** | | | | | |
| | $ | % | % | | |

$_________ Initial Principal Amount of Term Tax-Exempt Capital Appreciation Bonds due August 1, 20__ _____% Accretion Rate - $__________ Maturity Value - Reoffering Yield _____% CUSIP Number† – ___

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2020 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

* *Preliminary; subject to change.*

## PINER-OLIVET UNION SCHOOL DISTRICT
## (Sonoma County, California)

### BOARD OF TRUSTEES

***[To be updated with new officers after December 15th organizational Board meeting]***

Cindy Pryor, [*President]*
Mardi Hinton, [*Vice President]*
Mindy Mohr, *[Clerk]*
Janae Franicevic, [*Member]*
Tony Roehrick, *[Member]*

### DISTRICT ADMINISTRATORS

Dr. Steve Charbonneau, *Superintendent*
Felicia Koha, *Chief Business Officer*

### PROFESSIONAL SERVICES

**Municipal Advisor**

Isom Advisors, a Division of Urban Futures, Inc.
*Walnut Creek, California*

**Bond Counsel and Disclosure Counsel**

Orrick, Herrington & Sutcliffe LLP
*Irvine, California*

**Paying Agent, Registrar and Transfer Agent**

The Bank of New York Mellon Trust Company, N.A.
*Dallas, Texas*

4160-6382-1865.3

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2021 Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Series 2021 Bonds are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)2 thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Series 2021 Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, 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 Series 2021 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

[Insurance disclosure to come.]

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget," "intend" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

The District maintains a website. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2021 Bonds.

In connection with this offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market prices of the Series 2021 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Series 2021 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

**TABLE OF CONTENTS**

**Page**

**TABLE OF CONTENTS**
(continued)

**Page**

**$[__________][*]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Bonds, Election of 2010, Series 2021**

## INTRODUCTION

*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, 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 Series 2021 Bonds to potential investors is made only by means of the entire Official Statement.*

### General

This Official Statement, which includes the cover page, inside cover page and appendices hereto, is provided to furnish information in connection with the sale of $[__________][*] aggregate initial principal amount of Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2021 (the "Series 2021 Bonds"), consisting of current interest bonds (the "Current Interest Bonds") and capital appreciation bonds (the "Capital Appreciation Bonds"), all as indicated on the inside front cover hereof, to be offered by the Piner-Olivet Union School District (the "District").

This Official Statement speaks only as of its date, and the information contained herein is subject to change. The District has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificate to be executed by the District. See "OTHER LEGAL MATTERS – Continuing Disclosure" and APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

The purpose of this Official Statement is to supply information to prospective buyers of the Series 2021 Bonds. Quotations from and summaries and explanations of the Series 2021 Bonds, the resolution of the Board of Trustees of the District providing for the issuance of the Series 2021 Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Series 2021 Bonds.

Copies of documents referred to herein and information concerning the Series 2021 Bonds are available from the District by contacting: Piner-Olivet Union School District, 3450 Coffey Lane, Santa Rosa, California 95403, Attention: Superintendent. The District may impose a charge for copying, handling and mailing such requested documents.

### The District

The District has a historical background that goes back more than 100 years. The District encompasses an area of approximately 24 square miles, located in the County of Sonoma (the "County"),

---
[*] *Preliminary; subject to change.*

specifically in northwest Santa Rosa, California. The community of Santa Rosa is approximately 60 miles north of San Francisco and 20 miles east of the Sonoma coastline. Until relatively recently, the region of the District was considered rural; however, today with the population growth of Santa Rosa, housing developments and light industrial complexes have arisen in the area. The District is still largely rural, but several suburban developments occupy the east section of the District.

The District provides educational services to children in kindergarten through sixth grade at its Jack London Elementary School. The District also operates four charter schools: Morrice Schaefer Charter School (grades K-6), Northwest Prep Charter School (grades 7-12), Olivet Elementary Charter School (grades TK-6) and Piner-Olivet Charter School (grades 7-8). The total student enrollment at the District, including charter school students, was approximately [1,281] students in fiscal year 2019-20 and is projected to be [___] students in fiscal year 2020-21. For additional information about the District, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET" and APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

For specific information on the impact of the Coronavirus Disease 2019 ("COVID-19") pandemic (i) on the security and source of payment for the Series 2021 Bonds, see "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS – Assessed Valuation of Property Within the District" and " – Tax Charges and Delinquencies," (ii) on the District's operations and finances, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Infectious Disease Outbreak*," and (iii) on the fiscal year 2020-21 State budget, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *2020-21 State Budget.*"

## THE SERIES 2021 BONDS

### Authority for Issuance; Purpose

***Authority for Issuance.*** The Series 2021 Bonds are issued under the provisions of California Government Code Section 53506 *et seq.*, including Section 53508.7 thereof, and California Education Code Section 15140 and Article XIIIA of the California Constitution and pursuant to a resolution adopted by the Board of Trustees of the District on December 15, 2020 (the "Resolution").

***Purpose.*** At an election held on November 2, 2010, the District received authorization under Measure L to issue general obligation bonds of the District in an aggregate principal amount not to exceed $20,000,000 to provide funds to acquire, construct and improve classrooms and facilities, expand student access to computers and technology, and provide renewable energy and related improvements to better maintain schools and reduce annual operating costs (collectively, the "2010 Authorization"). Measure L received the required approval of at least 55% of the votes cast by eligible voters within the District. The Series 2021 Bonds represent the second series of bonds to be issued under the 2010 Authorization and will be issued to (i) finance specific projects approved by the voters of the District and (ii) pay costs of delivery with respect to the Series 2021 Bonds. See "*–Application and Investment of Series 2021 Bond Proceeds.*"

Prior to the issuance of the Series 2021 Bonds, there remains $11,966,775.40 aggregate principal amount authorized but unissued under the 2010 Authorization.

**[Bond Insurance Policy For Insured Bonds**

Concurrently with the issuance of the Series 2021 Bonds, [_________] ("[___]") will issue its Municipal Bond Insurance Policy (the "Policy") for the Tax-Exempt Bonds (defined below) (the "Insured Bonds"). The Policy guarantees the scheduled payment of principal of (or, in the case of the Capital Appreciation Bonds, the accreted value) and interest on the Insured Bonds when due as set forth in the form of the Policy included as Appendix H to this Official Statement. See "BOND INSURANCE FOR INSURED BONDS" and APPENDIX H – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."]

**Form and Registration**

The Series 2021 Bonds will be issued in fully registered form only, without coupons, in denominations of $5,000 principal amount or maturity value, as applicable, or integral multiples thereof. The Series 2021 Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Series 2021 Bonds. Purchases of the Series 2021 Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in Series 2021 Bonds will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Series 2021 Bonds, beneficial owners of the Series 2021 Bonds ("Beneficial Owners") will not receive physical certificates representing their ownership interests. See APPENDIX F − "BOOK-ENTRY ONLY SYSTEM."

**Payment of Principal and Interest**

The Series 2021 Bonds will be issued as Current Interest Bonds and Capital Appreciation Bonds, all as set forth on the inside front cover page hereof. The Series 2021 Bonds maturing on and after [August 1, 2022] are issued as "Tax-Exempt Bonds." The Series 2021 Bonds maturing on [_______], 20[__] are issued as "Federally Taxable Bonds."

***Interest; Current Interest Bonds.*** The Series 2021 Bonds issued as Current Interest Bonds will be dated as of their date of delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement. Interest on the Tax-Exempt Bonds issued as Current Interest Bonds is payable on February 1 and August 1 of each year (each, a "Tax-Exempt Interest Date"), commencing on August 1, 2021. Interest on the Federally Taxable Bonds issued as Current Interest Bonds is payable at maturity (the "Taxable Interest Date" and together with the Tax-Exempt Interest Payment Dates, the "Interest Dates"). Interest on the Series 2021 Bonds is computed on the basis of a 360-day year consisting of twelve 30-day months. Each Current Interest Bond will bear interest from the Interest Date next preceding the date of authentication thereof, unless it after the close of business on the 15th day of the calendar month immediately preceding an Interest Date (the "Record Date") and on or prior to the succeeding Interest Date for such Current Interest Bond, in which event it will bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date for such Current Interest Bond, in which event it will bear interest from its dated date; provided, however, that if, at the time of authentication of any Current Interest Bond, interest is in default on any outstanding Current Interest Bonds, such Current Interest Bond will bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Bonds.

***Interest; Capital Appreciation Bonds.*** The Series 2021 Bonds issued as Capital Appreciation Bonds will be dated as of their date of delivery. The Tax-Exempt Bonds issued as Capital Appreciation Bonds will not bear interest on a current, periodic basis; instead, each Capital Appreciation Bond will accrete in value daily over the term to its maturity or earlier redemption thereof (on the basis of a 360-day year consisting of twelve 30-day months), from its initial principal amount on the date of issuance thereof to its stated maturity value at maturity thereof ("Maturity Value"), as stated on the inside front cover page of this Official Statement, or to its accreted value if subject to redemption prior to maturity, on the basis of a constant interest rate compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates), commencing on August 1, 2021.

***Accreted Values.*** The rate of interest at which a Capital Appreciation Bond's Maturity Value is discounted to its initial principal amount is known as the "Accretion Rate," and is stated on the inside front cover hereof. For any Capital Appreciation Bond, the value of the initial principal plus accrued interest on any given Interest Date prior to maturity (the "accreted value") may be calculated by discounting the Maturity Value of the Capital Appreciation Bond from its maturity date to that Interest Date at a discount rate equal to the Accretion Rate, assuming a year of 360 days comprising twelve 30-day months. The imputed value on any other date may be calculated on the basis of a straight-line interpolation between the values calculated for the Interest Dates immediately preceding and following the date in question.

The Underwriter has prepared the Table of Accreted Values shown in Appendix G with respect to the Capital Appreciation Bonds, in order to provide the value per $5,000 of Maturity Value for each Capital Appreciation Bond on each Interest Date prior to maturity.

***Payment of Series 2021 Bonds.*** The principal or accreted value of and interest on the Series 2021 Bonds is payable in lawful money of the United States of America upon the surrender thereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Paying Agent") at the maturity thereof or upon redemption prior to maturity.

Interest on the Current Interest Bonds is payable in lawful money of the United States of America by check mailed on each Interest Date (if a business day, or on the next business day if the Interest Date does not fall on a business day) to the registered owner thereof (the "Owner") at such Owner's address as it appears on the bond registration books kept by the Paying Agent or at such address as the Owner may have filed with the Paying Agent for that purpose, except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Current Interest Bonds who shall have requested in writing such method of payment of interest prior to the close of business on a Record Date. So long as the Series 2021 Bonds are held by Cede & Co., as nominee of DTC, payment shall be made by wire transfer. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

**Redemption***

***Optional Redemption.*** The Series 2021 Bonds issued as Current Interest Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The Series 2021 Bonds issued as Current Interest Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the principal amount of the Current Interest Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The Series 2021 Bonds issued as Capital Appreciation Bonds maturing on or before August 1, 20__, are not subject to redemption prior to their respective stated maturity dates. The Series 2021 Bonds issued as Capital Appreciation Bonds maturing on and after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the initial principal

---

* *Preliminary; subject to change.*

amount of the Capital Appreciation Bonds called for redemption plus accreted interest thereon to the date of redemption, without premium.

***Mandatory Sinking Fund Redemption.*** The $__________ term Series 2021 Bonds issued as Current Interest Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

| Mandatory Sinking Fund Redemption Date (August 1) | Principal Amount to be Redeemed |
|---|---|
| | $ |
| † | |

† Maturity.

The principal amount of the $__________ term Series 2021 Bonds maturing on August 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000, by any portion of such term Series 2021 Bonds issued as Current Interest Bonds maturing on August 1, 20__ optionally redeemed prior to the mandatory sinking fund redemption date.

The $_________ term Series 2021 Bonds issued as Capital Appreciation Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective accreted value amounts as set forth in the following schedule, at a redemption price equal to 100% of the accreted value to be redeemed, without premium:

| Mandatory Sinking Fund Redemption Date (August 1) | Initial Principal Amount to be Redeemed | Accreted Value Amounts to be Redeemed |
|---|---|---|
| | $ | $ |
| † | | |

† Maturity.

The accreted value amounts of the $__________ term Series 2021 Bonds maturing on August 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000 of Maturity Value, by any portion of such term Series 2021 Bonds issued as Capital Appreciation Bonds maturing on August 1, 20__ optionally redeemed prior to the mandatory sinking fund redemption date.

***Selection of Series 2021 Bonds for Redemption.*** If less than all of the Series 2021 Bonds are called for redemption, the Series 2021 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District. Whenever less than all of the outstanding Series 2021 Bonds of any one maturity are designated for redemption, the Paying Agent shall select the outstanding Series 2021 Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Series 2021 Bond shall be deemed to consist of individual Series 2021 Bonds of denominations of $5,000 principal amount or maturity value, as applicable, each, which may be separately redeemed.

***Notice of Redemption.*** Notice of redemption of any Series 2021 Bond will be given by the Paying Agent not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the bond registration books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate with respect to the Series 2021 Bonds. See APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Each notice of redemption will contain the following information: (i) the date of such notice; (ii) the name of the Series 2021 Bonds and the date of issue of the Series 2021 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Series 2021 Bonds to be redeemed; (vi) if less than all of the Series 2021 Bonds of any maturity are to be redeemed the distinctive numbers of the Series 2021 Bonds of each maturity to be redeemed; (vii) in the case of Series 2021 Bonds redeemed in part only, the respective portions of the principal amount of the Series 2021 Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2021 Bonds to be redeemed; (ix) a statement that such Series 2021 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2021 Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. The actual receipt by the Owner of any Series 2021 Bond or by any securities depository or information service of notice of redemption shall not be a condition precedent to redemption, and failure to receive such notice, or any defect in the notice given, shall not affect the validity of the proceedings for the redemption of such Series 2021 Bonds or the cessation of interest on the date fixed for redemption.

***Effect of Notice of Redemption.*** When notice of redemption has been given substantially as described above and when the redemption price of the Series 2021 Bonds called for redemption is set aside, the Series 2021 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue or accrete thereon as of the redemption date, and upon presentation and surrender of such Series 2021 Bonds at the place specified in the notice of redemption, such Series 2021 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2021 Bonds so called for redemption after such redemption date shall look for the payment of such Series 2021 Bonds and the redemption premium thereon, if any, only to moneys on deposit for the purpose in the interest and sinking fund of the District within the County treasury (the "Interest and Sinking Fund") or the trust fund established for such purpose. All Series 2021 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

***Right to Rescind Notice.*** The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Series 2021 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the Interest and Sinking Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal or accreted value of, interest, and any premium due on the Series 2021 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Series 2021 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

***Funds for Redemption.*** Prior to or on the redemption date of any Series 2021 Bonds there is to be available in the Interest and Sinking Fund, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as provided in the Resolution, provided, the Series 2021 Bonds designated in the notice of redemption. Such monies are to be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series 2021 Bonds to be redeemed upon presentation and surrender of such Series 2021 Bonds, provided that all monies in the Interest and Sinking Fund are to be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date is to be paid from the Interest and Sinking Fund, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series 2021 Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the Interest and Sinking Fund or otherwise held in trust for the payment of redemption price of the Series 2021 Bonds, the monies are to be held in or returned or transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies are to be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies are to be transferred to the general fund of the District as provided and permitted by law.

**Defeasance of Series 2021 Bonds**

The District may pay and discharge any or all of the Series 2021 Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest-bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available moneys then on deposit in the Interest and Sinking Fund, be fully sufficient to pay and discharge the indebtedness on such Series 2021 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

**Unclaimed Moneys**

Any money held in any fund created pursuant to the Resolution or by the Paying Agent or an escrow agent in trust, for the payment of the principal or accreted value of, redemption premium, if any, or interest on the Series 2021 Bonds and remaining unclaimed for two years after the principal or accreted value of such Series 2021 Bonds has become due and payable (whether by maturity or upon prior redemption) is required to be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from such fund; or, if no such bonds of the District are at such time outstanding, the moneys are required to be transferred to the general fund of the District as provided and permitted by law.

**Application and Investment of Series 2021 Bond Proceeds**

The proceeds of the Series 2021 Bonds are expected to be applied as follows:

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Bonds, Election of 2010, Series 2021**

**Estimated Sources and Uses of Funds**

| | |
|---|---|
| Sources of Funds: | |
| Aggregate Initial Principal Amount of Series 2021 Bonds | $ |
| [Plus/Less] [Net] Original Issue [Premium/Discount] | |
| Total Sources of Funds | $ |
| Uses of Funds: | |
| Deposit to Building Fund | $ |
| Deposit to Interest and Sinking Fund(1) | |
| Costs of Issuance(2) | |
| Total Uses of Funds | $ |

(1) Consists of premium received by the District.
(2) Includes legal fees, municipal advisor fees, Underwriter's discount, rating agency fee, [bond insurance premium,] printing fees, and other miscellaneous expenses.

Under California law, all money received by or apportioned to a school district must generally be paid into and held in the County treasury. The proceeds from the sale of the Series 2021 Bonds less amounts necessary to pay costs of issuance will be deposited in the County treasury to the credit of the building fund of the District (the "Building Fund") and shall be accounted for together with the proceeds of other bonds of the District separately from all other District and County funds. Such proceeds shall be applied solely for the purposes for which the Series 2021 Bonds were authorized. Any premium or accrued interest on the Series 2021 Bonds received by the District will be deposited in the Interest and Sinking Fund in the County treasury. Interest and earnings on each fund will accrue to that fund. All funds held by the County Treasurer-Tax Collector (the "County Treasurer") in the Building Fund and the Interest and Sinking Fund are expected to be invested at the sole discretion of the County Treasurer on behalf of the District in such investments as are authorized by Section 53601 and following of the California Government Code and the investment policy of the County, as either may be amended or supplemented from time to time. See APPENDIX E – "SONOMA COUNTY STATEMENT OF INVESTMENT POLICY AND QUARTERLY INVESTMENT REPORT" for a description of the permitted investments under the investment policy of the County. In addition, to the extent permitted by law and the investment policy of the County, the District may request in writing that all or any portion of the funds held in the Building Fund of the District may be invested in investment agreements, including guaranteed investment contracts, float contracts or other investment products which comply with the requirements of each rating agency then rating the Series 2021 Bonds. The County Treasurer does not monitor such investments for arbitrage compliance and does not perform any arbitrage calculations with respect to such investments.

**Debt Service**

Debt service on the Series 2021 Bonds, assuming no early optional redemptions, is as set forth in the following table.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Bonds, Election of 2010, Series 2021**

| | **Current Interest Bonds** | | **Capital Appreciation Bonds** | | |
|---|---|---|---|---|---|
| Period Ending August 1,[(1)] | Principal | Interest | Principal | Interest Paid at Maturity | Total Debt Service |
| 2021 | $ | $ | $ | $ | $ |
| 2022 | | | | | |
| 2023 | | | | | |
| 2024 | | | | | |
| 2025 | | | | | |
| 2026 | | | | | |
| 2027 | | | | | |
| 2028 | | | | | |
| 2029 | | | | | |
| 2030 | | | | | |
| 2031 | | | | | |
| 2032 | | | | | |
| 2033 | | | | | |
| 2034 | | | | | |
| 2035 | | | | | |
| 2036 | | | | | |
| 2037 | | | | | |
| 2038 | | | | | |
| 2039 | | | | | |
| 2040 | | | | | |
| 2041 | | | | | |
| 2042 | | | | | |
| 2043 | | | | | |
| 2044 | | | | | |
| 2045 | | | | | |
| Total: | $ | $ | $ | $ | $ |

[(1) The Federally Taxable Bonds mature on [_______], 20[__]. The Tax-Exempt Bonds have principal maturing on August 1 in each of the years and in the amounts set forth on the inside front cover hereof.]

Source: Raymond James & Associates, Inc.

**Outstanding Bonds**

In addition to the Series 2021 Bonds, the District has two series of general obligation bonds outstanding (not including the expected issuance of the Refunding Bonds, defined and described further below), which are secured by *ad valorem* taxes upon all property subject to taxation by the District on a parity with the Series 2021 Bonds.

***1995 Authorization.*** At an election held on June 6, 1995, the District received authorization by over two-thirds of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed $10,000,000 to acquire and construct classrooms (including land as needed) to reduce student overcrowding, to upgrade existing classrooms and sites and all schools, including to accommodate computer technology and to provide for sewers and drainage projects as authorized by law (the "1995 Authorization"). On September 26, 1995, the District issued $5,615,763.50 aggregate initial principal amount of its General Obligation Bonds, Election of 1995, Series 1995 (the "Series 1995 Bonds") as its first series of bonds to be issued under the 1995 Authorization. On July 2, 1997, the District issued $4,382,646.50 aggregate initial principal amount of its General Obligation Bonds, Election of 1995, Series 1997 (the "Series 1997 Bonds"), as its second and final series of bonds to be issued under the 1995 Authorization. On October 17, 2003, the District issued its 2003 General Obligation Refunding Bonds in the aggregate principal amount of $4,370,000 (the "Series 2003 Refunding Bonds") to refund the Series 1995 Bonds maturing in the years 2004 through 2015, inclusive.

***2010 Authorization.*** On February 24, 2011, the District issued its General Obligation Bonds, Election of 2010, Series 2011 (the "Series 2011 Bonds") in the aggregate initial principal amount of $8,033,224.60, as its first series of bonds to be issued under the 2010 Authorization. Prior to the issuance of the Series 2021 Bonds, there remains $11,966,775.40 aggregate initial principal amount authorized but unissued under the 2010 Authorization.

***Expected Issuance of Refunding Bonds.*** The District expects to issue approximately $[_____] aggregate principal amount of its General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)] (the "Refunding Bonds") on or about [______], 2021 to refund a portion of the Series 2011 Bonds [on a forward delivery basis].

[Remainder of page intentionally left blank.]

**Aggregate Debt Service**

The following table sets forth the annual aggregate debt service requirements of all outstanding bonds of the District, assuming no early optional redemptions.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Bonds – Aggregate Debt Service**

| | **1995 Authorization** | **2010 Authorization** | | |
|---|---|---|---|---|
| Period Ending (August 1,) | Series 1997 Bonds | Series 2011 Bonds | Series 2021 Bonds[(1)] | Aggregate Total Debt Service |
| 2021 | $2,210,000.00 | $596,975.00 | $ | $ |
| 2022 | 2,415,000.00 | 626,225.00 | | |
| 2023 | - | 649,750.00 | | |
| 2024 | - | 675,975.00 | | |
| 2025 | - | 709,475.00 | | |
| 2026 | - | 745,475.00 | | |
| 2027 | - | 771,550.00 | | |
| 2028 | - | 809,875.00 | | |
| 2029 | - | 844,625.00 | | |
| 2030 | - | 880,800.00 | | |
| 2031 | - | 923,125.00 | | |
| 2032 | - | 963,125.00 | | |
| 2033 | - | 1,008,125.00 | | |
| 2034 | - | 1,048,125.00 | | |
| 2035 | - | 1,093,125.00 | | |
| 2036 | - | 1,136,912.50 | | |
| 2037 | - | 839,987.50 | | |
| 2038 | - | 861,862.50 | | |
| 2039 | - | - | | |
| 2040 | - | - | | |
| 2041 | - | - | | |
| 2042 | - | - | | |
| 2043 | - | - | | |
| 2044 | - | - | | |
| 2045 | - | - | | |
| Total | $4,625,000.00 | $15,185,112.50 | $ | $ |

[(1) The Federally Taxable Bonds mature on [________], 20[__]. The Tax-Exempt Bonds have principal maturing on August 1 in each of the years and in the amounts set forth on the inside front cover hereof.]
Source: Raymond James & Associates, Inc.

## SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS

### General

In order to provide sufficient funds for repayment of principal and interest when due on the Series 2021 Bonds, the Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District. When collected, the tax revenues will be deposited by the County in the Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

The Series 2021 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law, and are not a debt or obligation of the County. No fund of the County is pledged or obligated to repayment of the Series 2021 Bonds.

### Statutory Lien on Taxes (Senate Bill 222)

Pursuant to Section 53515 of the California Government Code (which became effective on January 1, 2016), all general obligation bonds issued by local agencies, including refunding bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. Section 53515 provides that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Section 53515 further provides that the revenues received pursuant to the levy and collection of the tax will be immediately subject to the lien, and the lien will immediately attach to the revenues and be effective, binding and enforceable against the local agency, its successor, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Series 2021 Bonds, but also any other bonds of the District payable, as to both principal and interest, from the proceeds of ad valorem property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

### Pledge of Tax Revenues

The District has pledged all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of all bonds, including the Series 2021 Bonds (collectively, the "Bonds"), of the District heretofore or hereafter issued pursuant to voter approved measures of the District and amounts on deposit in the Interest and Sinking Fund to the payment of the principal or redemption price of and interest on the Bonds. The Resolution provides that the property taxes and amounts held in the Interest and Sinking Fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The Resolution provides that this pledge constitutes an agreement between the District and the owners of the Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure.

**Property Taxation System**

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts receive property taxes for payment of voter-approved bonds as well as for general operating purposes.

Local property taxation is the responsibility of various county officers. School districts whose boundaries extend into more than one county are treated for property tax purposes as separate jurisdictions in each county in which they are located. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes. Both the county auditor-controller and the county treasurer-tax collector have accounting responsibilities related to the collecting of the property taxes. Once collected, the county auditor-controller apportions and distributes the taxes to the various taxing entities and related funds and accounts. The county treasurer-tax collector, the superintendent of schools of which has jurisdiction over the school district holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on the bonds when due, as *ex officio* treasurer of the school district.

**Assessed Valuation of Property Within the District**

***General.*** Taxable property located in the District has a fiscal year 2020-21 assessed value of $2,557,138,620. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See "*–Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

Under the State Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect: generally reducing the assessed value in the District, as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

Locally taxed 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 property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as "utility" property.

The following table sets forth the assessed valuation of the various classes of property in the District's boundaries from fiscal years 2007-08 through 2020-21, each as of the date the equalized assessment roll is established in August of each year.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Assessed Valuations**
**Fiscal Years 2007-08 through 2020-21**

| Fiscal Year | Local Secured | Utility | Unsecured | Total |
|---|---|---|---|---|
| 2007-08 | $1,757,929,779 | $0 | $32,830,667 | $1,792,760,446 |
| 2008-09 | 1,794,706,834 | 0 | 38,004,839 | 1,832,711,673 |
| 2009-10 | 1,774,821,329 | 0 | 40,430,961 | 1,815,252,290 |
| 2010-11 | 1,700,956,812 | 0 | 43,674,736 | 1,744,631,548 |
| 2011-12 | 1,666,480,035 | 0 | 42,987,640 | 1,709,467,675 |
| 2012-13 | 1,646,951,939 | 0 | 42,280,557 | 1,689,232,496 |
| 2013-14 | 1,752,452,248 | 0 | 45,048,048 | 1,797,500,296 |
| 2014-15 | 1,829,056,132 | 0 | 43,070,922 | 1,872,127,054 |
| 2015-16 | 1,990,882,247 | 0 | 40,378,145 | 2,031,260,392 |
| 2016-17 | 2,112,673,956 | 0 | 39,673,680 | 2,152,347,636 |
| 2017-18 | 2,239,049,722 | 0 | 47,310,609 | 2,286,360,331 |
| 2018-19 | 2,161,615,673 | 0 | 48,401,059 | 2,210,016,732 |
| 2019-20 | 2,367,969,181 | 0 | 49,952,825 | 2,417,922,006 |
| 2020-21 | 2,505,034,955 | 0 | 52,103,665 | 2,557,138,620 |

Source: California Municipal Statistics, Inc.

Currently, a single taxpayer owns real property that comprises approximately 2.72% of the fiscal year 2020-21 assessed value of local secured property within the District. See *"– Largest Fiscal Year 2020-21 Local Secured Taxpayers"* below.

***Risk of Decline in Property Values.*** Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control, such as a general market decline in property values, including potential market declines caused by the effects of a reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, drought, flood, landslide, liquefaction, levee failure, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also *"–Appeals of Assessed Valuation; Blanket Reductions of Assessed Values"* below.

***Risk of Changing Economic Conditions.*** Property values could be reduced by factors beyond the District's control, including a depressed real estate market due to general economic conditions in the County, the region, and the State. With the outbreak of COVID-19, the world is currently experiencing a global pandemic. The pandemic may result in an economic recession or depression that causes a general market decline in property values therefore affecting the assessed value of the property in the District. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Infectious Disease Outbreak*."

***Risk of Earthquake.*** Property values could be reduced by the complete or partial destruction of taxable property as a result of an earthquake. The District is located in a seismically active region. The notable earthquake faults include the San Andreas fault, the Rodgers Creek fault and the Hayward fault.

***Risk of Drought.*** In recent years California has experienced severe drought conditions. In January 2014, the Governor declared a state-wide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California State Water Resources Control Board (the "State Water Board") subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures. It is not possible for the District to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the boundaries of the District or the extent to which the drought has had or may have in the future on the value of taxable property within the District.

***Risk of Wildfire.*** Property damage due to wildfire could result in a significant decrease in the assessed value of property in the District. In recent years, portions of California, including the County and adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Notable incidents that have impacted the County and adjacent counties in recent years include the Central LNU Complex Fire, Mendocino Complex Fire, Kincade Fire, LNU Lightening Complex Fire, August Complex Fire and Glass Fire. In October 2017, the Central LNU Complex Fire burned approximately 110,720 acres of land in the County and adjacent Napa County and damaged 491 structures, destroyed 6,997 structures and caused 25 fatalities according to the California Department of Forestry and Fire Protection ("Cal Fire"). In July 2018, the Mendocino Complex Fire burned approximately 459,123 acres of land in the adjacent counties of Colusa, Glenn, Lake and Mendocino and destroyed 299 structures, caused 3 injuries and caused 1 fatality according to Cal Fire. As of November 2020, the Mendocino Complex Fire is the second largest wildfire in the recorded history of California according to Cal Fire. In October 2019, the Kincade Fire burned approximately 77,758 acres of land in the County and damaged 60 structures, destroyed 374 structures and caused 4 injuries according to Cal Fire. In August 2020, the LNU Lightening Complex Fire burned approximately 363,220 acres of land in the County and the adjacent counties of Lake, Napa, Solano and Yolo and damaged 232 structures, destroyed 1,491 structures, caused 5 injuries and caused 4 fatalities according to Cal Fire. As of November 2020, the LNU Lightening Complex Fire is the fifth largest wildfire in the recorded history of California according to Cal Fire. In August 2020, the August Complex Fire burned approximately 1,032,648 acres of land in the adjacent counties of Colusa, Glenn, Humboldt, Lake, Mendocino, Tehama and Trinity and damaged 6 structures, destroyed 935 structures, caused 2 injuries and caused 31 fatalities according to the United States Forest Service. As of November 2020, the August Complex Fire is the largest wildfire in the recorded history of California according to Cal Fire. In September 2020, the Glass Fire burned approximately 67,484 acres of land in the County and adjacent Napa County and damaged 282 structures and destroyed 1,555 structures according to Cal Fire. [Within the boundaries of the District, no property was damaged or destroyed by the Central LNU Complex Fire, Mendocino Complex Fire, Kincade Fire, LNU Lightening Complex Fire, August Complex Fire and Glass Fire or other recent wildfires. Further, no District facilities were damaged or destroyed by the Central LNU Complex Fire, Mendocino Complex Fire, Kincade Fire, LNU Lightening Complex Fire, August Complex Fire and Glass Fire or other recent wildfires.] ***[District to confirm.]*** It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact the value of taxable property within the District.

***Appeals of Assessed Valuation; Blanket Reductions of Assessed Values.*** There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs. Any base year appeal must be made within four years of the change of ownership or new construction date.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (such pre-reduction level escalated by the annual inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIIIA of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIIIA of the State Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues" for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

***Bonding Capacity.*** As an elementary school district, the District may issue bonds in an amount up to 1.25% of the assessed valuation of taxable property within its boundaries. The District's fiscal year 2020-21 gross bonding capacity (also commonly referred to as the "bonding limit" or "debt limit") is approximately $31.96 million and its net bonding capacity is approximately $23.48 million (taking into account current outstanding debt before the issuance of the Series 2021 Bonds and the Refunding Bonds and not accounting for the refunding of the Refunded Bonds). Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

***Assessed Valuation by Jurisdiction.*** The following table describes the percentage and value of the total assessed valuation of the property within the District's by jurisdiction in the City of Santa Rosa and unincorporated portions of the County for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Fiscal Year 2020-21 Assessed Valuation by Jurisdiction**

| Jurisdiction | Assessed Valuation in District | % of District | Assessed Valuation of Jurisdiction | % of Jurisdiction in District |
|---|---|---|---|---|
| City of Santa Rosa | $1,813,546,411 | 70.92% | $26,795,324,651 | 6.77% |
| Unincorporated Sonoma County | 743,592,209 | 29.08 | 40,090,131,136 | 1.85 |
| Total District | $2,557,138,620 | 100.00% | | |
| Sonoma County | $2,557,138,620 | 100.00% | $99,119,807,601 | 2.58% |

Source: California Municipal Statistics, Inc.

***Assessed Valuation by Land Use.*** The following table sets forth a distribution of taxable property located in the District on the fiscal year 2020-21 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Fiscal Year 2020-21 Assessed Valuation and Parcels by Land Use**

| | 2020-21 Assessed Valuation[1] | % of Total | No. of Parcels | % of Total |
|---|---|---|---|---|
| Non-Residential: | | | | |
| Agricultural | $ 248,493,534 | 9.92% | 235 | 4.06% |
| Commercial | 65,702,535 | 2.62 | 35 | 0.60 |
| Vacant Commercial | 737,421 | 0.03 | 2 | 0.03 |
| Industrial | 163,259,444 | 6.52 | 72 | 1.24 |
| Vacant Industrial | 842,310 | 0.03 | 2 | 0.03 |
| Recreational | 7,575,961 | 0.30 | 1 | 0.02 |
| Government/Social/Institutional | 25,261,214 | 1.01 | 13 | 0.22 |
| Miscellaneous | 126,748 | 0.01 | 17 | 0.29 |
| Subtotal Non-Residential | $ 511,999,167 | 20.44% | 377 | 6.51% |
| Residential: | | | | |
| Single Family Residence | $1,666,962,335 | 66.54% | 4,077 | 70.37% |
| Condominium/Townhouse | 54,635,696 | 2.18 | 189 | 3.26 |
| Mobile Home | 8,810,315 | 0.35 | 301 | 5.20 |
| Mobile Home Park | 21,890,879 | 0.87 | 2 | 0.03 |
| 2-4 Residential Units | 88,012,260 | 3.51 | 172 | 2.97 |
| 5+ Residential Units/Apartments | 79,493,259 | 3.17 | 8 | 0.14 |
| Vacant Residential | 73,231,044 | 2.92 | 668 | 11.53 |
| Subtotal Residential | $1,993,035,788 | 79.56% | 5,417 | 93.49% |
| TOTAL | $2,505,034,955 | 100.00% | 5,794 | 100.00% |

(1) Local secured assessed valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

***Assessed Valuation of Single-Family Homes.*** The following table sets forth the assessed valuation of single-family homes in the District's boundaries for fiscal year 2020-21, including the average and median per parcel assessed value.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Fiscal Year 2020-21 Per Parcel Assessed Valuation of Single Family Homes**

| | Number of Parcels | Assessed Valuation | Average Assessed Valuation | Median Assessed Valuation |
|---|---|---|---|---|
| Single Family Residential | 4,077 | $1,666,962,335 | $408,870 | $384,403 |

| 2020-21 Assessed Valuation | No. of Parcels[(1)] | % of Total | Cumulative % of Total | Total Valuation | % of Total | Cumulative % of Total |
|---|---|---|---|---|---|---|
| $0 - $49,999 | 22 | 0.540% | 0.540% | $ 791,845 | 0.048% | 0.048% |
| $50,000 - $99,999 | 153 | 3.753 | 4.292 | 12,117,469 | 0.727 | 0.774 |
| $100,000 - $149,999 | 170 | 4.170 | 8.462 | 20,783,400 | 1.247 | 2.021 |
| $150,000 - $199,999 | 292 | 7.162 | 15.624 | 51,373,535 | 3.082 | 5.103 |
| $200,000 - $249,999 | 325 | 7.972 | 23.596 | 73,719,288 | 4.422 | 9.525 |
| $250,000 - $299,999 | 445 | 10.915 | 34.511 | 122,357,503 | 7.340 | 16.866 |
| $300,000 - $349,999 | 385 | 9.443 | 43.954 | 124,766,716 | 7.485 | 24.350 |
| $350,000 - $399,999 | 363 | 8.904 | 52.857 | 136,080,235 | 8.163 | 32.514 |
| $400,000 - $449,999 | 341 | 8.364 | 61.221 | 144,872,679 | 8.691 | 41.204 |
| $450,000 - $499,999 | 338 | 8.290 | 69.512 | 160,458,889 | 9.626 | 50.830 |
| $500,000 - $549,999 | 313 | 7.677 | 77.189 | 164,097,763 | 9.844 | 60.674 |
| $550,000 - $599,999 | 299 | 7.334 | 84.523 | 171,191,917 | 10.270 | 70.944 |
| $600,000 - $649,999 | 207 | 5.077 | 89.600 | 128,699,588 | 7.721 | 78.665 |
| $650,000 - $699,999 | 131 | 3.213 | 92.813 | 88,245,308 | 5.294 | 83.958 |
| $700,000 - $749,999 | 79 | 1.938 | 94.751 | 56,949,260 | 3.416 | 87.375 |
| $750,000 - $799,999 | 47 | 1.153 | 95.904 | 36,397,649 | 2.183 | 89.558 |
| $800,000 - $849,999 | 43 | 1.055 | 96.959 | 35,540,254 | 2.132 | 91.690 |
| $850,000 - $899,999 | 21 | 0.515 | 97.474 | 18,264,386 | 1.096 | 92.786 |
| $900,000 - $949,999 | 21 | 0.515 | 97.989 | 19,346,670 | 1.161 | 93.947 |
| $950,000 - $999,999 | 20 | 0.491 | 98.479 | 19,434,878 | 1.166 | 95.112 |
| $1,00,000 and greater | 62 | 1.521 | 100.000 | 81,473,103 | 4.888 | 100.000 |
| Total | 4,077 | 100.000% | | $1,666,962,335 | 100.000% | |

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

***Largest Taxpayers in District.*** The following table sets forth the 20 taxpayers with the greatest combined ownership of taxable property in the District on the fiscal year 2020-21 tax roll, and the assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Largest Fiscal Year 2020-21 Local Secured Taxpayers**

| | Property Owner | Primary Land Use | 2020-21 Assessed Valuation | Percent of Total[1] |
|---|---|---|---|---|
| 1. | Sonoma-Cutrer Vineyards Inc. | Winery | $ 68,030,705 | 2.72% |
| 2. | Tilden Redwood LP | Apartments | 38,971,192 | 1.56 |
| 3. | Fulton Marketplace SC LP | Shopping Center | 24,991,586 | 1.00 |
| 4. | Pioneer Apartments LP | Apartments | 24,747,315 | 0.99 |
| 5. | Jackson Family Investments III LLC | Vineyards | 23,219,847 | 0.93 |
| 6. | Fulton Santa Rosa LLC | Hospital | 22,855,800 | 0.91 |
| 7. | 3300 Coffey Ln LLC | Light Industrial | 19,723,534 | 0.79 |
| 8. | Hometown Orchard LLC | Mobile Home Park | 16,362,628 | 0.65 |
| 9. | Bernard A. & Sandra Orsi Trust | Vineyards | 14,524,791 | 0.58 |
| 10. | Piner Holding LLC | Vineyards | 12,829,979 | 0.51 |
| 11. | Wheeler Winery Inc. | Winery | 11,030,290 | 0.44 |
| 12. | HTO Properties LLC | Vineyards | 10,068,277 | 0.40 |
| 13. | CoffeyPCBP LLC | Warehouse | 9,607,942 | 0.38 |
| 14. | Santa Rosa Realty Partners LLC | Recreational Facility | 9,369,365 | 0.37 |
| 15. | LaFranchi Land and Cattle Company LLC | Agricultural | 7,877,357 | 0.31 |
| 16. | Klein Foods Inc. | Vineyards | 7,210,630 | 0.29 |
| 17. | Gallaher Homes LLC | Residential Development | 6,453,353 | 0.26 |
| 18. | Post Street Realty Group LLC | Service Station/Car Wash | 6,128,381 | 0.24 |
| 19. | Franciscan Vineyards Inc. | Vineyards | 6,039,686 | 0.24 |
| 20. | SBRI Orchards West LLC | Apartments | 5,976,638 | 0.24 |
| | | | $346,019,296 | 13.81% |

(1) Fiscal year 2020-21 local secured assessed valuation: $2,505,034,955.
Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner. As shown above, a single taxpayer owns real property that comprises approximately 2.72% of the fiscal year 2020-21 assessed value of local secured property within the District. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control. See *"–Appeals of Assessed Valuation; Blanket Reductions of Assessed Values"* above.

## Tax Rates

The State Constitution permits the levy of an *ad valorem* tax on taxable property not to exceed 1% of the full cash value of the property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness.

The rate of tax necessary to pay fixed debt service on the Series 2021 Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Series 2021 Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, drought, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal or accreted value of and interest on the Series 2021 Bonds. Issuance of additional authorized bonds in the future might also cause the tax rate to increase.

***Typical Tax Rate Area.*** The following table sets forth *ad valorem* property tax rates for the last five fiscal years in a typical tax rate area of the District (TRA 4-112). TRA 4-112 comprises approximately 49.50% of the total assessed value of taxable property in the District for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Typical Total Tax Rates per $100 of Assessed Valuation (TRA 4-112)**
**Fiscal Years 2016-17 through 2020-21**

| | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 |
|---|---|---|---|---|---|
| General | 1.0000% | 1.0000% | 1.0000% | 1.0000% | 1.0000% |
| Warm Springs Dam-Russian River Project | 0.0070 | 0.0070 | 0.0070 | 0.0070 | 0.0070 |
| Piner-Olivet Union School District | 0.0910 | 0.0910 | 0.1000 | 0.1020 | 0.1020 |
| Santa Rosa High School District | 0.0710 | 0.0590 | 0.0620 | 0.0485 | 0.0360 |
| Sonoma County Community College District | 0.0400 | 0.0370 | 0.0360 | 0.0370 | 0.0370 |
| Total Tax Rate | 1.2090% | 1.1940% | 1.2050% | 1.1945% | 1.1820% |

Source: California Municipal Statistics, Inc.

In accordance with the California Constitution and the Education Code, bonds approved pursuant to the 2010 Authorization may not be issued unless the District projects that repayment of all outstanding bonds approved under the 2010 Authorization will require a tax rate no greater than $30.00 per $100,000 of assessed value. Based on the assessed value of taxable property in the District at the time of issuance of the Series 2021 Bonds, the District projects that the maximum tax rate required to repay the Series 2021 Bonds, and all other outstanding bonds approved under the 2010 Authorization will be within that legal limit. The tax rate limitation applies only when new bonds are issued and does not restrict the authority of the Board of Supervisors of the County to levy taxes at such rate as may be necessary to pay debt service on the Series 2021 Bonds and any other series of bonds issued under the 2010 Authorization in each year.

**Tax Charges and Delinquencies**

***General.*** A school district's share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Series 2021 Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The county treasurer-tax collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a $10 cost is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a $15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the county treasurer-tax collector. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

In light of the financial hardship that many taxpayers are experiencing due to COVID-19 and the related recession, the Governor issued Executive Order N-61-20, which suspends, until May 6, 2021, the statutory requirements for the imposition of penalties, costs, and interest for the failure to pay property taxes on the secured or unsecured roll, or to pay a supplemental bill provided certain conditions are met. One such condition is that the taxpayer timely files a claim for relief in a form and manner prescribed by the county treasurer-tax collector. While the District cannot predict the extent of delinquencies and delayed tax collections or the resulting impact on the District's financial condition or operations, the County has adopted the Teeter Plan (defined herein) according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. See "– Teeter Plan" below. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "STATE FUNDING OF SCHOOL DISTRICTS – Local Control Funding Formula – *Infectious Disease Outbreak*."

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. 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 on November 1. To collect unpaid taxes, the county treasurer-tax collector may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The county treasurer-tax collector may also bring a civil suit against the taxpayer for payment.

Property tax delinquencies may be impacted by economic and other factors beyond the District's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression can be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a natural or manmade disaster, such as earthquake, drought, flood, fire, toxic dumping or pandemic. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Infectious Disease Outbreak*."

The real property tax charges and corresponding delinquencies for the 1% general fund apportionment, with respect to the property located in the County, and for the District's general obligation bond debt service levy, with respect to the property located in the District, for fiscal years 2018-19 and 2019-20 are set forth below. Prior to fiscal year 2018-19, the County did not provide information with respect to the real property tax charges and corresponding delinquencies for the 1% general fund apportionment, with respect to property located in the County, or for the District's general obligation bond debt service levy, with respect to the property located in the District. See *"− Teeter Plan*" below.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Secured Tax Charges and Delinquencies**
**Fiscal Years 2018-19 and 2019-20**

| | Secured Tax Charge[1] | Amount Delinquent June 30 | % Delinquent June 30 |
|---|---|---|---|
| 2018-19 | $2,791,509.16 | $21,041.83 | 0.75% |
| 2019-20 | 3,052,439.56 | 34,193.71 | 1.12 |

| | Secured Tax Charge[2] | Amount Delinquent June 30 | % Delinquent June 30 |
|---|---|---|---|
| 2018-19 | $2,143,316.24 | $20,819.88 | 0.97% |
| 2019-20 | 2,399,451.44 | 30,200.60 | 1.26 |

(1) 1% general fund apportionment.
(2) District's general obligation bond debt service levy.
Source: California Municipal Statistics, Inc.

***Teeter Plan.*** The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 and following of the California Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County, including school districts, receives the amount of uncollected taxes levied on the secured tax roll credited to its fund, in the same manner as if the amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected, that would have been due the local agency. The County applies the Teeter Plan to taxes levied for repayment of school district general obligation bonds.

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 from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. The District is not aware of any plans by the Board of Supervisors of the County to discontinue the Teeter Plan.

## Direct and Overlapping Debt

Set forth on the following page is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. effective November 19, 2020 for debt outstanding as of December 1, 2020. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not set forth in the table) produces the amount set forth in column three, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

The schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. 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.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Statement of Direct and Overlapping Bonded Debt**

November 19, 2020

2020-21 Assessed Valuation: $2,557,138,620

| | % Applicable | Debt 12/1/20 |
|---|---|---|
| DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT: | | |
| Sonoma County Joint Community College District | 2.560% | $ 9,118,848 |
| Santa Rosa High School District | 7.271 | 9,283,613 |
| Piner-Olivet Union School District | 100.000 | 8,487,702[1] |
| TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT | | $26,890,163 |
| | | |
| OVERLAPPING GENERAL FUND DEBT: | | |
| Sonoma County General Fund Obligations | 2.580% | $ 316,721 |
| Sonoma County Pension Obligation Bonds | 2.580 | 7,396,602 |
| Sonoma County Office of Education Certificates of Participation | 2.580 | 90,651 |
| Santa Rosa High School District Certificates of Participation | 7.271 | 900,435 |
| West County Transportation Agency | 2.370 | 242,214[2] |
| City of Santa Rosa Certificates of Participation | 6.768 | 893,376 |
| City of Santa Rosa Pension Obligation Bonds | 6.768 | 909,958 |
| TOTAL OVERLAPPING GENERAL FUND DEBT | | $10,749,957 |
| | | |
| COMBINED TOTAL DEBT | | $37,640,120[3] |

Ratios to 2020-21 Assessed Valuation:

Direct Debt ($8,487,702)........................................................... 0.33%
Total Direct and Overlapping Tax and Assessment Debt.......... 1.05%
Combined Total Debt................................................................ 1.47%

(1) Excludes the Series 2021 Bonds and the Refunding Bonds.
(2) West County Transportation Agency 2017 Bonds (Transportation Facility Project). The District has agreed to make certain payments to the West County Transportation Agency. The West County Transportation Agency has pledged these payments to repay the bonds. See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Debt – *West County Transportation Agency*" herein for more information.
(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

## BOND INSURANCE FOR INSURED BONDS

[Insurance disclosure to come.]

## TAX MATTERS

### Tax-Exempt Bonds

[In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Tax-Exempt Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C hereto.

To the extent the issue price of any maturity of the Tax-Exempt Bonds is less than the amount to be paid at maturity of such Tax-Exempt Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Tax-Exempt Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Tax-Exempt Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Tax-Exempt Bonds is the first price at which a substantial amount of such maturity of the Tax-Exempt Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Tax-Exempt Bonds accrues daily over the term to maturity of such Tax-Exempt Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Tax-Exempt Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Tax-Exempt Bonds. Beneficial Owners of the Tax-Exempt Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Tax-Exempt Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Tax-Exempt Bonds in the original offering to the public at the first price at which a substantial amount of such Tax-Exempt Bonds is sold to the public.

Tax-Exempt Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Tax-Exempt Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Tax-Exempt Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Tax-Exempt Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Tax-Exempt Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Tax-Exempt Bonds may adversely affect the value of, or the tax status of interest on, the Tax-Exempt Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Tax-Exempt Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Tax-Exempt Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Tax-Exempt Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Tax-Exempt Bonds ends with the issuance of the Tax-Exempt Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Tax-Exempt Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Tax-Exempt Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Tax-Exempt Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

**Federally Taxable Bonds**

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Federally Taxable Bonds is exempt from State of California personal income taxes. Bond counsel observes that interest on the Federally Taxable Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Federally Taxable Bonds. The proposed form of opinion of Bond Counsel is contained in Appendix C hereto.

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the Federally Taxable Bonds that acquire their Federally Taxable Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Federally Taxable Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Federally Taxable Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Federally Taxable Bonds pursuant to this offering for the issue price that is applicable to such Federally Taxable Bonds (i.e., the price at which a substantial amount of the Federally Taxable Bonds are sold to the public) and who will hold their Federally Taxable Bonds as "capital assets" within the meaning of Section 1221 of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a Federally Taxable Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a Federally Taxable Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Federally Taxable Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Federally Taxable Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Federally Taxable Bonds (including their status as U.S. Holders or Non-U.S. Holders).

Notwithstanding the rules described below, it should be noted that certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Federally Taxable Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below (in the case of original issue discount, such requirements are only effective for tax years beginning after December 31, 2018).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Federally Taxable Bonds in light of their particular circumstances.

***U.S. Holders***

*Interest.* Interest on the Federally Taxable Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

Federally Taxable Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Federally Taxable Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Federally Taxable Bond.

*Sale or Other Taxable Disposition of the Federally Taxable Bonds.* Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition of a Federally Taxable Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Federally Taxable Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Federally Taxable Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Federally Taxable Bond (generally, the purchase price paid by the U.S. Holder for the Federally Taxable Bond, decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Federally Taxable Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Federally Taxable Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

*Defeasance of the Federally Taxable Bonds.* If the District defeases any Federally Taxable Bond, the Federally Taxable Bond may be deemed to be retired and "reissued" for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted tax basis in the Federally Taxable Bond.

*Information Reporting and Backup Withholding.* Payments on the Federally Taxable Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Federally Taxable Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the Federally Taxable Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Federally Taxable Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

***Non-U.S. Holders***

*Interest.* Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act," payments of principal of, and interest on, any Federally Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, a such term is defined in the Code, which is related to the District through stock ownership and (2) a bank which acquires such Federally Taxable Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the beneficial owner of the Federally Taxable Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

*Disposition of the Federally Taxable Bonds.* Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District or a deemed retirement due to defeasance of the Federally Taxable Bond) or other disposition of a Federally Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

*U.S. Federal Estate Tax.* A Federally Taxable Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such Federally Taxable Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

*Information Reporting and Backup Withholding.* Subject to the discussion below under the heading "FATCA," under current U.S. Treasury Regulations, payments of principal and interest on any Federally Taxable Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the beneficial owner of the Federally Taxable Bond or a financial institution holding the Federally Taxable Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

Foreign ***Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders***

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the Series 2020 Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term "foreign passthru payments." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Federally Taxable Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Federally Taxable Bonds, including the application and effect of state, local, non-U.S., and other tax laws.]

## OTHER LEGAL MATTERS

### Legal Opinion

The validity of the Series 2021 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Bond Counsel expects to deliver an opinion with respect to the Series 2021 Bonds at the time of issuance substantially in the form set forth in Appendix C. Bond Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, and for the Underwriter by Kutak Rock LLP, Irvine, California.

### Legality for Investment in California

Under the provisions of the California Financial Code, the Series 2021 Bonds are legal investments for commercial banks in California to the extent that the Series 2021 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, the Series 2021 Bonds are eligible securities for deposit of public moneys in the State.

### Continuing Disclosure

The District has covenanted for the benefit of the holders and Beneficial Owners of the Series 2021 Bonds to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the "EMMA System") certain annual financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of the District's fiscal year (currently ending June 30), commencing with the report for fiscal year 2019-20 (which is due no later than April 1, 2021) and notice of the occurrence of certain enumerated events ("Notice Events") in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the

Securities and Exchange Commission (the "Rule"). ***[Note to team: Depending on timing of FY 19-20 audit, assess whether this OS will constitute Annual Report for FY 19-20.]***

***[To be updated based on continuing disclosure report provided by Underwriter.]***

[Isom Advisors, a Division of Urban Futures, Inc. currently serves as the District's dissemination agent in connection with each of the District's prior continuing disclosure undertakings pursuant to the Rule and will serve as dissemination agent in connection with the continuing disclosure undertaking pursuant to the Rule relating to the Series 2021 Bonds.]

The continuing disclosure undertakings under the Continuing Disclosure Certificate are the obligation of the District. The County shall not have any obligation or incur any liability whatsoever with respect to the performance of the District's duties regarding continuing disclosure. The County has not reviewed nor is it responsible for the content of the Official Statement.

**Litigation**

No litigation is pending or threatened concerning or contesting the validity of the Series 2021 Bonds or the District's ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District's ability to issue and retire the Series 2021 Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Series 2021 Bonds or District officials who will sign certifications relating to the Series 2021 Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter at the time of the original delivery of the Series 2021 Bonds.

[The District is occasionally subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.]

## MISCELLANEOUS

**Rating[s]**

Moody's has assigned [a][an underlying] rating of "[___]" to the Series 2021 Bonds. A rating agency generally bases its rating on its own investigations, studies and assumptions as well as information and materials furnished to it (which may include information and materials from the District, which are not included in this Official Statement). The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of such rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Series 2021 Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2021 Bonds. Neither the Underwriter (defined below) nor the District has undertaken any responsibility after the offering of the Series 2021 Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

[In addition, [S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC][S&P] is expected to assign its rating of "[___]" to the Series 2021 Bonds with the understanding that, upon delivery of the Series 2021 Bonds, the Policy will be delivered by [___]. See "BOND INSURANCE." Such rating is assigned solely as a result of the issuance of the Policy and will reflect only the rating agency's view of the claims-paying ability and financial strength of [___]. Neither the District nor the

Underwriter have made any independent investigation of the claims-paying ability of [___] and no representation is made that any insured rating of the Series 2021 Bonds based upon the purchase of the Policy will remain higher than the rating agency's underlying rating of the Series 2021 Bonds described above, which did not take bond insurance into account. The existence of the Policy will not, of itself, negatively affect such underlying rating. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Series 2021 Bonds and the claims paying ability of [___], particularly over the life of the investment. Without regard to any bond insurance, the Series 2021 Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal and accreted value of and interest on the Series 2021 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS." However, any downward revision or withdrawal of any rating of [___] may have an adverse effect on the market price or marketability of the Series 2021 Bonds.]

**Professionals Involved in the Offering**

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Series 2021 Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Series 2021 Bonds. Isom Advisors, a Division of Urban Futures, Inc., is acting as the District's municipal advisor (the "Municipal Advisor") with respect to the Series 2021 Bonds. Kutak Rock LLP, Irvine, California, is acting as counsel to the Underwriter with respect to the Series 2021 Bonds. Payment of the fees and expenses of the District's Municipal Advisor and counsel to the Underwriter are also contingent upon the sale and delivery of the Series 2021 Bonds.

**Underwriting**

The Series 2021 Bonds are being purchased for reoffering to the public by Raymond James & Associates, Inc. (the "Underwriter") pursuant to the terms of a bond purchase agreement executed on __________, 2020 (the "Purchase Agreement"), by and between the Underwriter and the District. The Underwriter has agreed to purchase the Series 2021 Bonds at a price of $__________ (which represents the aggregate initial principal amount of the Series 2021 Bonds, [plus/less] [net] original issue [premium/discount] of $__________, and less Underwriter's discount in the amount of $__________). The Purchase Agreement provides that the Underwriter will purchase all of the Series 2021 Bonds, subject to certain terms and conditions set forth in the Purchase Agreement, including the approval of certain legal matters by counsel.

The Underwriter may offer and sell the Series 2021 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices set forth on the inside front cover page of this Official Statement. The public offering prices may be changed from time to time by the Underwriter.

## ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Series 2021 Bonds. Quotations from and summaries and explanations of the Series 2021 Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Series 2021 Bonds.

The District has duly authorized the delivery of this Official Statement.

**PINER-OLIVET UNION SCHOOL DISTRICT**

By:____________________________________
Superintendent

# APPENDIX A

## INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

## TABLE OF CONTENTS

**Page**

*The information in this appendix concerning the operations of the Piner-Olivet Union School District (the "District"), the District's finances, and State of California (the "State") funding of education, 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 Series 2021 Bonds is payable from the general fund of the District or from State revenues. The Series 2021 Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of Sonoma on property within the District in an amount sufficient for the timely payment of principal of and interest on the Series 2021 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS" in the front portion of this Official Statement.* ***[Note: All references to Series 2021 Bonds will be updated to Refunding Bonds for the Refunding Official Statement.]***

## THE DISTRICT

### Introduction

The District has a historical background that goes back more than 100 years. The District encompasses an area of approximately 24 square miles, located in the County of Sonoma (the "County"), specifically in northwest Santa Rosa, California. The community of Santa Rosa is approximately 60 miles north of San Francisco and 20 miles east of the Sonoma coastline. Until relatively recently, the region of the District was considered rural; however, today with the population growth of Santa Rosa, housing developments and light industrial complexes have arisen in the area. The District is still largely rural, but several suburban developments occupy the east section of the District.

The District provides educational services to children in kindergarten through sixth grade at its Jack London Elementary School. The District also operates four charter schools: Morrice Schaefer Charter School (grades K-6), Northwest Prep Charter School (grades 7-12), Olivet Elementary Charter School (grades TK-6) and Piner-Olivet Charter School (grades 7-8). The total student enrollment at the District, including charter school students, was approximately [1,281] students in fiscal year 2019-20 and is projected to be [___] students in fiscal year 2020-21.

### Board of Trustees

The District is governed by a five-member Board of Trustees (the "Board of Trustees"), each member of which is a voting member elected by voters of the District to serve a four-year term. Elections for positions to the Board of Trustees are held every two years, alternating between two and three available positions. Each December, the Board of Trustees elects a President, Vice President and Clerk to serve one-year terms. Current members of the Board of Trustees, together with their office and the date their current term expires, are set forth below. ***[Note: Board officers to be updated following 12/15 organizational meeting.]***

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**

**Board of Trustees**

| Name | Office | Term Expires |
|---|---|---|
| Cindy Pryor | [President] | December 2022 |
| Mardi Hinton | [Vice President] | December 2022 |
| Mindy Mohr | [Clerk] | December 2024 |
| Janae Franicevic | [Member] | December 2022 |
| Tony Roehrick | [Member] | December 2024 |

**Superintendent and Chief Business Official**

The Superintendent and Chief Business Official are appointed by the Board of Trustees. The Superintendent reports directly to the Board of Trustees. The Chief Business Official reports directly to the Superintendent. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. Dr. Steve Charbonneau has served as Superintendent of the District since August 2020. The Chief Business Official is responsible for management of the District's finances and business operations. Felicia Koha has served as Chief Business Official since May 2018. Information concerning the District's Superintendent and the Chief Business Official is set forth below.

***Dr. Steve Charbonneau, Superintendent.*** Dr. Steve Charbonneau has been an educator for over 25 years and brings to the Superintendent position some unique experiences. Dr. Charbonneau served previously as the Deputy Superintendent at an American Embassy school in the Democratic Republic of Congo and also served as Elementary Principal at an American School in Dubai, which served over 1200 students. Over the course of his career, Dr. Charbonneau has served as Principal at all levels; elementary, middle school, and high school. Along the way, Dr. Charbonneau has been a part of several successful school district bond campaigns and he has managed a number of school construction projects.

***Felicia Koha, Chief Business Official. [District to provide short biography.]***

**Cybersecurity**

The District collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, and contractors. As the custodian of such information, the District may face cybersecurity threats from time to time. ***[District to describe any cybersecurity events within the past 5 years. Does the District have a cybersecurity policy in place? Does the District have cybersecurity insurance? Has the District implemented any other practices to reduce or defend against cybersecurity threats/attacks?]***

## DISTRICT FINANCIAL MATTERS

**State Funding of Education; State Budget Process**

***General.*** As is true for all school districts in California, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (the "Local Control Funding Formula" or "LCFF") (see "– *Allocation of State Funding to School Districts; Local Control Funding Formula*") and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the State Constitution (see "– Local Sources of Education Funding"). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District has projected to receive approximately [____]% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), projected at approximately $[____] million in fiscal year 2020-21. Such amount includes both the State funding provided under the LCFF as well as other State revenues (see "– *Allocation of State Funding to School Districts; Local Control Funding Formula,*" "*–Attendance and LCFF*" and "Other District Revenues – *Other State Revenues*" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State's voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the

Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented the LCFF. Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See "– *Allocation of State Funding to School Districts; Local Control Funding Formula*" for more information.

***State Budget Process***. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. The budget requires a simple majority vote of each house of the State Legislature for passage. The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. A two–thirds vote of the State Legislature is required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2020-21 State budget on June 29, 2020.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

***Aggregate State Education Funding.*** The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over $4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State is doing in fiscal years 2019-20 and 2020-21 (see – "*2020-21 State Budget*" below for further information); by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Series 2021 Bonds, and the District takes no responsibility for informing owners of the Series 2021 Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, **www.dof.ca.gov**, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at **www.lao.ca.gov**. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, **www.treasurer.ca.gov**. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

***2020-21 State Budget***. The Governor signed the fiscal year 2020-21 State Budget (the "2020-21 State Budget") on June 29, 2020. According to the State, the economic impact of the COVID-19 pandemic has resulted in a $54.3 billion budget deficit, which the State is addressing through the following measures:

- <u>Reserves</u>. The 2020-21 State Budget draws down $8.8 billion in reserves, including $7.8 billion from the Rainy Day Fund, $450 million from the Safety Net Reserve, and all of the funds in the Public School System Stabilization Account.

- Trigger. The 2020-21 State Budget includes $11.1 billion in reductions and deferrals that will be restored if federal legislation providing for at least $14 billion in federal funds is passed by the United States Congress and signed by the President, and such funds are received by October 15, 2020. If the State receives a lesser amount between $2 billion and $14 billion, the reductions and deferrals will be partially restored. The trigger includes $6.6 billion in deferred spending on schools, approximately $970 million in funding for the University of California and the California State University, $2.8 billion for state employee compensation, $150 million for courts, and funding for child support administration, teacher training, moderate-income housing, and infrastructure to support infill housing. The trigger would also fund an additional $250 million for county programs to backfill revenue losses. If the federal government does not provide funds in fiscal year 2020-21, the deferrals provided in the 2020-21 State Budget may create a larger budget shortfall in subsequent fiscal years. A larger budget shortfall in subsequent years may result in continuing deferrals until the State is able to fully fund its current year education obligations in a single budget year.

- Federal Funds. The 2020-21 State Budget relies on $10.1 billion in federal funds that provide general fund relief, including $8.1 billion already received. This includes the enhanced Federal Medical Assistance Percentage, a portion of the State's allocation from the federal Coronavirus Relief Fund and funds provided for childcare programs.

- Revenues. The 2020-21 State Budget temporarily suspends the use of net operating losses for medium and large businesses and temporarily limits to $5 million the amount of business incentive credits a taxpayer can use in any given tax year. These short-term limitations will generate $4.4 billion in new revenues in fiscal year 2020-21.

- Borrowing/Transfers/Deferrals. The 2020-21 State Budget relies on $9.3 billion in special fund borrowing and transfers, as well as other deferrals for K-14 school districts.

- Cancelled Expansions, Updated Assumptions and Other Solutions. The 2020-21 State Budget includes $10.6 billion of other solutions for addressing the budget deficit, such as cancelling multiple program expansions and anticipating increased government efficiencies, higher ongoing revenues, and lower health and human services caseload costs that previously estimated.

Because of such measures described above, the 2020-21 State Budget is a balanced budget for fiscal year 2020-21 that projects approximately $137.7 billion in revenues, $88.8 billion in non-Proposition 98 expenditures and $45.1 billion in Proposition 98 expenditures. The 2020-21 State Budget sets aside $2.6 billion in the Special Fund for Economic Uncertainties, and it includes total funding of $98.8 billion ($48.1 billion general fund and $50.7 billion other funds) for all K-12 education programs. The 2020-21 State Budget estimates the Proposition 98 minimum guarantee at $78.5 billion in fiscal year 2018-19, $77.7 billion in fiscal year 2019-20, and $70.9 billion in fiscal year 2020-21. The reduction in Proposition 98 funding will result in per pupil spending of $10,654 in fiscal year 2020-21, a $1,339 reduction from fiscal year 2019-20.

The 2020-21 State Budget offsets such reduction in Proposition 98 funding in several ways, including the following:

- Local Control Funding Formula Deferrals. As a result of the COVID-19 pandemic, $1.9 billion in LCFF apportionments in fiscal year 2019-20 were deferred until fiscal year 2020-21, and the 2020-21 State Budget provides that apportionment deferrals in fiscal year 2020-21 will grow to $11 billion. Such deferrals allow LCFF funding to remain at fiscal year 2019-20 levels in both fiscal years. The 2020-21 State Budget suspends the statutory LCFF cost-of-living adjustment in fiscal year 2020-21. The 2020-21 State Budget provides that $5.8 billion of deferrals will be triggered off in fiscal year 2020-21 if sufficient federal funding is provided that can be used for such purpose.

- Learning Loss Mitigation. Additionally, the 2020-21 State Budget includes a one-time investment of $5.3 billion (comprised of $4.4 billion from the federal Coronavirus Relief Fund, $589.9 million in Proposition 98 general fund resources, and $355.2 from the federal Governor's Emergency Education Relief Fund) to local education agencies to address learning loss resulting from school closures. To ensure that those local educational agencies serving students most affected by the COVID-19 pandemic receive additional funding, the 2020-21 State Budget will allocate $2.9 billion of such funds based on the LCFF supplemental and concentration grant allocation, $1.5 billion of such funds based on the number of students with exceptional needs, and $979.8 million of such funds based on the total LCFF allocation.

- Supplemental Appropriations. In fiscal years 2019-20 and 2020-21, the Proposition 98 funding level drops below the target funding level by a total of approximately $12.4 billion. To accelerate the recovery from such funding reduction, the 2020-21 State Budget provides supplemental appropriations above the required Proposition 98 funding level, beginning in fiscal year 2021-22, and in each of the next several fiscal years, in an amount equal to 1.5% of general fund revenues, up to a total of $12.4 billion.

- Revised CalPERS and CalSTRS Contributions. To provide immediate and long-term relief to school districts facing rising pension costs, the 2020-21 State Budget redirects $2.3 billion appropriated in the 2019-20 State Budget to California State Teachers' Retirement System ("CalSTRS") and the California Public Employees' Retirement System ("CalPERS") for long-term unfunded liabilities to instead reduce employer contribution rates in fiscal years 2020-21 and 2021-22. Such reallocation will reduce the CalSTRS employer contribution rate from 18.41% to approximately 16.15% in fiscal year 2020-21 and from 17.9% to 16.02% in fiscal year 2021-22. The CalPERS Schools Pool employer contribution rate will be reduced from 22.67% to 20.7% in fiscal year 2020-21 and from 24.6% to 22.84% in fiscal year 2021-22.

- Federal Funds. In addition to the federal Coronavirus Relief Fund and Governor's Emergency Education Relief Fund allocations described above, the 2020-21 State Budget includes $1.6 billion in federal Secondary School Emergency Relief funds. Of this amount, $1.5 billion will be allocated to local educational agencies in proportion to the amount of Title I-A funding they receive and may be used for costs relating to the COVID-19 pandemic. Of the remaining $164.7 million, $112.2 million will be used to provide up to $0.75 per meal for local educational agencies participating in certain school meal programs and serving meals between March 2020 and August 2020 due to school closures, $45 million will be used for grants to local educational agencies to increase access to health, mental health, and social service supports for high-need students, $6 million will be used to provide educator professional development for providing high quality distance learning, and $1.5 million will be used for State Department of Education costs associated with the COVID-19 pandemic.

- Temporary Revenue Increases. As described above, the 2020-21 State Budget includes a temporary three-year suspension of net operating losses, and a limitation on business incentive tax credits to offset no more than $5 million of tax liability per year. These temporary changes, along with other tax changes, will generate additional general fund revenues, approximately $1.6 billion of which will benefit the Proposition 98 guarantee.

- Special Education. The 2020-21 State Budget provides for increased special education base rates of $625 per pupil pursuant to a new funding formula. The 2020-21 State Budget also includes \$100 million to increase funding for students with low-incidence disabilities, \$15 million in federal Individuals with Disabilities Education Act ("IDEA") funds for the Golden State Teacher Scholarship Program to increase the special education teacher pipeline, \$8.6 million in IDEA funds to assist local educational agencies to develop regional alternative dispute resolution services and statewide mediation services, and \$1.1 million in IDEA funds to study the current special education governance and accountability structure.

- Average Daily Attendance and Distance Learning. The 2020-21 State Budget assumes that local educational agencies will provide in-classroom instruction during the 2020-21 school year, but recognizes that public health officials may require school closures. To ensure funding stability regardless of instructional model, the 2020-21 State Budget includes a hold-harmless provision for the purpose of calculating apportionments in fiscal year 2020-21, and it provides that average daily attendance will be based on the 2019-20 school year. The 2020-21 State Budget also includes requirements for distance learning services in the event of school closures.

- Employee Protections. The 2020-21 State Budget suspends layoffs of non-management certificated staff during fiscal year 2020-21 and classified staff who hold positions in nutrition, transportation, or custodial services during fiscal year 2020-21. The 2020-21 State Budget includes \$60 million Proposition 98 general fund resources to provide a match of State funds for participating classified employees to be paid during the summer recess period. The 2020-21 State Budget also states that it is the intent of the State Legislature that school districts, community college districts, joint powers authorities, and county offices of education retain all classified employees in fiscal year 2020-21.

The complete 2020-21 State Budget is available from the California Department of Finance website at **www.dof.ca.gov**. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

***Future Budgets and Budgetary Actions***. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District's ability to predict or control, including but not limited to the COVID-19 pandemic. Certain actions could result in a significant shortfall of revenue and cash, and could impair the State's ability to fund schools during fiscal years 2020-21 and 2021-22 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Series 2021 Bonds are payable from *ad valorem* property taxes, the State budget is not expected to have an impact on the payment of the Series 2021 Bonds.

***School District Reserves.*** As described above, the State is accessing its reserves to mitigate the budget shortfall in fiscal year 2020-21, including drawing down all of the funds in the Public School System Stabilization Account. See "- *2020-21 State Budget*." In order to mitigate some of the reductions in State revenue based on the 2020-21 State Budget, school districts may choose to access their local reserves. The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. At the time preparation of the District's original adopted budget for fiscal year 2020-21, the District projected that it would not meet the 3% reserve requirement in fiscal year 2022-23. ***[District to confirm. Why do District financials refer to a 4% reserve requirement? Does the District's Board of Trustee's have a policy in place requiring 4%?]*** Since the District's original adopted budget for fiscal year 2020-21 was informed by the assumptions contained in Governor's May revision to the proposed fiscal year 2020-21 State budget, which were significantly revised in 2020-21 State Budget, the District's projections with respect to fiscal year 2020-21 that were revised in connection with its first interim report for fiscal year 2020-21 indicate ***[Does first interim show meeting reserve requirement for all three years?]***. [For more information on the District's original adopted budget for fiscal year 2020-21 and expected revisions in light of the assumptions contained in the 2020-21 State Budget, see "– District Budget Process and County Review – *District's Fiscal Year 2020-21 Budget*." For more information on the District's first interim report for fiscal year 2020-21, see "– District Budget Process and County Review – *District's Fiscal Year 2020-21 First Interim Report*."]

***Prohibitions on Diverting Local Revenues for State Purposes.*** Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund ("ERAF") in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State's voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of an initiative constitutional amendment at the November 2010 election, known as "Proposition 22."

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. One effect of this amendment has been to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert $1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of $1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*"). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years – such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

***Allocation of State Funding to School Districts; Local Control Funding Formula.*** Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under California Education Code Section 42238 and following, each school district was determined to have a target funding level: a "base revenue limit" per student multiplied by the district's student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district's prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district's base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State "equalization aid." To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State's contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some equalization aid were commonly referred to as "revenue limit districts," which are now referred to as "LCFF districts." The District is a LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant ("Base Grant") per unit of average daily attendance ("A.D.A.") with additional supplemental funding (the "Supplemental Grant") allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF was projected to have an eight-year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below, but achieved full implementation ahead of schedule in fiscal year 2018-19. The LCFF includes the following components:

- A Base Grant for each local education agency ("LEA"). The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2020-21, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to $8,503 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to $7,818 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to $8,050 per A.D.A. for grades 7 and 8; (d) a Target Base Grant for each LEA equivalent to $9,572 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. The 2020-21 State Budget suspends the statutory cost-of-living adjustment in fiscal year 2020-21. For more information, see "*–2020-21 State Budget*."

- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional Concentration Grant of up to 50% of a LEA's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.

- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF in fiscal year 2018-19. Upon full implementation in fiscal year 2018-19, LEAs now receive the greater of the Base Grant or the ERT.

Under LCFF, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

***Local Control Accountability Plans.*** A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year LCAP. Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Typically, each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the "Collaborative"), a newly established body of educational specialists, was created to advise and assist local education agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency's LCAP.

In response to the COVID-19 pandemic and the unique conditions under which many school districts are operating, Senate Bill 98, a budget trailer bill adopted in connection with the 2020-21 State Budget, revises certain annual LCAP requirements, removes the requirement for a traditional LCAP for the 2020-21 school year and replaces such requirement with what is referred to as a Learning Continuity and Attendance Plan (the "Learning Continuity and Attendance Plan"). The Learning Continuity and Attendance Plan seeks to address funding stability for schools while providing information at the LEA level describing how student learning continuity will be addressed during the COVID-19 pandemic in the 2020-21 school year. The Learning Continuity and Attendance Plan is intended to balance the needs of all stakeholders, including educators, parents, students, and community members, while streamlining meaningful stakeholder engagement. The Learning Continuity and Attendance Plan memorializes the planning process already underway for the 2020-21 school year, and includes plans for the following: (i) addressing gaps in learning; (ii) conducting meaningful stakeholder engagement; (iii) maintaining transparency; (iv) addressing the needs of unduplicated pupils, students with unique needs, and students experiencing homelessness; (v) providing access to necessary devices and connectivity for distance learning; (vi) providing resources and support to address student and staff mental health and social emotional well-being; and, (vii) continuing to provide school meals for students. Senate Bill 98 also requires school districts to approve a Parent Budget Overview by December 15, 2020, which was formerly an aspect of the prior LCAP reporting requirements. Accordingly, the Board of Trustees adopted a Learning Continuity and Attendance Plan on September 23, 2020 and a Parent Budget Overview on [________] and submitted such reports to the Sonoma County Office of Education ("SCOE").

***Attendance and LCFF.*** The first table that follows sets forth the actual A.D.A., enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, "EL/LI Students")), and targeted Base Grant per unit of A.D.A. for fiscal years 2015-16 through 2019-20, respectively, and the projected A.D.A., enrollment (including percentage of students are EL/LI Students), and targeted Base Grant per unit of A.D.A. for fiscal year 2020-21 for the Jack London Elementary School; it includes special education students, but does not include the District's charter schools.

The second table that follows sets forth the actual A.D.A., enrollment (including percentage of students who are EL/LI Students), and targeted Base Grant per unit of A.D.A. for fiscal years 2015-16 through 2019-20, respectively, and the projected A.D.A., enrollment (including percentage of students are EL/LI Students), and targeted Base Grant per unit of A.D.A. for fiscal year 2020-21 for the District's four charter schools: Morrice Schaefer Charter School (grades K-6), Northwest Prep Charter School (grades 7-12), Olivet Elementary Charter School (grades K-6) and Piner-Olivet Charter School (grades 7-8).

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Average Daily Attendance, Enrollment and Targeted Base Grant**
**Fiscal Years 2015-16 through 2020-21**

**Jack London Elementary School**

| | | A.D.A./Base Grant | | | Enrollment[10] | |
|---|---|---|---|---|---|---|
| Fiscal Year | | K-3 | 4-6 | Total A.D.A. | Total Enrollment | Unduplicated Percentage of EL/LI Students |
| 2015-16 | A.D.A.[1]: | 194.57 | 152.15 | 346.72 | 331 | 50.19% |
| | Targeted Base Grant[2][3]: | $7,820 | $7,189 | -- | -- | -- |
| 2016-17 | A.D.A.[1]: | 177.96 | 166.80 | 344.76 | 345 | 47.61% |
| | Targeted Base Grant[2][4]: | $7,820 | $7,189 | -- | -- | -- |
| 2017-18 | A.D.A.[1]: | 178.90 | 165.94 | 344.84 | 299 | 49.34% |
| | Targeted Base Grant[2][5]: | $7,941 | $7,301 | -- | -- | -- |
| 2018-19 | A.D.A.[1]: | 162.45 | 146.52 | 308.97 | 279 | 48.39% |
| | Targeted Base Grant[2][6]: | $8,235 | $7,571 | -- | -- | -- |
| 2019-20 | A.D.A.[1]: | [____] | [____] | [____] | [275] | [____]% |
| | Targeted Base Grant[2][7]: | $8,503 | $7,818 | -- | -- | -- |
| 2020-21[8] | A.D.A.[8]: | [____] | [____] | [____] | [261] | [____]% |
| | Targeted Base Grant[2][9]: | $8,503 | $7,818 | -- | -- | -- |

(1) A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a "material decrease" in attendance or attendance at Saturday school.
(2) Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and include the grade span adjustment, but do not include any supplemental and concentration grants under the LCFF. Such amounts were not expected to be fully funded in fiscal years shown above. However, the LCFF was fully implemented as of fiscal year 2018-19, two years ahead of its anticipated implementation.
(3) Targeted fiscal year 2015-16 Base Grant amount reflects a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.
(4) Targeted fiscal year 2016-17 Base Grant amount reflects a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.
(5) Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.
(6) Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts. This "super COLA" amount was authorized by the 2018-19 State Budget and exceeds the statutory 2.71% cost-of-living adjustment.
(7) Targeted fiscal year 2019-20 Base Grant amount reflects a 3.26% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.
(8) Figures are estimates.
(9) Targeted fiscal year 2020-21 Base Grant amount reflects a 0% cost-of-living adjustment from targeted fiscal year 2019-20 Base Grant amounts.
(10) Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district's percentage of unduplicated EL/LI Students is based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.
Source: Piner-Olivet Union School District.

**Charter Schools**

| Fiscal Year | | A.D.A./Base Grant K-3 | 4-6 | 7-8 | 9-12 | Total A.D.A. | Enrollment[10] Total Enrollment | Unduplicated Percentage of EL/LI Students |
|---|---|---|---|---|---|---|---|---|
| 2015-16 | A.D.A.[1]: | 426.44 | 302.44 | 240.57 | 64.07 | 1,033.52 | 1,084 | 55.76% |
| | Targeted Base Grant[2][3]: | $7,820 | $7,189 | $7,403 | $8,801 | -- | -- | -- |
| 2016-17 | A.D.A.[1]: | 438.46 | 265.31 | 241.69 | 66.59 | 1,012.05 | 1,077 | 52.33% |
| | Targeted Base Grant[2][4]: | $7,820 | $7,189 | $7,403 | $8,801 | -- | -- | -- |
| 2017-18 | A.D.A.[1]: | 415.78 | 250.93 | 223.14 | 65.48 | 955.33 | 1,056 | 54.38% |
| | Targeted Base Grant[2][5]: | $7,941 | $7,301 | $7,518 | $8,939 | -- | -- | -- |
| 2018-19 | A.D.A.[1]: | 388.14 | 242.75 | 236.49 | 63.78 | 931.16 | 982 | 54.42% |
| | Targeted Base Grant[2][6]: | $8,235 | $7,571 | $7,796 | $9,269 | -- | -- | -- |
| 2019-20 | A.D.A.[1]: | [____] | [____] | [____] | [____] | [____] | [1,003] | [____]% |
| | Targeted Base Grant[2][7]: | $8,503 | $7,818 | $8,050 | $9,572 | -- | -- | -- |
| 2020-21[8] | A.D.A.[8]: | [____] | [____] | [____] | [____] | [____] | [1,004] | [____]% |
| | Targeted Base Grant[2][9]: | $8,503 | $7,818 | $8,050 | $9,572 | -- | -- | -- |

(1) A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a "material decrease" in attendance or attendance at Saturday school.
(2) Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and include the grade span adjustment, but do not include any supplemental and concentration grants under the LCFF. Such amounts were not expected to be fully funded in fiscal years shown above. However, the LCFF was fully implemented as of fiscal year 2018-19, two years ahead of its anticipated implementation.
(3) Targeted fiscal year 2015-16 Base Grant amount reflects a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.
(4) Targeted fiscal year 2016-17 Base Grant amount reflects a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.
(5) Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.
(6) Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts. This "super COLA" amount was authorized by the 2018-19 State Budget and exceeds the statutory 2.71% cost-of-living adjustment.
(7) Targeted fiscal year 2019-20 Base Grant amount reflects a 3.26% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.
(8) Figures are estimates.
(9) Targeted fiscal year 2020-21 Base Grant amount reflects a 0% cost-of-living adjustment from targeted fiscal year 2019-20 Base Grant amounts.
(10) Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district's percentage of unduplicated EL/LI Students is based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.
Source: Piner-Olivet Union School District.

The District has projected to receive approximately $[____] million in aggregate revenues reported under LCFF sources in fiscal year 2020-21 (or approximately [____]% of its general fund revenues in fiscal year 2020-21). Such amount includes supplemental grants and concentrated grants for targeted groups projected at $[_____] and $[_____], respectively, in fiscal year 2020-21.

***Infectious Disease Outbreak.*** In general, the outbreak of a highly contagious disease or epidemic disease could harm the District's financial results or result in a temporary shutdown of the District's facilities. As discussed above, school districts in California are funded based on the LCFF, which allocates a base grant per unit of average daily attendance with additional supplemental grants based on certain factors. See "*- Allocation of State Funding to School District; Local Control Funding Formula*." Thus, a temporary shutdown of a school or an entire school district would reduce the average daily attendance and could impact the funding a school district receives unless the State legislature or California Department of

Education takes action to exclude such days from the calculations for funding purposes. Further, any impact on the State's tax and other revenue receipts as a result of a highly contagious or epidemic disease may in turn impact other educational funding that the District receives from the State. See "*–Future Budgets and Budgetary Actions*." In addition, the District may incur increased operational costs to conduct distance learning or to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease.

COVID-19 Background. The outbreak of the respiratory disease caused by COVID-19 has been declared a pandemic by the World Health Organization, a national emergency by President Trump and a state of emergency by the Governor of the State.

Federal Response. On March 22, 2020, President Trump approved the Major Disaster Declaration for the State of California's COVID-19 pandemic, authorizing federal emergency aid related to COVID-19. Local educational agencies may submit a request for public assistance through the California Office of Emergency Services for reimbursement of certain costs incurred as a result of COVID-19. [The District has not submitted a request for public assistance.]***[District to confirm.]***

On March 27, 2020, the U.S. House of Representatives approved and President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act provides $30 billion to education, specifically $3 billion allocated to state governors to be used at their discretion to address the emergency, $13.5 billion for K-12 education, and $14.25 billion for postsecondary institutions. School districts will be able to use their share of the $13.5 billion K-12 education allocation under the CARES Act, which will be based on the proportion of Title I funding received for the most recent fiscal year, for purposes authorized by federal law and other specified uses.

The District expects to receive approximately $[___] million under the CARES Act, which includes approximately $[__] million from the Elementary and Secondary Schools Emergency Relief Fund provided directly from the federal government to the District, approximately $[___] million from the Coronavirus Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, approximately $[___] million from the Governor's Emergency Education Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, and approximately $[___] million from the State's general fund for learning loss litigation provided from CARES Act funding administered through the State. The District received approximately $[____] under the CARES Act in September 2020. ***[When does the District expect to receive the remaining portion of the CARES Act related funding?]***

State Legislation Relating to School Districts. On March 17, 2020, the Governor signed Senate Bill 117 ("SB 117") as urgency legislation effective immediately. For purposes of school district funding for fiscal year 2019-20, SB 117 limits the average daily attendance reported to the California Department of Education to include the full school months from July 1, 2019, to February 29, 2020. This condensed ADA period applies to school districts that comply with Executive Order N-26-20, which provides that school districts that initiate a school closure to address COVID-19 will continue to receive State funding to support certain enumerated school functions during the period of closure. SB 117 further states the intent of the State Legislature that a school district's employees and contractors are paid during the period of a school closure due to COVID-19. SB 117 also waives instructional time penalties that would otherwise accrue, as long as the school district superintendent, county superintendent or charter school administrator certify that the closure due to COVID-19 caused the school district to fall below applicable instructional time requirements. SB 117 also includes $100 million in additional funding to school districts for certain costs incurred as a result of COVID-19. The District received $[20,697] from such additional State funding in fiscal year 2019-20.

District Response. As a result of the outbreak of COVID-19, the District closed its schools for in-person instruction in March 2020 for the remainder of the 2019-20 school year and implemented a distance learning model. On August 17, 2020, the District started the 2020-21 school year using the distance learning model with plans to transition to in-person instruction when permitted by State and local officials. ***[District to update with more details regarding its current instruction format and upcoming plans.]***

In fiscal year 2019-20, the District recorded $[______] in COVID-19 related expenditures, largely resulting from increased expenditures for [________________]. In fiscal year 2020-21, the District is projecting approximately $[___] for additional COVID-19 related expenditures for [____________________________]. The District has been allocated approximately $[___] in one-time funds under the CARES Act and $[20,697] in one-time funds under SB 117 to mitigate the impact of COVID-19 during fiscal years 2019-20 and 2020-21, [which the District currently expects will cover the increased expenditures relating to COVID-19]. ***[District to update and confirm.]***

While SB 117 and the CARES Act have provided and will continue to provide some immediate relief to school districts, including the District, the short-term and long-term impacts of the COVID-19 outbreak are unknown as the situation is rapidly evolving. The District cannot predict whether similar legislation would be enacted in the event the outbreak of COVID-19 continues or a similar or other outbreak of a highly contagious disease or epidemic disease were to occur in the future.

**Local Sources of Education Funding**

The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some State equalization aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as a LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "State Funding of Education; State Budget Process *–Allocation of State Funding to School Districts; Local Control Funding Formula"* for more information about the LCFF.

Local property tax revenues are projected to account for approximately [____]% of the District's aggregate revenues reported under LCFF sources and are projected to be approximately $[____] million, or [____]% of total general fund revenues in fiscal year 2020-21.

For information about the property taxation system in California and the District's property tax base, see "– Property Taxation System," "–Assessed Valuation of Property Within the District," and "–Tax Charges and Delinquencies" under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS" in the front portion of the Official Statement.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below.

***Effect of Changes in Enrollment.*** Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently.

In LCFF districts, such as the District, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it a LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the $120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

**Other District Revenues**

***Federal Revenues.*** The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately [____]% (or approximately $[____]) of the District's general fund projected revenues for fiscal year 2020-21.

***Other State Revenues.*** In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues, consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into LCFF. Categorical funding for certain programs was excluded from LCFF, and school districts will continue to receive restricted State revenues to fund these programs. Other State revenues comprise approximately [____]% (or approximately $[____] million) of the District's general fund projected revenues for fiscal year 2020-21.

A portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District has projected to receive approximately $[____] in State lottery revenue for fiscal year 2020-21.

***Other Local Revenues.*** In addition to *ad valorem* property taxes, the District receives additional local revenues from sources, such as interest income, leases and rentals, educational foundations, donations and sales of property. Other local revenues comprise approximately [____]% (or approximately $[____]) of the District's general fund projected revenues for fiscal year 2020-21.

## Charter Schools

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the California Education Code (the "Charter School Law"). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based system of accountability, and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. However, independent charter schools that receive their funding directly from the State are generally not included in a school district's financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would generally be included in the school district's financial reports and audited financial statements.

There are currently four dependent charter schools operating in the District: the Morrice Schaefer Charter School, serving grades kindergarten through six, the Olivet Elementary Charter School, serving transition kindergarten through grade six, Piner-Olivet Charter, serving grades seven through eight, and the Northwest Prep Charter School, serving grades seven through twelve, all of which operate under charter from the District. The charter schools within the District have a combined total enrollment of [1,003] students in fiscal year 2019-20 and a projected enrollment of [____] in fiscal year 2020-21. The Board of Trustees of the District oversees operations of the charter schools, and the charter schools are reflected in the District's financial statements. The District can make no representation as to whether enrollment at such charter school may increase at the expense of District enrollment in future years, whether additional charter schools will be established within the territory of the District, or as to the impact these or other charter school developments may have on the District's A.D.A. or finances in future years.

## Significant Accounting Policies and Audited Financial Statements

***[Note: This section and the disclosure that follows assumes receipt of the fiscal year 2019-20 audit prior to posting the POS; the placeholders for the fiscal year 2019-20 audited financial data will be updated when available.]*** The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are accounted for in accordance with the Department of Education's California School Accounting Manual. This manual, according to Section 41010 of the Education Code, is to be followed by all California school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the District's audited financial statements for the fiscal year ended June 30, 2020, which are included as Appendix B.

Independently audited financial statements are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. Typically, school districts in the State are required to file their audited financial statements for the preceding fiscal year with the State Controller's Office, the State Superintendent of Public Instruction, and the county superintendent of schools by

December 15 of each year. In response to the COVID-19 pandemic and the challenges it presents for school district operations, Senate Bill 98 (Chapter 24, enacted on June 29, 2020, as an urgency bill) provides, among other things, that a school district's audited financial statements for fiscal year 2019-20 are not due until March 31, 2021.

The following tables contain data abstracted from financial statements prepared by the District's independent auditor, Stephen Roatch Accountancy Corporation, Certified Public Accountants, Folsom, California, ("Stephen Roatch"), for fiscal years 2015-16 through 2019-20. ***[Need to confirm same accounting firm for fiscal year 2019-20 audit.]*** Stephen Roatch has not been requested to consent to the use or to the inclusion of its reports in this Official Statement, and it has not audited or reviewed this Official Statement.

The following table sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for the fiscal years 2015-16 through 2019-20.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Statement of General Fund Revenues, Expenditures and Changes in Fund Balance[1]**
**Fiscal Years 2015-16 through 2019-20**

| | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| LCFF: | | | | | |
| State Apportionments | $5,590,862 | $6,758,908 | $6,868,288 | $6,811,692 | |
| Local Taxes | 4,804,743 | 3,953,490 | 4,161,905 | 4,130,910 | |
| Total LCFF | 10,395,605 | 10,712,398 | 11,030,193 | 10,942,602 | |
| Federal Revenue | 507,397 | 424,607 | 601,762 | 630,786 | |
| Other State Revenue | 1,442,402 | 1,163,250 | 1,009,484 | 1,454,019 | |
| Other Local Revenue | 1,132,638 | 1,336,597 | 1,693,808 | 1,061,288 | |
| **Total Revenues** | $13,478,042 | $13,636,852 | $14,335,247 | $14,088,695 | |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Instruction | 8,275,832 | 8,274,464 | 8,721,248 | 9,330,001 | |
| Supervision of Instruction | 67,880 | 168,934 | 224,536 | 208,917 | |
| Instructional Library and Technology | 92,803 | 91,573 | 86,796 | 231,635 | |
| School Site Administration | 666,410 | 705,543 | 713,503 | 862,520 | |
| Home-to-School Transportation | 325,148 | 337,671 | 335,207 | 344,425 | |
| Food Services | - | - | 364 | - | |
| Other Pupil Services | 467,965 | 509,494 | 597,228 | 615,489 | |
| Data Processing Services | 5,000 | 7,151 | 5,610 | 5,280 | |
| Other General Administration | 940,724 | 940,952 | 969,499 | 1,097,374 | |
| Plant Services | 1,134,553 | 991,879 | 1,422,852 | 1,259,711 | |
| Facilities Acquisition and Construction | 898,075 | 2,545,155 | 285,053 | 98,992 | |
| Other Outgo | - | - | - | - | |
| **Total Expenditures** | $12,874,390 | $14,572,816 | $13,361,896 | $14,054,344 | |
| **Excess of Revenues Over (Under) Expenditures** | 603,652 | (935,964) | 973,351 | 34,351 | |
| **Other Financing Sources (Uses)** | | | | | |
| Operating Transfers In | - | - | - | - | |
| Operating Transfers Out | (10,000) | (46,000) | (70,503) | (63,600) | |
| **Total other financing sources (uses)** | (10,000) | (46,000) | (70,503) | (63,600) | |
| **Net Change in Fund Balances** | 593,652 | (981,964) | 902,848 | (29,249) | |
| **Fund Balances – July 1** | $4,627,994 | $5,221,646 | $4,239,682 | $5,142,530 | |
| **Fund Balances – June 30** | $5,221,646 | $4,239,682 | $5,142,530 | $5,113,281 | |

[1] The District's audited financial statements include the operations of the Jack London Elementary School and the four charter schools operated by the District, Morrice Schaefer Charter School, Northwest Prep Charter, Olivet Elementary Charter School and Piner-Olivet Charter School. However, the General Fund activity excludes the operations of the Northwest Prep Charter and Piner-Olivet Charter School, which are accounted for separately in special revenue funds.
Source: Piner-Olivet Union School District Audited Financial Statements for fiscal years 2015-16 through 2019-20.

The following table shows the general fund balance sheet of the District for fiscal years 2015-16 through 2019-20.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Summary of General Fund Balance Sheet**
**Fiscal Years 2015-16 through 2019-20**

| | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Deposits and Investments | $5,453,302 | $3,930,176 | $4,683,566 | $5,954,507 | |
| Receivables | 938,351 | 1,260,644 | 1,449,542 | 1,398,820 | |
| Due From Other Funds | 82,918 | 321,284 | 132,697 | 234,284 | |
| Prepaid | - | 1,175 | 1,175 | - | |
| **Total Assets** | $6,474,571 | $5,513,279 | $6,266,980 | $7,587,611 | |
| **Liabilities and Fund Balances** | | | | | |
| **Liabilities:** | | | | | |
| Accounts Payable | $1,228,010 | $1,035,120 | $1,076,880 | $2,261,504 | |
| Due to Other Funds | 10,012 | 166,515 | 9,688 | 32 | |
| Deferred/Unearned Revenue | 14,903 | 71,962 | 37,882 | 212,794 | |
| **Total Liabilities** | $1,252,925 | $1,273,597 | $1,124,450 | $2,474,330 | |
| **Fund Balances:** | | | | | |
| Nonspendable | 2,000 | 3,175 | 3,175 | 2,000 | |
| Restricted | 335,853 | 304,143 | 268,952 | 337,101 | |
| Committed | 1,317,204 | 1,608,070 | 1,436,830 | 1,531,355 | |
| Assigned | 1,149,725 | 1,165,310 | 934,044 | 1,544,379 | |
| Unassigned | 2,416,864 | 1,158,984 | 2,499,529 | 1,698,446 | |
| **Total Fund Balances** | $5,221,646 | $4,239,682 | $5,142,530 | $5,113,281 | |
| **Total Liabilities and Fund Balances** | $6,474,571 | $5,513,279 | $6,266,980 | $7,587,611 | |

Source: Piner-Olivet Union School District Audited Financial Statements for fiscal years 2015-16 through 2019-20.

**District Budget Process and County Review**

***Budget Process.*** State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the County of Sonoma Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction (the "State Superintendent") may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

***Interim Reporting.*** A State law adopted in 1991 (known as "A.B. 1200") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. [In the last five years, the District received a qualified certification for its first interim financial report in fiscal year 2017-18.] ***[District to confirm.]***

***County and State Response to School Districts Under Financial Distress.*** For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

***District's Fiscal Year 2020-21 Budget.*** The District's original adopted budget for fiscal year 2020-21, which is included in the table below and described throughout this Appendix A, reflects the assumptions contained in the Governor's May revision to the proposed fiscal year 2020-21 State budget, which were significantly revised in the 2020-21 State Budget. After analyzing the revised assumptions included in the 2020-21 State Budget, District officials have identified the major funding changes included in the 2020-21 State Budget that will have a material impact on the District's original adopted budget for fiscal year 2020-21, which include the suspension of the COLA, increasing LCFF funding, additional one-time CARES Act revenues to assist with the impact of the COVID-19 pandemic, and the deferral of State apportionments. Given the rapidly evolving nature of the COVID-19 pandemic and the uncertainty of additional federal funding and its impact on the 2020-21 State Budget, even with the updates summarized above, the District's budget for fiscal year 2020-21 is subject to change throughout the current fiscal year as additional information becomes available. On December 15, 2020, the Board of Trustees approved the District's first interim report for fiscal year 2020-21, which reflects further revised budget projections for fiscal year 2020-21. ***[District to review and update. What are the notable changes in the first interim report? District to provide letter from COE re first interim report for FY 2020-21 prior to posting POS (if available). Upon review of the first interim report for FY 2020-21, assess additional disclosure.]***

The table on the following page sets forth the District's adopted general fund budgets for fiscal years 2017-18 through 2020-21, unaudited actuals for fiscal years 2017-18 through 2019-20, and first interim report for fiscal year 2020-21.

## PINER-OLIVET UNION SCHOOL DISTRICT
## (Sonoma County, California)
## General Fund Budgets for Fiscal Years 2017-18 through 2020-21, Unaudited Actuals for Fiscal Years 2017-18 through 2019-20 and First Interim Report for Fiscal Year 2020-2021

| | 2017-18 Original Adopted Budget | 2017-18 Unaudited Actuals[1] | 2018-19 Original Adopted Budget | 2018-19 Unaudited Actuals[1] | 2019-20 Original Adopted Budget | 2019-20 Unaudited Actuals[1] | 2020-21 Original Adopted Budget | 2020-21 First Interim Report[2] |
|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | |
| LCFF Sources | $10,348,448.00 | $10,758,182.01 | $9,992,447.00 | $10,942,601.55 | $10,221,167.00 | $11,400,545.05 | $10,355,730.00 | |
| Federal Revenue | 518,222.00 | 601,761.62 | 515,060.00 | 630,785.55 | 516,553.00 | 703,940.47 | 573,234.00 | |
| Other State Revenue | 571,561.00 | 1,009,483.92 | 841,834.00 | 1,454,019.58 | 571,423.00 | 1,065,930.36 | 652,483.00 | |
| Other Local Revenue | 859,142.00 | 1,619,928.78 | 787,454.00 | 1,048,265.00 | 954,908.00 | 1,346,390.34 | 883,143.00 | |
| **TOTAL REVENUES** | 12,297,373.00 | 13,989,356.33 | 12,136,795.00 | 14,075,671.68 | 12,264,051.00 | 14,516,806.22 | 12,464,590.00 | |
| **EXPENDITURES** | | | | | | | | |
| Certificated Salaries | 5,078,406.00 | 5,068,589.55 | 4,657,255.00 | 4,964,809.68 | 4,766,886.00 | 4,875,547.52 | 5,053,328.00 | |
| Classified Salaries | 1,678,107.00 | 1,708,606.17 | 1,798,886.00 | 2,031,819.38 | 1,822,891.00 | 1,912,764.90 | 1,756,112.00 | |
| Employee Benefits | 2,982,120.00 | 2,982,167.19 | 2,801,998.00 | 3,309,051.32 | 2,801,301.00 | 3,063,597.19 | 2,909,131.00 | |
| Books and Supplies | 537,761.00 | 410,909.85 | 330,697.00 | 569,393.65 | 368,330.00 | 984,646.20 | 385,433.00 | |
| Services, Other Operating Expenses | 2,189,237.00 | 2,891,818.04 | 2,447,941.00 | 3,046,332.24 | 2,527,197.00 | 3,126,902.96 | 2,921,992.00 | |
| Capital Outlay | 553,500.00 | 299,805.32 | - | 132,937.19 | 732,546.00 | 39,900.37 | - | |
| Other Outgo (excluding Direct Support/Indirect Costs) | - | - | - | - | - | - | - | |
| Transfers of Direct Support/Indirect Costs | - | - | (1.00) | - | - | - | - | |
| **TOTAL EXPENDITURES** | 13,019,131.00 | 13,361,896.12 | 12,036,776.00 | 14,054,343.46 | 13,019,151.00 | 14,003,359.14 | 13,025,996.00 | |
| **EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES** | (721,758.00) | 627,460.21 | 100,019.00 | 21,328.22 | (755,100.00) | 513,447.08 | (561,406.00) | |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | |
| Inter-fund Transfers In | 400,000.00 | 750,000.00 | 425,000.00 | 1,070,000.00 | 675,000.00 | 578,030.29 | 675,000.00 | |
| Inter-fund Transfers Out | (400,000.00) | (820,502.84) | (478,200.00) | (1,133,600.12) | (728,200.00) | (684,860.74) | (739,667.00) | |
| Other Sources (Uses) | - | | - | - | - | - | - | |
| Contributions | - | | - | - | - | - | - | |
| **TOTAL, OTHER FINANCING SOURCES (USES)** | - | (70,502.84) | (53,200.00) | (63,600.12) | (53,200.00) | (106,830.45) | (64,667.00) | |
| **NET INCREASE (DECREASE) IN FUND BALANCE** | (721,758.00) | 556,957.37 | 46,819.00 | (42,271.90) | (808,300.00) | 406,616.63 | (626,073.00) | |
| **BEGINNING BALANCE, as of July 1** | 2,423,936.00 | 3,618,528.29 | 3,056,667.00 | 4,175,485.66 | 3,894,382.00 | 4,470,492.76 | 3,770,286.00 | |
| **Audit Adjustments** | - | - | - | 337,279.00 | - | - | - | |
| **As of July 1 – Audited** | 2,423,936.00 | 3,618,528.29 | 3,056,667.00 | 4,512,764.66 | 3,894,382.00 | 4,470,492.76 | 3,770,286.00 | |
| **Other Restatements** | - | - | - | - | - | - | - | |
| **Adjusted beginning Balance** | 2,423,936.00 | 3,618,528.29 | 3,056,667.00 | 4,512,764.66 | 3,894,382.00 | 4,470,492.76 | 3,770,286.00 | |
| **ENDING BALANCE** | $1,702,178.00 | $4,175,485.66 | $3,103,486.00 | $4,470,492.76 | $3,086,082.00 | $4,877,109.39 | $3,144,213.00 | |
| **Unrestricted Balance** | $1,611,744.00 | $3,906,533.87 | $3,103,486.00 | $4,133,392.07 | $3,086,082.00 | $4,723,272.38 | $3,046,792.00 | |
| **Restricted Balance** | $90,434.00 | $268,951.79 | - | $337,100.69 | - | $153,837.01 | $97,421.00 | |

(1) The unaudited actuals differ from the District's audited financial statements due to the consolidation of the Special Revenue – Special Reserve Fund and Special Reserve for Postemployment Benefits Fund with the General Fund in the audited financial statements in accordance with GASB Statement No. 54.
(2) Figures are projections.
Source: Piner-Olivet Union School District adopted general fund budgets for fiscal years 2017-18 through 2020-21; unaudited actuals for fiscal years 2017-18 through 2019-20; and first interim report for fiscal year 2020-2021.

**District Debt Structure** **[*Note: Section to be updated with FY 2019-20 audit when available*.]**

***Long-Term Debt Summary.*** A schedule of changes in the District's long-term obligations for the year ended June 30, 2020, consisted of the following:

| Long-Term Debt | Balance, July 1, 2019 | Additions | Deductions | Balances June 30, 2020 | Due Within One Year |
|---|---|---|---|---|---|
| Compensated Absences | $ | $ | $ | $ | $ |
| General Obligation Bonds:[1] | | | | | |
| Current Interest | | | | | |
| Capital Appreciation | | | | | |
| Bond Premium | | | | | |
| Early Retirement Incentives | | | | | |
| Total OPEB Liability | | | | | |
| Net Pension Liability | | | | | |
| Totals | $ | $ | $ | $ | $ |

(1) [Does not include the Series 2021 Bonds or the Refunding Bonds or the planned refunding of the Refunded Bonds. See "THE SERIES 2021 BONDS – Outstanding Bonds" and "– Aggregate Debt Service" in the front portion of this Official Statement for more information about such outstanding bonds.]

Source: Piner-Olivet Union School District Audited Financial Report for fiscal year 2019-20.

***General Obligation Bonds.*** In addition to the Series 2021 Bonds, the District has outstanding two series of general obligation bonds, which are secured by *ad valorem* taxes levied upon all property subject to taxation by the District on a parity with the Series 2021 Bonds.

See "THE SERIES 2021 BONDS – Outstanding Bonds" and "– Aggregate Debt Service" in the front portion of this Official Statement for more information about such outstanding bonds.

***West County Transportation Agency.*** The District is a member of the West County Transportation Agency ("WCTA"), a joint exercise of powers agency that provides pupil transportation services for member school districts. See "Joint Powers Agreements and Joint Ventures" herein for more information. In April 2017, the WCTA issued its West County Transportation Agency Series 2017 Bonds (Transportation Facilities Project) (the "West County Transportation Agency Bonds"), which are secured in part by payments by the District and 16 other participating local school districts. The District paid its member share of $[_____] in fiscal year 2019-20 and expects to pay its member share of $[____] in fiscal year 2020-21, as set forth in the following table provided by the District. The District's payments to the WCTA are paid from the District's General Fund. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS – Direct and Overlapping Debt" in the front portion of the Official Statement for more information.

***[NOTE: Table to be updated by District.]***

| WCTA Costs | Fiscal Year 2019-20 | Fiscal Year 2020-21 |
|---|---|---|
| Home to School Transportation – Excess Cost Transfer | | |
| Special Education Transportation | | |
| Facility Lease Payment – Home to School[1] | | |
| Facility Lease Payment – Special Education[1] | | |
| Total Costs | | |

(1) Payments related to the West County Transportation Agency Bonds are included in the facility lease payments. Assuming no early redemptions, the West County Transportation Agency Bonds mature in 2047.

Source: Piner-Olivet Union School District.

***Early Retirement Incentives***. During fiscal year 2016-17, the District signed a memorandum of understanding with the Piner-Olivet Teachers' Association as a means of encouraging early retirement. To be eligible, certificated employees must have at least 10 years of service with the District preceding their resignation/retirement, and must be at least 55 years of age at the time of resignation/retirement. Eight certificated employees chose to participate in the program. Future estimated payments for early retirement incentives as of June 30, 2020 are $[_______] in 2021.

***Other Post-Employment Benefits (OPEBs).*** In addition to the retirement plan benefits with CalSTRS and CalPERS (defined below), the District offers certain post-retirement healthcare benefits. The District administers a single-employer defined benefit health care plan (the "Plan"). As of July 1, 2020, there were [___] participants in the Plan, which consist of [__] inactive employees currently receiving benefit payments and [___] active employees. Plan benefits and contribution requirements for both the employee and the District are established by labor agreements. All contracts with District employees will be renegotiated at various times in the future, and thus, costs and benefits are subject to change. The District has not established an irrevocable trust in accordance with Statement Number 75 to prefund its OPEB liability.

Certificated and Certificated Management. Under the Plan, upon attainment of age 55 and completion of at least 14 years of service credit with the District, a certificated employee may retire under CalSTRS and receive a District contribution towards healthcare (medical, prescription drug and behavioral health) coverage equal to a percentage of the District cap according to the age at retirement as follows:

| Age at Retirement | Percentage of District Cap |
|---|---|
| 55 but less than 58 | 100% |
| 58 but less than 61 | 90% |
| 61 but less than 65 | 75% |

The District cap for fiscal year 2019-20 was currently $[___] per month ($[___] annually) and is frozen in the year of retirement. District benefits end at age 65. The District contribution may not be used toward coverage for spouses or other dependents.

Classified, Classified Management and Classified Confidential Employees. Under the Plan, these groups receive the same retiree benefits as certificated employees with the exception that they are required to have 15 rather than 14 years of service, and retirement under CalPERS.

Employees who work at least 50% but less than 100% full-time receive a pro-rata share of the District-paid retiree benefits described above. There is one current retiree who receives 50% District-paid lifetime benefits under a special arrangement for non-Medicare-eligible certificated retirees aged 65 and over.

***[District to provide 2019 actuarial report when available.]*** [Demsey, Filliger & Associates] has prepared an actuarial report, dated [July 1, 2018] (the "Actuarial Report"). According to the Actuarial Report, the District had a total and net OPEB liability of $1,095,667. The Actuarial Report was based on the following assumptions: a discount rate of 3.13%, an inflation rate of 3.00% per annum, salary increases of 3.00% per annum, and a health care cost rate trend of 5.80% for 2020, decreasing 0.10% per year to 5.00%. The District currently pays for its OPEB obligations on a pay-as-you-go basis. In fiscal year 2019-20, the District contributed $[___] to the Plan, all of which was used for current premiums. In fiscal year 2020-21, such contribution is projected to be $[__________].

The changes in the total OPEB liability for fiscal year 2019-20 are set forth in the table below:

***[Insert changes in total OPEB liability table from FY 19-20 audit when available.]***

In June 2015, the Governmental Accounting Standards Board ("GASB") issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("Statement Number 75"). Other post-employment benefits (meaning other than pension benefits) ("OPEB") generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long term care benefits. The objective of Statement Number 75 is to improve accounting and financial reporting by the State and local governments for OPEB by requiring the recognition of entire OPEB liability, a more comprehensive measure of OPEB expense, new note disclosures and certain required supplementary information. In addition, Statement Number 75 sets forth additional accounting methods to improve the usefulness of information about OPEB included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. Statement Number 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. Statement Number 75 replaces GASB Statements Number 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and Number 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented Statement Number 75 beginning with its audited financial statements for fiscal year 2017-18.

***Tax and Revenue Anticipation Notes.*** The District did not issue tax and revenue anticipation notes ("TRANS") or borrow funds to supplement the District's cash flow in fiscal years 2018-19 and 2019-20. Due to deferrals in State funding in fiscal year 2020-21, the District plans to issue TRANS through SCOE in fiscal year 2020-21 to supplement the District's cash flow. The District also maintains a line of credit with the County through April 2020, but it has not drawn upon such credit as of the date hereof ***[Confirm prior to posting POS]***. See "State Funding of Education; State Budget Process – *2020-21 State Budget*" for more information regarding State funding deferrals. The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

**Employment**

As of December 1, 2020, the District employed approximately [_____] full-time equivalent ("FTE") employees, consisting of [_____] FTE non-management certificated employees, [___] FTE certificated management employees, [___] FTE classified non-management employees and [___] FTE classified management employees. For fiscal year 2019-20, the total certificated and classified payrolls were approximately $[___] million and $[___] million, respectively. For fiscal year 2020-21, the total certificated and classified payrolls are projected to be approximately $[___] million and $[___] million, respectively.

The District's certificated and classified employees are represented by formal bargaining organizations as shown in the table below. ***[District to describe status of negotiations with bargaining unit, including any negotiations regarding MOUs for various instructional methods.]***

| Name of Bargaining Unit | Number of FTEs Represented | Current Contract Expiration Date |
|---|---|---|
| Piner-Olivet Union Educators' Association | [____] | June 30, 2021 |
| California School Employees Association/Chapter 45 | [____] | June 30, 2021 |

Source: Piner-Olivet Union School District.

**Retirement Benefits**

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, including teachers and administrators, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

***CalSTRS.*** The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Governor Brown signed into law Assembly Bill 1469 on June 24, 2014, as part of the fiscal year 2014-15 State budget (the "2014-15 State Budget"). The 2014-15 State Budget introduced phased increases to employee, employer and State contributions to CalSTRS and sets forth a plan to eliminate CalSTRS' unfunded liability by June 30, 2046.

The 2014-15 State Budget increased employee contributions, which were previously set at 8.00% of pay, to 10.25% of pay for members hired on or before December 31, 2012 and 9.205% of pay for members hired on or after January 1, 2013 effective July 1, 2016. On July 1, 2018, the rate increased to 10.250% of pay for employees hired on or after January 1, 2013. Employer contribution rates were also increased in fiscal year 2014-15 to 8.88% of payroll, with such rate increasing by 1.85% each year thereafter, plateauing at 19.10% of payroll in July 2020. However, due to supplemental payments of approximately $850 million pursuant to the 2019-20 State Budget, employer contribution rates decreased from 18.13% to 17.10% in fiscal year 2019-20 and 19.10% to 18.40% in fiscal year 2020-21. In addition, pursuant to the 2020-21 State Budget, employer contribution rates are expected to decrease from 18.40% to 16.15% in fiscal year 2020-21 and from 17.10% to 16.02% in fiscal year 2021-22 (see table below). The State's total contribution was increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, and to 10.828% of payroll in fiscal year 2020-21. The State's contribution includes an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program.

Pursuant to the 2014-15 State Budget, employer contribution rates, including school districts' contribution rates, will increase in accordance with the following schedule:

| Effective Date (July 1) | School District Contribution Rate |
|---|---|
| 2014 | 8.88% |
| 2015 | 10.73 |
| 2016 | 12.58 |
| 2017 | 14.43 |
| 2018 | 16.28 |
| 2019 | 17.10* |
| 2020 | 16.15† |
| 2021 | 16.02† |

* Pursuant to the fiscal year 2019-20 State budget.
† Pursuant to the 2020-21 State Budget. See "– State Funding of Education; State Budget Process –*2020-21 State Budget*."

Source: Assembly Bill 1469.

The following table sets forth the District's employer contributions to CalSTRS as well as the State's non-employer contributions to CalSTRS on behalf of the District for fiscal years 2016-17 through 2018-19, the contribution for fiscal year 2019-20, and the projected contribution for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Contributions to CalSTRS for Fiscal Years 2016-17 through 2020-21**

| Fiscal Year | District Contribution | State's STRS On-Behalf Amounts |
|---|---|---|
| 2016-17 | $777,346 | $526,325 |
| 2017-18 | 898,595 | 513,065 |
| 2018-19 | 991,960 | 949,408 |
| 2019-20 | [_________] | [_________] |
| 2020-21[1] | [_________] | [_________] |

(1) First interim report for fiscal year 2020-21.
Source: Piner-Olivet Union School District

The District's total employer contributions to CalSTRS for fiscal years 2016-17 through 2019-20 were equal to 100% of the required contributions for each year. Pursuant to the 2014-15 State Budget, beginning in fiscal year 2021-22, the State Teachers Retirement Board is required to increase or decrease employer contribution rates to the rates designed to eliminate the CalSTRS unfunded liability by June 30, 2046. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate the CalSTRS unfunded liability. As the world is currently experiencing a pandemic, the District cannot predict the impact of the outbreak of COVID-19 on investment earnings and employer contribution rates. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – Infectious Disease Outbreak." However, under existing law, the State Teachers Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability.

As of June 30, 2019, the actuarial valuation (the "2019 CalSTRS Actuarial Valuation") for the entire CalSTRS defined benefit program showed an estimated unfunded actuarial liability of $105.7 billion, a decrease of approximately $1.5 billion from the June 30, 2018 valuation. The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2019 and June 30, 2018, based on the actuarial assumptions, were approximately 66.0% and 64.0%, respectively. According to the 2019 CalSTRS Actuarial Valuation, the funded ratio increased by 2.0% during the past year and has decreased by approximately 12% over the past 10 years. As described in the 2019 CalSTRS Actuarial Valuation, the additional State contribution and the return on the actuarial value of assets (7.7%) that exceeded the assumed return (7%) were the primary causes of the increase in the funded ratio from the prior year valuation. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The following are certain of the actuarial assumptions set forth in the 2019 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. The 2019 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See

"–Governor's Pension Reform" below for a discussion of the pension reform measure signed by the Governor in August 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of a global pandemic, including the outbreak of COVID-19, on investment earnings and school district contributions. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – Infectious Disease Outbreak" for more information about the impact of COVID-19. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2019-20. School districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.062% of eligible salary expenditures for fiscal year 2018-19 and originally 20.733% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the 2020-21 State Budget allocates funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.84%, respectively. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – 2020-21 State Budget."

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2018 (the "2018 CalPERS Schools Pool Actuarial Valuation") reported an actuarial accrued liability of $92.07 billion with the market value of assets at $64.85 billion, and a funded status of 70.4%. The actuarial funding method used in the 2018 CalPERS Schools Pool Actuarial Valuation is the "Entry Age Normal Cost Method." The 2018 CalPERS Schools Pool Actuarial Valuation assumes, among other things, 2.625% inflation and payroll growth of 2.875% compounded annually. The 2018 CalPERS Schools Pool Actuarial Valuation reflects a discount rate of 7.25% compounded annually (net of administrative expenses) as of June 30, 2018 and 7.00% compounded annually (net of administrative expenses) as of June 30, 2019. The CalPERS Board adopted new demographic assumptions on December 19, 2017, including a reduction in the inflation assumption from 2.625% as of June 30, 2018 to 2.50% as of June 30, 2019. The reduction in the inflation assumption results in decreases in both the normal cost and the accrued liabilities in the future.

The following table sets forth the District's total employer contributions to CalPERS for fiscal years 2016-17 through 2018-19, the contribution for fiscal year 2019-20, and the projected contribution for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Contributions to CalPERS for Fiscal Years 2016-17 through 2020-21**

| Fiscal Year | Contribution |
|---|---|
| 2016-17 | $253,524 |
| 2017-18 | 291,655 |
| 2018-19 | 368,543 |
| 2019-20 | [________] |
| 2020-21[1] | [________] |

(1) First interim report for fiscal year 2020-21.
Source: Piner-Olivet Union School District

The District's total employer contributions to CalPERS for fiscal years 2016-17 through 2018-19 were equal to 100% of the required contributions for each year.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

CalSTRS and CalPERS are more fully described in Note 9 to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

***Governor's Pension Reform.*** On August 28, 2012, Governor Brown and the State Legislature reached agreement on a law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is $137,300 for 2020, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires State employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law.

**Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures**

The District participates in two joint ventures under joint powers agreements ("JPAs"): Redwood Empire Schools' Insurance Group (RESIG) for property and liability, workers' compensation and dental insurance coverage, and West County Transportation Agency for pupil transportation services. The relationship between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs arrange for and/or provides coverage for its members. Each JPA is governed by a board consisting of a representative from each member district. Each board controls the operations of their JPA, including selection of management and approval of operating budgets independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to their participation in each JPA. See Note 14 to the District's audited financial statements in APPENDIX B— "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020" for more information.

## CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

### Limitations on Revenues

On June 6, 1978, California voters approved Proposition 13 ("Proposition 13"), which added Article XIIIA to the State Constitution ("Article XIIIA"). Article XIIIA limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIIIA 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 have occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

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

***County of Orange v. Orange County Assessment Appeals Board No. 3.*** Section 51 of the Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new "base year value" for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIIIA. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

***Legislation Implementing Article XIIIA.*** Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. 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 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment 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.

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 market value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

**Article XIIIB of the California Constitution**

An initiative to amend the State Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979, thereby adding Article XIIIB to the State Constitution ("Article XIIIB"). Under Article XIIIB 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 XIIIB does not affect the appropriation of moneys which are excluded from the definition of "appropriations subject to limitation," including 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" is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIIIB, if these entities' revenues in any year 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. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State's allowable limit.

**Article XIIIC and Article XIIID of the California Constitution**

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID ("Article XIIIC" and "Article XIIID," respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4. Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIIIA of the California Constitution.

The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

**Statutory Limitations**

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 *in Santa Clara County Transportation Authority v. Guardino.* This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

**Proposition 98 and Proposition 111**

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's Appropriations Limit. The Accountability Act guarantees State funding for K-12 districts and community college districts (collectively, "K-14 districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIIIB spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State Appropriations Limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the Appropriations Limit for K-14 districts and the K-14 districts Appropriations Limits for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIIB surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, California voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the "first test") or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to per capita personal income) and enrollment (the "second test"). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a "credit" to be paid in future years when general fund revenue growth exceeds personal income growth.

**Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos***

On February 1, 2012, pursuant to the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, Assembly Bill No. 26 (First Extraordinary Session) ("AB1X 26") dissolved all redevelopment agencies in existence and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency were transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

It is possible that there will be additional legislation proposed and/or enacted to clarify various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a "tax claw back" provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This "tax claw back" provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

**Proposition 30 and Proposition 55**

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2019 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see "–Proposition 98 and Proposition 111" above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative ("Proposition 55"), approved by the voters on November 8, 2016, extends by 12 years the temporary personal income tax increases on incomes over $250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales and use tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

**Applications of Constitutional and Statutory Provisions**

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see "DISTRICT FINANCIAL MATTERS — State Funding of Education; State Budget Process."

**Proposition 2**

***General.*** Proposition 2, which included certain constitutional amendments to the Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

***Rainy Day Fund.*** The Proposition 2 constitutional amendments related to the Rainy Day Fund (i) require deposits into the Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year's deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create a Proposition 98 reserve (the “Public School System Stabilization Account”) to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Public School System Stabilization Account unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

***SB 858***. Senate Bill 858 (“SB 858”) became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Public School System Stabilization Account, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

***SB 751.*** Senate Bill 751 (“SB 751”), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

The Series 2021 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Series 2021 Bonds as and when due.

**Future Initiatives**

Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID, as well as Propositions 2, 30, 55, 62, 98, 111 and 218, were each adopted as measures that qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District’s ability to expend revenue.

# APPENDIX B

## FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

# APPENDIX C

## PROPOSED FORM OF OPINION OF BOND COUNSEL

*Upon issuance and delivery of the Series 2021 Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, proposes to render its final approving opinion with respect to the Series 2021 Bonds in substantially the following form:*

## APPENDIX D

## FORM OF CONTINUING DISCLOSURE CERTIFICATE

## APPENDIX E

## SONOMA COUNTY STATEMENT OF INVESTMENT POLICY AND QUARTERLY INVESTMENT REPORT

*The following information has been furnished by the Office of the Auditor-Controller-Treasurer-Tax Collector, County of Sonoma. It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the Auditor-Controller-Treasurer-Tax Collector and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Auditor-Controller-Treasurer, Tax Collection, County of Sonoma, 585 Fiscal Drive, Room 100, Santa Rosa, CA 95403.*

## APPENDIX F

## BOOK-ENTRY ONLY SYSTEM

*The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Series 2021 Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Series 2021 Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.*

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2021 Bonds (the "Securities"). The Securities 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 Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. 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 a Standard & Poor's rating of 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.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. 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 Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities 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 registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or 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.

9. DTC may discontinue providing its services as depository with respect to the Securities 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, Security certificates are required to be printed and delivered.

10. 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, Security certificates will be printed and delivered to DTC.

11. 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.

# APPENDIX G

## TABLE OF ACCRETED VALUES OF CAPITAL APPRECIATION BONDS

# APPENDIX H

## SPECIMEN MUNICIPAL BOND INSURANCE POLICY

# Agenda Item Summary

Action Item: **12.2** **APPROVAL OF RESOLUTION 543 OF THE BOARD OF TRUSTEES OF THE PINER-OLIVET UNION SCHOOL DISTRICT AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED $7,500,000 AGGREGATE PRINCIPAL AMOUNT OF PINER-OLIVET UNION SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT, A FORWARD DELIVERY BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS IN CONNECTION THEREWITH**

Regular Meeting of: December 15, 2020 **Action** Item Report Format:**Oral**

Attachment: Resolution and related documents

**Presented by:** Dr. Steve Charbonneau, Superintendent

**Summary Statement:**

The Board of Trustees is requested to approve the above-referenced resolution authorizing the issuance of not to exceed $7,500,000 of refunding bonds (the “Refunding Bonds”) (i) to refund all or a portion of the District’s outstanding General Obligation Bonds, Election of 2010, Series 2011 (Bank Qualified) (the “Prior Bonds”) and (ii) to pay costs of issuance of the Refunding Bonds. The proposed resolution also approves the sale of the Refunding Bonds on either a forward delivery basis pursuant to a Forward Delivery Bond Purchase Agreement, which is the anticipated method of sale, or a standard delivery basis pursuant to a Bond Purchase Agreement, as the alternative. The Refunding Bonds will be sold and issued by the District. Isom Advisors, a Division of Urban Futures, Inc. will serve as the municipal advisor for the transaction, and Orrick, Herrington & Sutcliffe LLP will serve as bond counsel and disclosure counsel. Raymond James & Associates, Inc. will serve as the underwriter.

This refunding is expected to generate savings for the District’s taxpayers. This refunding will reduce aggregate property taxes and will not increase the terms of the outstanding Prior Bonds. Staff wishes to proceed with the refunding.

The Board of Trustees is requested to approve the above-referenced resolution authorizing the issuance of the Refunding Bonds and the refunding of the outstanding Prior Bonds and approve various documents and actions, as follows:

1. ***Resolution.*** The resolution authorizes the issuance of the Refunding Bonds and establishes parameters for the terms thereof, approves the forms of and authorizes the execution and delivery of the financing documents (including the Bond Purchase Agreement, the Forward Delivery Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate), approves the form of and authorizes the distribution of the official statement (in preliminary and final form), and sets forth the security provisions for the Refunding Bonds and the covenants of the District to bond owners.

2. ***Bond Purchase Agreement***. If the Refunding Bonds are sold on a standard delivery basis, the Bond Purchase Agreement will specify the purchase price of the Refunding Bonds to be paid by the underwriter, the interest rates, maturity dates and principal amounts of each maturity of the Refunding Bonds, the date, time and place of the closing of the Refunding Bond issue, the allocation of the expenses incurred in connection with the Refunding Bond issue, the parties’ representations to and agreements with each other and the conditions which the District must satisfy before the underwriter becomes obligated to purchase the Refunding Bonds.

3. ***Forward Delivery Bond Purchase Agreement.*** If the Refunding Bonds are sold on a forward delivery basis, the Forward Delivery Bond Purchase Agreement will specify the purchase price of the Refunding Bonds to be paid by the underwriter, the interest rates, maturity dates and principal amounts of each maturity of the Refunding Bonds, the date, time and place of the closing of the Refunding Bond issue, the allocation of the expenses incurred in connection with the Refunding Bond issue, the parties’ representations to and agreements with each other and the conditions which the District must satisfy before the Underwriter becomes obligated to purchase the Refunding Bonds.

4. ***Escrow Agreement.*** The Escrow Agreement sets forth the terms for the refunding of the outstanding Prior Bonds to be refunded, including the deposit and investment of moneys to be held by the escrow bank and the terms for paying the Prior Bonds prior to the redemption date or through maturity, as applicable, and redeeming the Prior Bonds that are callable early on the redemption date.

5. ***Continuing Disclosure Certificate.*** Federal securities laws indirectly require districts to disclose and annually update certain financial and operating information relevant to the security and repayment of bonds. The Continuing Disclosure Certificate contains the undertakings of the District to provide the ongoing disclosure in the form of annual reports and event notices.

6. ***Official Statement.*** The Official Statement (in its preliminary and final form) is used to provide information to investors and prospective investors about the District and the Refunding Bonds. The Refunding Bonds constitute securities for purposes of state and federal securities laws and, therefore, the offering and sale of the Refunding Bonds through the Official Statement is subject to certain provisions of such laws, including, importantly, the anti-fraud laws. The Official Statement sets forth information about the terms of the Refunding Bonds, the security for the Refunding Bonds, the sources and uses of the proceeds of the Refunding Bonds, the District and the tax base of the District, and the documents under which the Refunding Bonds are issued.

## Budget Implications:

The Refunding Bonds will be paid from taxes on property within the District levied and collected by the County of Sonoma.

## Recommendation:

It is recommended that the Board of Trustees approve the attached resolution and authorize staff to take the necessary steps to complete the refunding.

## RESOLUTION NO. 543

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE PINER-OLIVET UNION SCHOOL DISTRICT AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED $7,500,000 AGGREGATE PRINCIPAL AMOUNT OF PINER-OLIVET UNION SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT, A FORWARD DELIVERY BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS IN CONNECTION THEREWITH**

**WHEREAS,** on February 24, 2011, the Piner-Olivet Union School District (the "District"), located in the County of Sonoma, California (the "County"), has heretofore issued the Piner-Olivet Union School District (County of Sonoma, State of California) General Obligation Bonds, Election of 2010, Series 2011 (Bank Qualified) (the "Prior Bonds"), in the original aggregate principal amount of $8,033,224.60; and

**WHEREAS,** pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Government Code") and other applicable law (collectively, the "Act"), the District is authorized to issue refunding bonds to refund all or a portion of the Prior Bonds; and

**WHEREAS,** it is desirable that all or a portion of the Prior Bonds be refunded (such refunded Prior Bonds being referred to herein as the "Refunded Bonds"); and

**WHEREAS,** in order to refund all or a portion of the Prior Bonds, it is desirable that the District issue refunding bonds to be designated the "Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds" with such additional or other series designations as may be approved as herein provided (the "Refunding Bonds"), according to the terms and in the manner herein provided; and

**WHEREAS,** the District desires to secure the timely payment of all or a portion of the principal of and interest on the Refunding Bonds by obtaining a bond insurance policy with respect thereto, if such a policy is available and determined to be economically advantageous; and

**WHEREAS,** the moneys to pay and redeem the Refunded Bonds will be applied to such purpose pursuant to an Escrow Agreement by and between the District and the paying agent for the Prior Bonds, as paying agent and as escrow bank (such Escrow Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Escrow Agreement"); and

**WHEREAS,** the Board of Trustees of the District (the "Board of Trustees") desires to authorize the sale of the Refunding Bonds by a negotiated sale either (i) pursuant to a Bond Purchase Agreement (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Bond Purchase Agreement") on a standard delivery basis, or (ii) pursuant to a Forward Delivery Bond Purchase Agreement (such Forward Delivery Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Forward Delivery Bond Purchase Agreement") on a forward delivery basis, each to be entered into with Raymond James & Associates, Inc., as underwriter (the "Underwriter"), as shall be determined by an Authorized Officer (as defined herein) of the District to be in the best interest of the District as provided herein; and

**WHEREAS,** Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Refunding Bonds, the Underwriter must have reasonably determined that the District has undertaken in a written agreement or contract for the benefit of the holders of the Refunding Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

**WHEREAS,** in order to cause such requirement to be satisfied, the District desires to execute and deliver a Continuing Disclosure Certificate (such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Continuing Disclosure Certificate"); and

**WHEREAS,** a form of the Preliminary Official Statement to be distributed in connection with a public offering of the Refunding Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Preliminary Official Statement"); and

**WHEREAS,** Government Code Section 5852.1 requires that the Board of Trustees obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

**WHEREAS,** in compliance with Government Code Section 5852.1, the Board of Trustees has obtained from Isom Advisors, a Division of Urban Futures, Inc., as financial advisor and as municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the

"Municipal Advisor"), and the Underwriter, the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto; and

**WHEREAS,** the District has previously adopted a local debt policy (the "Debt Management Policy") that complies with Government Code Section 8855(i), and the District's sale and issuance of the Refunding Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

**WHEREAS,** the Sonoma County Superintendent of Schools has jurisdiction over the District; and

**WHEREAS,** this Board of Trustees desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County (the "Board of Supervisors"), the Auditor-Controller of the County (together with any authorized deputy thereof, the "Auditor-Controller"), the Treasurer-Tax Collector of the County (together with any authorized deputy thereof, the "Treasurer") and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of the Refunding Bonds and such portion of the Prior Bonds as shall remain outstanding following the issuance of the Refunding Bonds; and

**WHEREAS,** the District desires to proceed to issue and sell the Refunding Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of the Refunding Bonds; and

**WHEREAS,** all acts, conditions and things required by the Constitution and laws of the State of California (the "State") to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

**NOW, THEREFORE, BE IT RESOLVED** by this Board of Trustees of the Piner-Olivet Union School District, County of Sonoma, California, as follows:

**Section 1. Recitals.** All of the above recitals are true and correct and the Board of Trustees so finds and determines.

**Section 2. Definitions.** Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Resolution, have the meanings specified herein, to be equally applicable to both the singular and plural forms of any of the terms herein defined.

**"Act"** means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code and other applicable law.

**"Auditor-Controller"** means the Auditor-Controller of the County or any authorized deputy thereof.

**"Authorized Officers"** means the President of the Board of Trustees, or such other member of the Board of Trustees as the President may designate, the Superintendent of the District, and the Chief Business Official of the District, or such other officer or employee of the District as the Superintendent may designate.

**"Board of Supervisors"** means the Board of Supervisors of the County.

**"Board of Trustees"** means the Board of Trustees of the District.

**"Bond Purchase Agreement"** means the Bond Purchase Agreement relating to the sale of the Refunding Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

**"Bonds"** means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on June 6, 1995, November 2, 2010, as all such Bonds are required by State law to be paid from the interest and sinking fund of the District.

**"Cede & Co."** means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Refunding Bonds.

**"Code"** means the Internal Revenue Code of 1986.

**"Continuing Disclosure Certificate"** means the Continuing Disclosure Certificate executed and delivered by the District relating to the Refunding Bonds.

**"County"** means the County of Sonoma, a county and political subdivision of the State of California organized and existing under the laws of the State of California, and any successor thereto.

**"District"** means the Piner-Olivet Union School District.

**"DTC"** means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for Refunding Bonds, including any such successor thereto appointed pursuant to Section 10 hereof.

**"Interest Payment Date"** means February 1 and August 1 of each year, commencing on August 1, 2021, or such other dates as may be set forth in the Bond Purchase Agreement.

**"Official Statement"** means the Official Statement of the District relating to the Refunding Bonds.

**"Opinion of Bond Counsel"** means an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds.

**"Owner"** means, with respect to any Refunding Bond, the person whose name appears on the Registration Books as the registered Owner thereof.

**"Paying Agent"** means The Bank of New York Mellon Trust Company, N.A., or any bank, trust company, national banking association or other financial institution or the Treasurer of the County appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Refunding Bonds in accordance with Section 9 hereof.

**"Preliminary Official Statement"** means the Preliminary Official Statement of the District relating to the Refunding Bonds.

**"Record Date"** means, with respect to any Interest Payment Date for Refunding Bonds, the 15th day of the calendar month immediately preceding such Interest Payment Date for such Refunding Bonds, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement or Forward Delivery Bond Purchase Agreement, as applicable.

**"Redemption Date"** shall have the meaning set forth in Section 13 hereof.

"**Refunding Bonds"** means the Bonds authorized and issued pursuant to this Resolution, in one or more series or subseries, designated the "Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds" with such additional or other series or subseries designations as may be approved as herein provided.

**"Registration Books"** means the books for the registration and transfer of the Refunding Bonds maintained by the Paying Agent in accordance with Section 9(d) hereof.

**"State"** means the State of California.

**"Tax Certificate"** means the Tax Certificate with respect to the Refunding Bonds not issued as Taxable Bonds, executed by the District, dated the date of issuance of such Refunding Bonds.

**"Tax-Exempt"** means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

**"Taxable Bonds"** means those Refunding Bonds the interest on which is not Tax-Exempt.

**"Treasurer"** means Treasurer-Tax Collector of the County or any authorized deputy thereof.

**"Underwriter"** means Raymond James & Associates, Inc., as underwriter.

**Section 3. Determination.** This Board of Trustees hereby determines that prudent management of the fiscal affairs of the District requires that, subject to the provisions of Section 12 hereof, the District issue the Refunding Bonds under the provisions of the Act to refund all or a portion of the Prior Bonds.

**Section 4. Authorization and Designation of Refunding Bonds.** Subject to the provisions of Section 12 hereof, the issuance of the Refunding Bonds, on a forward or standard delivery basis, as shall be determined by an Authorized Officer of the District to be in the best interest of the District as provided herein, in the aggregate principal amount of not to exceed $7,500,000, on the terms and conditions set forth, and subject to the limitations specified, herein, is hereby authorized and approved. The Refunding Bonds shall be designated "Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds," with appropriate additional or other designations as approved by an Authorized Officer. The Refunding Bonds shall be dated, shall accrue interest at the rate or rates, shall mature on the date or dates, and shall be as otherwise provided in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, as the same shall be completed as provided in this Resolution.

**Section 5. Form of Bonds; Execution.** (a) *Form of Refunding Bonds*. The Refunding Bonds shall be issued in fully registered form without coupons. The Refunding Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit B, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Refunding Bonds*. The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Trustees, and countersigned by the manual or facsimile signature of the Secretary or Clerk of the Board of Trustees (or the designee of any of such respective officers if any are unavailable). The Refunding Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent (as defined herein).

(c) *Valid Authentication*. Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number*. The Paying Agent shall assign each Refunding Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

**Section 6. Terms of Bonds.** (a) *Date of Refunding Bonds*. The Refunding Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable.

(b) *Denominations*. The Refunding Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof, or such other denominations as shall be designated in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable.

(c) *Maturity*. The Refunding Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable. No Refunding Bond shall mature later than the latest maturity date of the Refunded Bonds. No Refunding Bond shall have principal maturing on more than one principal maturity date.

(d) *Interest*. The Refunding Bonds shall bear interest at an interest rate or rates not to exceed 6.00% per annum, payable on such semiannual dates of each year as shall be set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, commencing on the Interest Payment Date set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, computed on the basis of a 360-day year of twelve 30-day months. Each Refunding Bond shall bear interest from the Interest Payment Date of such Refunding Bond next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date, and on or prior to the succeeding Interest Payment Date for such Refunding Bond, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Refunding Bond, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds.

(e) *Tax Exempt or Taxable.* The Refunding Bonds or portion thereof may be issued such that the interest on the Refunding Bonds or portion thereof is Tax-Exempt or such that the interest on the Refunding Bonds or portion thereof is not Tax-Exempt. The Board of Trustees hereby finds and determines that, pursuant to Section 5903 of the Government Code, the interest payable on the Refunding Bonds or portion thereof issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of the Refunding Bonds.

**Section 7. Payment of Bonds.** (a) *Request for Tax Levy*. The money for the payment of principal, redemption premium, if any, and interest on the Refunding Bonds, and fees and expenses of the Paying Agent, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Refunding Bonds in such year, and to pay from such taxes all amounts due on such Refunding Bonds. The Board of Supervisors, the Auditor-Controller, the Treasurer and other officials of the County are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of and interest on the Refunding Bonds, and all fees and expenses of the Paying Agent, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, as the same shall become due and payable, and to apply moneys in the interest and sinking fund of the District as necessary to the payment of the Refunding Bonds, as provided herein, and to provide for the payment of any portion of the Prior Bonds which are to remain outstanding pursuant to the authorizing resolution or paying agent agreement, as applicable, under which such bonds were issued. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, to transmit a certified copy of this Resolution and the debt service schedule for the Refunding Bonds to the Board of Supervisors, the Auditor-Controller and the Treasurer in sufficient time to permit the County to establish tax rates and necessary funds or accounts for the Refunding Bonds, and the Board of Trustees hereby requests that the Board of Supervisors adopt a resolution to levy the appropriate taxes as herein provided.

(b) *Principal*. The principal of the Refunding Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date*. The interest on the Refunding Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Refunding Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* Principal and interest due on the Refunding Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the California Education Code.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Refunding Bonds. The obligation for repayment of the Refunding Bonds is the sole obligation of the District.

(f) *Pledge of Taxes.* The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of Bonds of the District and amounts on deposit in the interest and sinking fund of the District to the payment of the principal or redemption price of and interest on the Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Bonds and successors thereto. The property taxes and amounts held in the interest and sinking fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the interest and sinking fund to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure.

(g) *Insurance.* The payment of principal of and interest on all or a portion of the Refunding Bonds may be secured by a municipal bond insurance policy as shall be described in the Bond Purchase Agreement or Forward Delivery Bond Purchase Agreement, as applicable. The Bond Purchase Agreement or Forward Delivery Bond Purchase Agreement, as applicable, may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized and directed to apply for, or cause to be applied for, municipal bond insurance for the Refunding Bonds and to obtain such insurance if doing so puts such Refunding Bonds (or portion thereof) and the marketing thereof on an economically advantageous basis, and is deemed to be in the best interests of the District. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized and directed to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

**Section 8. <u>Redemption Provisions</u>.** (a) *Optional Redemption*. The Refunding Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable. The Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, may provide that the Refunding Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of the Refunding Bonds, if any, are subject to such redemption and are called for redemption, such Refunding Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable), and if less than all of the Refunding Bonds of any given maturity are called for redemption, the portions of such Refunding Bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable).

(c) *Mandatory Sinking Fund Redemption*. The Refunding Bonds, if any, which are designated in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable. Unless otherwise provided in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately or as otherwise directed by the District by the amount of any Refunding Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, may provide that the Refunding Bonds shall not be subject to mandatory sinking fund redemption. The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Refunding Bonds as shall be necessary to accomplish the purposes of this Section.

(d) *Notice of Redemption*. Notice of any redemption of the Refunding Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Refunding Bonds and the date of issue of the Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity to be redeemed; (vii) in the case of Refunding Bonds redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

(e) *Effect of Notice*. A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Refunding Bonds called for redemption or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Refunding Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund of the District or the trust fund established for such purpose. All Refunding Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the interest and sinking fund of the District or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Refunding Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Funds for Redemption*. Prior to or on the redemption date of any Refunding Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of Bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such Bonds. If no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Refunding Bonds*. If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds all or any part of the principal, interest and premium, if any, on such Refunding Bonds at the times and in the manner provided herein and in such Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners of such Refunding Bonds shall cease to be entitled to the obligation of the District and the County as provided in Section 7 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under such Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Refunding Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent selected by the District, at or before maturity, money and/or non-callable direct obligations of the United States of America (including zero-interest-bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(i) *Unclaimed Monies*. Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Refunding Bonds and remaining unclaimed for two years after the principal of all Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from the fund; or, if no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

**Section 9. Paying Agent.** (a) *Appointment; Payment of Fees and Expenses*. This Board of Trustees does hereby consent to and confirm the appointment of The Bank of New York Mellon Trust Company, N.A., to act as the initial Paying Agent for the Refunding Bonds. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Refunding Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent*. The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least $100,000,000 in net assets, or the Treasurer, including any third party that the Treasurer contracts with to perform the services of the Paying Agent under this Resolution.

(c) *Principal Corporate Trust Office*. The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Refunding Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated for a particular purpose. If no office is so designated for a particular purpose, such functions shall be conducted at the office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, or the principal corporate trust office of any successor Paying Agent.

(d) *Registration Books*. The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the District and the County, 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 the Registration Books, Refunding Bonds as provided in Sections 10 and 11 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Refunding Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District and the County in a format mutually agreeable to the Paying Agent, the District and the County.

(e) *Merger or Consolidation.* Any bank, national banking association or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (b) of this Section shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**Section 10. <u>Transfer Under Book-Entry System; Discontinuation of Book-Entry System</u>.** (a) *Appointment of Depository; Book-Entry System.* Unless otherwise specified in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, DTC is hereby appointed depository for the Refunding Bonds and the Refunding Bonds shall be issued in book-entry form only, and shall be initially registered in the name of Cede & Co., as nominee of DTC. One bond certificate shall be issued for each maturity of the Refunding Bonds; provided, however, that if different CUSIP numbers are assigned to Refunding Bonds maturing in a single year or, if Refunding Bonds maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Refunding Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 11 hereof:

(i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a "substitute depository"); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the District can be obtained, or (2) a determination by the District that it is in the best interests of the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(b) *Transfers.* In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Refunding Bond for each maturity shall be executed and delivered (in the aggregate principal amount of such Refunding Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Refunding Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 6 hereof and the receipt of such a written request of the District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 11 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) *Partial or Advance Refunding.* In the case of partial redemption or an advance refunding of the Refunding Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Refunding Bonds indicating the date and amounts of such reduction in principal.

(d) *Treatment of Registered Owner.* The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Refunding Bonds.

(e) *Form of Payment.* So long as the outstanding Refunding Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Refunding Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

**Section 11. Transfer and Exchange.** (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 10 hereof, or upon the initial delivery of the Refunding Bonds not registered in the name of Cede & Co., as nominee of DTC, any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 5 hereof, a new Refunding Bond or Refunding Bonds, of the same series, maturity, interest payment dates and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Refunding Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Refunding Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

(b) *Exchange*. The Refunding Bonds may be exchanged for Refunding Bonds of other authorized denominations of the same series, maturity, interest payment dates and interest rate or rates, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 5 hereof, a new Refunding Bond or Refunding Bonds of the same series, maturity, interest payment dates and interest rate or rates (for a like aggregate principal amount). The Paying Agent may 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 exchange of any Refunding Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

**Section 12. Sale of Bonds.** Because of the need for flexibility in timing the sale of the Refunding Bonds in order to achieve maximum interest cost savings, the Board of Trustees hereby determines to sell the Refunding Bonds by a negotiated sale. The Bond Purchase Agreement and the Forward Delivery Bond Purchase Agreement, in substantially the forms submitted to this meeting and made a part hereof as though set forth in full herein, be and the same, are hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver either the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, in the forms presented to this meeting, (i) based on the determination of the Authorized Officer executing the same as to whether a forward or standard delivery of the Refunding Bonds is in the best interest of the District, and (ii) with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement by such Authorized Officer; provided, however, that (i) no Refunding Bonds shall be authorized in a principal amount which, when combined with the principal amount of all the Refunding Bonds previously authorized and issued pursuant hereto, is in excess of $7,500,000, (ii) no Refunding Bonds shall have a final maturity date later than the latest maturity date of the corresponding Refunded Bonds, (iii) the total net interest cost to maturity of the Refunding Bonds, plus the principal amount of such Refunding Bonds, shall not be in excess of the total net interest cost to maturity of the Refunded Bonds, plus the principal amount of such Refunded Bonds, and (iv) the underwriter's discount (not including any original issue discount) shall not exceed 1.00% of the aggregate principal amount of the corresponding Refunding Bonds.

**Section 13. Designated Costs of Issuing Refunding Bonds.** The refunding of all or a portion of the Prior Bonds is hereby approved. Each such refunding shall be accomplished by paying the principal of and interest on the Refunded Bonds due and payable through and including the earliest practicable date for which notice of redemption can be given (the "Redemption Date") and redeeming such Refunded Bonds on the Redemption Date and paying the redemption price therefor, plus unpaid, accrued interest thereon to the Redemption Date. In accordance with Section 53553 of the Act, with respect to the Refunding Bonds, the Board of Trustees hereby designates the following costs and expenses as the "designated costs of issuing the refunding bonds:"

(i) all expenses incident to the calling, retiring, or paying of the Refunded Bonds and incident to the issuance of such Refunding Bonds, including the charges of any escrow agent or trustee in connection with the issuance of Refunding Bonds or in connection with the redemption or retirement of such Refunded Bonds;

(ii) the interest upon the Refunded Bonds from the date of sale of such Refunding Bonds to the date upon which the Refunded Bonds will be paid pursuant to call; and

(iii) any premium necessary in the calling or retiring of such Refunded Bonds.

**Section 14. Escrow Agreement.** The form of Escrow Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver the Escrow Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Escrow Agreement by such Authorized Officer.

**Section 15. Continuing Disclosure Certificate.** The form of Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.

**Section 16. Preliminary Official Statement**. The form of Preliminary Official Statement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Refunding Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, to certify on behalf of the District that the information contained in the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to the Preliminary Official Statement prior to the offering and sale of the Refunding Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of the Refunding Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to the Board of Trustees of a revised draft of the Preliminary Official Statement with accompanying directions and instructions to members of the Board of Trustees to review such revised Preliminary Official Statement and provide comments to such Authorized Officer.

**Section 17. Official Statement**. The preparation and delivery of a final Official Statement with respect to the Refunding Bonds (the "Final Official Statement") and, if the Refunding Bonds are delivered on a forward delivery basis, an updated Official Statement (the "Updated Official Statement") and their use in connection with the offering and sale of the Refunding Bonds are hereby authorized and approved. The Final Official Statement and the Updated Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, to execute the Final Official Statement and the Updated Official Statement, and any amendment or supplement thereto, for and in the name of the District.

**Section 18. Tax Covenants.** (a) *General.* The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any Tax-Exempt Refunding Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of any Tax-Exempt Refunding Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Refunding Bonds.

(b) *Yield Restriction.* In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the Treasurer in writing, and the District shall make its best efforts to ensure that the Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) *Reliance on Opinion of Bond Counsel.* Notwithstanding any provision of this Section, if the District shall provide to the Treasurer an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on any Tax-Exempt Refunding Bonds under Section 103 of the Code, the Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the related Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

**Section 19. Cost of Issuance.** The Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a Paying Agent set forth in Section 9, as cost of issuance administrator, proceeds of the sale of the Refunding Bonds, in an amount as shall be set forth in the Bond Purchase Agreement or the Forward Delivery Bond Purchase Agreement, as applicable, for the purposes of paying the costs associated with the issuance of the Refunding Bonds.

**Section 20. Professional Services.** In connection with the issuance of Refunding Bonds, Isom Advisors, a Division of Urban Futures, Inc., is hereby appointed to serve as Municipal Advisor to the District, Raymond James & Associates, Inc. is hereby appointed to serve as the Underwriter, and Orrick, Herrington & Sutcliffe LLP is hereby appointed to serve as Bond Counsel and Disclosure Counsel to the District.

**Section 21. Delegation of Authority.** The officers and employees of the District are, and each of them hereby is, authorized and directed to execute and deliver, for and on behalf of the District, any and all agreements, documents, certificates and instruments and to do and cause to be done any and all acts and things necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 22. Approval of Actions.** All actions heretofore taken by the officers and employees of the District with respect to the issuance and sale of the Refunding Bonds, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

**Section 23. Debt Management Policy; Notice to California Debt and Investment Advisory Commission**. With the passage of this Resolution, the Board of Trustees hereby certifies that the Debt Management Policy complies with Government Code Section 8855(i), and that the Refunding Bonds authorized to be issued pursuant to this Resolution are consistent with such policy, and instructs Bond Counsel, on behalf of the District, with respect to the Refunding Bonds issued pursuant to this Resolution, (a) to cause notices of the proposed sale and final sale of the Refunding Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Government Code Section 8855, and (b) to check, on behalf of the District, the "Yes" box relating to such certifications in the notice of proposed sale filed pursuant to Government Code Section 8855.

**Section 24. Electronic Signatures; DocuSign**. The Board of Trustees hereby approves the execution and delivery of any and all agreements, documents, certificates and instruments referred to herein with electronic signatures under the California Uniform Electronic Transactions Act and digital signatures under Section 16.5 of the Government Code using DocuSign

**Section 25. Contract with Bondholders.** The provisions of this Resolution shall be a contract with each and every owner of Bonds and the duties of the District and of the Board of Trustees and the officers of the District shall be enforceable by any owner of Bonds by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

**Section 26. Amendments.** This Resolution may be modified or amended without the consent of the Owners in order to cure ambiguities or provide clarification, provided that such modification or amendment does not materially adversely affect the rights of owners of Bonds. For any other purpose, this Resolution may be modified or amended only with the consent of the Owners of a majority of the aggregate principal amount of all Refunding Bonds then outstanding; provided that any such modification or amendment to Section 7(f) or Section 25 shall require the consent of the owners of a majority of the aggregate principal amount of all Bonds then outstanding. No such modification or amendment shall extend the maturity of, reduce the interest rate or redemption premium on or principal amount of any Refunding Bond or reduce the percentage of consent required for amendment hereof without the express consent of all the owners so affected.

**Section 27. Interpretation.** The terms of this Resolution shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the issuance of, and issue, from time to time, the Refunding Bonds in accordance with the provisions of the agreements, documents, certificates and instruments described herein and the Act on the terms set forth in this Resolution.

**Section 28. Effective Date.** This Resolution shall take effect from and after its date of adoption.

**PASSED AND ADOPTED** this day, December 15, 2020.

President of the Board of Trustees of the
Piner-Olivet Union School District

ATTEST:

Clerk of the Board of Trustees of the
Piner-Olivet Union School District

## EXHIBIT A

## GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Refunding Bonds in compliance with Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the District's municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and by Raymond James & Associates, Inc., as underwriter of the Refunding Bonds (the "Underwriter").

*Principal Amount.* The Municipal Advisor and the Underwriter have informed the District that, based on the District's financing plan and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the aggregate principal amount of the Refunding Bonds to be sold in a public offering is $6,040,000.00 (the "Estimated Principal Amount").

*True Interest Cost of the Refunding Bonds.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Refunding Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 2.83%.

*Finance Charge of the Refunding Bonds.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is $167,398.20, as follows:

| | | |
|---|---|---|
| a) | Underwriter's Discount | $48,320.00 |
| b) | Credit Enhancement | N/A* |
| c) | Bond Counsel and Disbursements | 35,000.00 |
| d) | Disclosure Counsel and Disbursements | 25,000.00 |
| e) | Municipal Advisor and Disbursements | 34,000.00 |
| f) | Rating Agency | 9,000.00 |
| g) | Other Expenses | 16,078.20 |

* A municipal bond insurance policy with respect to the Refunding Bonds is not expected to be obtained unless economically advantageous to the District.

*Amount of Proceeds to be Received.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District for sale of the Refunding Bonds, less the finance charge of the Refunding Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is $6,960,612.50.

*Total Payment Amount.* The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Refunding Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Refunding Bonds, plus the estimated finance charge for the Refunding Bonds, as described above, not paid with the proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is $8,959,538.33.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Refunding Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Refunding Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Refunding Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Refunding Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Refunding Bonds and the actual principal amount of Refunding Bonds sold will be determined by the District based on various factors. The actual interest rates borne by the Refunding Bonds will depend on market conditions at the time of sale thereof. The actual amortization of the Refunding Bonds will also depend, in part, on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District, the Municipal Advisor and the Underwriter.

## EXHIBIT B

## FORM OF REFUNDING BOND

| **Number** | **UNITED STATES OF AMERICA** | **Amount** |
|---|---|---|
| **R-__** | **STATE OF CALIFORNIA** | **$__________** |
| | **COUNTY OF SONOMA** | |

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 20__**
**[(FEDERALLY TAXABLE)][(FORWARD DELIVERY)]**

| Maturity Date | Interest Rate | Dated as of | CUSIP No. |
|---|---|---|---|
| August 1, 20__ | ____% | _______ __, 20__ | __________ |

Registered Owner: CEDE & CO.

Principal Amount: ________________________________________ DOLLARS

Piner-Olivet Union School District, County of Sonoma, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified 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 this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before __________ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on __________ 1, 20__, and thereafter on February 1 and August 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Trustees of the District on December 15, 2020 (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of the paying agent/registrar and transfer agent of the District (the "Paying Agent"), initially The Bank of New York Mellon Trust Company, N.A. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Bonds aggregating at least

$1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), in the aggregate principal amount of $_________, and designated as "Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 20__ [(Federally Taxable)][(Forward Delivery)]" (the "Bonds"). The Bonds were authorized by the Resolution and are issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law. The Bonds are issued and sold by the Board of Trustees of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the [Bond Purchase Agreement][Forward Delivery Bond Purchase Agreement], dated _____, 2021 (the "Purchase Agreement"), by and between the District and Raymond James & Associates, Inc.

The Bonds are issuable as fully registered bonds without coupons in the denomination of $5,000 principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. 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 the same tenor and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payments, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the Registered 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 Bonds are subject to redemption on the terms and subject to the conditions specified in the Resolution and the Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

The Board of Trustees of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Trustees duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any Bond 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.

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 and registration hereon endorsed shall have been signed by the Paying Agent.

**IN WITNESS WHEREOF,** the Board of Trustees of the Piner-Olivet Union School District, County of Sonoma, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

______________________________________
President of the Board of Trustees of the
Piner-Olivet Union School District

Countersigned:

______________________________________
Clerk of the Board of Trustees of the
Piner-Olivet Union School District

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _______________.

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as Paying Agent

By: ___________________________________
Authorized Officer

## ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto ______________________________ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) ______________________________ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

________________________
I.D. Number

________________________________________
Note: The signature(s) 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.

Dated: __________________

Signature Guarantee: ______________________________
Note: Signature must be guaranteed by an eligible guarantor institution.

**CLERK'S CERTIFICATE**

I, ____________________, Clerk of the Board of Trustees of the Piner-Olivet Union School District, County of Sonoma, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly conducted on December 15, 2020 in accordance with law, including in accordance with Executive Order N-29-20, signed by the Governor of the State of California on March 17, 2020, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was acknowledged, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 3450 Coffey Lane, Santa Rosa, California, a location freely accessible to members of the public, and on the District's website at http://www.pousd.org/board-agenda-packets.html, and a brief description of the resolution appeared on the agenda.

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in the District administrative office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: __________, 2020

__________________________________
Clerk of the Board of Trustees of
Piner-Olivet Union School District

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021**
**(FEDERALLY TAXABLE)**

**BOND PURCHASE AGREEMENT**

[__________], 2021

Piner-Olivet Union School District
3450 Coffey Lane
Santa Rosa, California 95403

The undersigned, Raymond James & Associates, Inc. (the "Underwriter"), acting on its own behalf and not as a fiduciary or agent of any other party, hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the Piner-Olivet Union School District (the "District") which, upon the acceptance hereof, will be binding upon the District and the Underwriter. By execution of this Purchase Agreement, the District acknowledges the terms hereof and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 p.m., California time, on the date hereof.

**Section 1. <u>Purchase and Sale of the Bonds</u>.** (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District for reoffering to the public and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the $[__________] aggregate principal amount of the District's Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 (Federally Taxable) (the "Bonds"). The Bonds shall be issued in the principal amounts and shall bear interest at the rates, with the yields to maturity or redemption (as applicable), and shall mature on the dates and in the years shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall be issued in fully registered form, in the authorized denominations of $5,000 or any integral multiple thereof. The Bonds shall bear interest payable from the date thereof and such interest shall be payable on each February 1 and August 1, commencing August 1, 2021.

(b) The Underwriter shall purchase the Bonds at a price of $[__________] (the "Purchase Price") (which represents the aggregate principal amount of the Bonds, [plus/less] [net] original [premium/discount] of $[______] and less the Underwriter's discount in the amount of $[__________]) in immediately available funds by check, draft or wire transfer to or upon the order of the District, as follows: (i) to The Bank of New York Mellon Trust Company, N.A., as escrow bank (the "Escrow Bank"), the amount of $[__________], to be applied to the refunding of the Prior Bonds (as defined below), [and] (ii) to The Bank of New York Mellon Trust Company, N.A., as costs administrator, the amount of $[__________][, and (iii) to the Insurer (defined herein), the amount of $[_________], representing the premium and fees for the Policy (defined herein)].

(c) The District acknowledges and agrees that: (a) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter; (b) the Underwriter is acting solely as underwriter and principal in connection with the matters contemplated by and with respect to all communications under this Purchase Agreement, including the process leading thereto, and is not acting as the agent or fiduciary of the District or as Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of the District and its advisors in connection with the matters contemplated by this Purchase Agreement, regardless of whether the Underwriter or any affiliates thereof have provided or are providing other services to the District; (c) the Underwriter has financial and other interests that differ from those of the District; (d) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters) nor has it assumed any other obligation to the District except the obligations expressly set forth in this Purchase Agreement; and (e) in connection with the purchase and sale of the Bonds, the District has consulted its own financial, legal and other advisors to the extent it has deemed appropriate. The District also acknowledges that it previously received from the Underwriter a letter regarding the Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that it has provided to the Underwriter an acknowledgement of such letter.

**Section 2. <u>The Bonds</u>.** (a) The Bonds shall be dated their date of delivery and shall mature on the dates and be subject to redemption prior to their maturity all as set forth on Exhibit A hereto. The Bonds shall otherwise be as described in and shall be issued and secured pursuant to the provisions of the resolution of the Board of Education of the District (the "Board of Education") adopted on December 15, 2020 (the "Resolution"), which provides for the terms of the Bonds, this Purchase Agreement and Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"). The Bonds are being issued (i) to refund a portion of the outstanding Piner-Olivet Union School District (County of Sonoma, California) General Obligation Bonds, Election of 2010, Series 2011, issued as current interest bonds, maturing on August 1 in the years [2021 through 2025, inclusive, 2030 and 2038] (the "Prior Bonds"), and (ii) to pay costs of issuance of the Bonds. Capitalized terms used herein and not defined herein shall have the meanings set forth in the Resolution.

(b) [The payment of principal of and interest on the Bonds will be secured by a municipal bond insurance policy (the "Policy") to be issued simultaneously with the issuance of the Bonds by __________ (the "Insurer").]

(c) Proceeds of the Bonds will be deposited in an escrow fund established under the Escrow Agreement, dated as of [__________] 1, 2021 (the "Escrow Agreement"), by and between the District and the Escrow Bank, relating to the Prior Bonds.

(d) In order to assist the Underwriter with compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (the "Rule"), the District will enter into the Continuing Disclosure Certificate, dated the Closing Date (the "Continuing Disclosure Certificate").

(e) This Purchase Agreement, the Resolution, the Escrow Agreement and the Continuing Disclosure Certificate are collectively referred to herein as the "District Documents."

(f) The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolution. The Bonds shall be in definitive form, shall bear CUSIP numbers, and shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

**Section 3. Use of Documents.** The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, the Preliminary Official Statement (defined below), the Official Statement (defined below), the District Documents and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

**Section 4. Public Offering of the Bonds**. The Underwriter agrees to make a bona fide initial public offering of all the Bonds at prices no higher than, or yields not lower than, those set forth on Exhibit A hereto. Subsequent to such initial public offering, the Underwriter reserves the right to lower such initial offering prices as the Underwriter deems necessary in connection with the marketing of the Bonds; provided, however, that the Underwriter shall not change the interest rates set forth in Exhibit A. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth on Exhibit A hereto. The Underwriter also reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

**Section 5. Official Statement.** (a) The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated [__________], 2021 (as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement"). The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revisions or additions to the offering price(s), interest rate(s), yield(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule. By the execution of this Purchase Agreement, the District ratifies the use by the Underwriter of the Preliminary Official Statement.

(b) The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto, and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, being herein called the "Official Statement") in such quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds. The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

(c) The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system.

(d) Each party hereto agrees that it will notify the other party hereto if, within the period from the date of this Purchase Agreement to and including the date which is 25 days following the End of the Underwriting Period (as hereinafter defined), such party discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case which might cause the Official Statement (as the same may have been theretofore supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the written opinion of the District or the Underwriter, the preparation and publication of a supplement or amendment to the Official Statement is, as a result of such fact or event (or any other event which becomes known to the District or the Underwriter during such period), necessary so that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall, at its expense, supplement or amend the Official Statement in such a manner so that the Official Statement, as so supplemented or amended, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and furnish copies of such supplement or amendment to the Underwriter in such numbers as the Underwriter may reasonably request. The District and the Underwriter agree that they will cooperate in the preparation of any such amendment or supplement. As used herein, the term "End of the Underwriting Period" means the later of such time as (a) the District delivers the Bonds to the Underwriter, or (b) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "End of the Underwriting Period" shall be deemed to be the Closing Date (as defined herein). Any notice delivered pursuant to this provision shall be written notice delivered to the District at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the End of the Underwriting Period.

**Section 6. <u>Closing</u>.** At 9:00 a.m., California time, on [__________], 2021, or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the

"Closing" or "Closing Date"), the District will direct The Bank of New York Mellon Trust Company, N.A., as the paying agent (the "Paying Agent"), to deliver to the Underwriter, through the facilities of DTC, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed, and shall cause the other documents hereinafter mentioned to be delivered at the offices of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") in Irvine, California. Upon fulfillment of all conditions to Closing herein, the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds (by wire transfer or such other manner of payment as the Underwriter and the District shall reasonably agree upon) to the account of the District.

**Section 7. Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) The District is a school district duly organized and validly existing under the laws of the State of California (the "State"), with the power to issue the Bonds under the laws of the State and pursuant to the Act;

(b) (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds, (ii) the Resolution was duly adopted at a meeting of the Board of Education, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, and the Resolution has not been amended, modified or rescinded, (iii) the District has full legal right, power and authority to enter into this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate, to adopt the Resolution, to issue and to deliver the Bonds to the Underwriter, to perform its obligations under each such document or instrument and to carry out and effectuate the transactions contemplated by this Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Certificate and the Resolution, (iv) the execution and delivery or adoption of and the performance by the District of the obligations represented by, the Bonds and the District Documents have been duly authorized and such authorization shall be in full force and effect at the time of the Closing, (v) the Resolution and this Purchase Agreement constitute, and, when executed and delivered, each of the Escrow Agreement and the Continuing Disclosure Certificate will constitute, a valid and legally binding obligation of the District, enforceable against the District in accordance with their respective terms, and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement;

(c) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained;

(d) As of the time of acceptance hereof and as of the time of the Closing, the District is not and will not be, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, a default or event of default under any such instrument; and, as of such times, to the best knowledge of the District, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate and the Bonds and the compliance with the provisions hereof and thereof and of the Resolution do not conflict with or constitute on the part of the District a violation of, or material default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and do not conflict with or result in a violation or breach of, or constitute a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject;

(e) Except as described in the Preliminary Official Statement and the Official Statement, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending (in which service of process has been completed against the District) or, to the best knowledge of the District, otherwise pending or threatened against the District (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the District or the titles of the officials of the District to such offices, (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds or the levy of any taxes contemplated by the Resolution, or in any way contesting or affecting the validity or enforceability of the Bonds or the District Documents or contesting the powers of the District or its authority with respect to the Bonds or the District Documents, (iii) contesting the completeness or accuracy of the Preliminary Official Statement, or (iv) except as disclosed in the Preliminary Official Statement and the Official Statement, in which a final adverse decision could (A) result in any material adverse impact on the financial condition of the District, (B) materially adversely affect the finances or operations of the District or the consummation of the transactions contemplated by the District Documents, (C) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (D) adversely affect the exemption of the interest on the Bonds from California personal income taxation;

(f) Preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the District, and the information contained therein (excluding the statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] and any information provided by the Underwriter, and so identified as source thereof, for inclusion in the Official Statement) is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except that no representation and warranty is made concerning statements and information relating to the book entry system[, any information relating to the Insurer or the Policy] or any information provided by the Underwriter, and so identified as source thereof, for inclusion in the final Official Statement;

(g) The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement contain, and up to and including the Closing will contain, no material misstatement of any material fact and do not, and up to and including the Closing will not, omit to state any material fact necessary to make the statements contained therein, in light of the circumstances in which such statements were made, not misleading. At the time of the Closing, there shall not have been any material adverse changes in the financial condition of the District since the date of the Official Statement;

(h) The District agrees that if at any time before the Closing any event occurs as a result of which the Official Statement as then in effect would include any untrue statement of a material fact or omit to state any fact necessary to make the statements made therein not misleading in any material respect, the District shall promptly prepare an amendment or supplement that will correct such statement or omission. The District will advise the Underwriter promptly of any proposal to so amend or supplement the Official Statement and will effect such amendment or supplement in a form and manner approved by the Underwriter;

(i) The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations or such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(j) To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the Resolution and the 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 Official Statement;

(k) Except as disclosed in the Preliminary Official Statement and the Official Statement, in the preceding five years, the District has not failed to comply in all material respects with any previous undertakings with regard to the Rule to provide annual reports or notices of enumerated events required by such undertakings;

(l) Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District nor the County of Sonoma (the "County") on behalf of and at the request of the District will have issued any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement;

(m) The District agrees to take all steps required by law and by the County to ensure that the Board of Supervisors of the County annually levies a tax upon all taxable property in the

District sufficient to pay the principal of and interest on the Bonds as and when the same become due;

(n) The audited financial statements of the District for the fiscal year ended June 30, 20[__], were prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial position and results of operation of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise disclosed in the Official Statement;

(o) The District hereby represents that it has not entered into any contract or agreement that would limit or restrict the District's ability to refund the Prior Bonds or enter into this Purchase Agreement for the sale of the Bonds to the Underwriter;

(p) The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution and as described in the Official Statement; and

(q) Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

**Section 8. Conditions to Closing.** (a) The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Agreement are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(1) The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the Closing Date; and the District shall be in compliance with each of the agreements made by it in this Purchase Agreement;

(2) At the time of the Closing, (i) the Official Statement and the District Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the parties hereto; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the District Documents or the Official Statement to be performed at or prior to the Closing;

(3) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, shall be pending (in

which service of process has been completed against the District) or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, this Purchase Agreement, the Escrow Agreement or the Continuing Disclosure Certificate, or (C) in any way contesting the existence or powers of the District, or contesting in any way the completeness or accuracy of the Official Statement;

(4) Between the date hereof and the Closing, the market price for the Bonds, or the market for or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter, by reason of any of the following:

(i) legislation enacted by the Congress of the United States, or by the legislature of the State, or introduced in the Congress or recommended for passage by the President of the United States (by press release, other form of notice or otherwise), or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(A) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or

(B) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Resolution is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(ii) the declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;

(iii) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

(iv) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(v) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(vi) the withdrawal or downgrading of any underlying rating or credit watch status or outlook of the District's outstanding indebtedness by a national rating agency;

(vii) the occurrence of any adverse change of a material nature of the financial condition, results of operation or properties of the District;

(viii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; or

(ix) a material disruption in securities settlement, payment or clearance services or the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets.

(5) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:

(i) A certificate of the Clerk of the Board of Education to the effect that (i) the copy of the Resolution attached thereto is a true and correct copy thereof, and (ii) the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the Closing; Date;

(ii) Executed copies of the Escrow Agreement, the Continuing Disclosure Certificate and the Official Statement;

(iii) An approving opinion of Orrick, Herrington & Sutcliffe LLP as Bond Counsel, substantially in the form attached as Appendix C to the Official Statement, relating to the Bonds, dated the Closing Date and addressed to the District;

(iv) A reliance letter from Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in Section 8(a)(5)(iii) above;

(v) A supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that (i) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended, (ii) assuming due authorization, execution and delivery by all the parties thereto other than the District, this Purchase Agreement and the Continuing Disclosure Certificate constitute valid and binding obligations of the District, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against school districts or counties in the State of California (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Certificate for purposes of the Rule), and (iii) statements contained in the Official Statement under the captions ["THE REFUNDING BONDS" (excluding any and all information contained under the subheadings "– Authority for Issuance," "– Plan of Refunding," "– Estimated Sources and Uses of Funds," "– Debt Service," "– Outstanding Bonds" and "– Aggregate Debt Service")], and "TAX MATTERS," excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Bonds and the Resolution, and the form and content of Bond Counsel's approving opinion, are accurate in all material respects;

(vi) A certificate, dated the Closing Date, signed by an appropriate official of the District, to the effect that (i) such official is authorized to execute the Escrow Agreement, the Continuing Disclosure Certificate and this Purchase Agreement, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the Closing Date, (iii) the District has complied with all the terms of the District Documents to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect; (iv) to the best of such official's knowledge, no litigation is pending or threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Escrow Agreement, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, (v) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (vi) each of the conditions listed in Section 8(a)(5) of this Purchase Agreement has been satisfied as of the Closing Date and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied as of the Closing Date, and (vii) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the Resolution and this Purchase Agreement;

(vii) The letter of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District ("Disclosure Counsel"), addressed to the District and the Underwriter, dated the Closing Date, to the effect that, based on such counsel's participation in conferences with representatives of the County, the District, Isom Advisors, a Division of Urban Futures, Inc., as the District's Municipal Advisor, the Underwriter, Kutak Rock LLP, as counsel to the Underwriter[, the Insurer] and others, during which the contents of the Official Statement and related matters were discussed, and based on such counsel's participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the District, the County and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the District and the Underwriter, as a matter of fact and not opinion, that, during the course of such counsel's engagement as disclosure counsel with respect to the Bonds, no facts came to the attention of such counsel's attorneys rendering legal services in connection with such representation with respect to the Bonds which caused such counsel to believe that the Official Statement as of its date and as of the Closing Date (except for any CUSIP numbers, financial, accounting, statistical, economic or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or management discussions and analysis, any information about verification, DTC or its book-entry system, litigation, ratings, rating agencies, the Underwriter, underwriting[, the Insurer, the Policy] or relationships among the parties, any statements about compliance with prior continuing disclosure undertakings, and Appendices [__], [__] and [__], included or referred to therein or omitted therefrom, as to which such counsel may expressly exclude from the scope of this paragraph and as to which such counsel may express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(viii) Evidence satisfactory to the Underwriter that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(ix) A certificate of the Escrow Bank dated the Closing Date, signed by a duly authorized officer of the Escrow Bank, and in form and substance satisfactory to the Underwriter, to the effect that (i) to the best of such officer's knowledge, the representations and agreements of the Escrow Bank in the Escrow Agreement are true and correct as of the Closing Date, (ii) the Escrow Agreement has been duly authorized, executed and delivered and, assuming due execution by the other parties thereto, is enforceable against the Escrow Bank in accordance with its terms; and (iii) no litigation is pending or, to such officer's knowledge, threatened (either in state or federal courts) in any way contesting or affecting any authority of the Escrow Bank for or in connection with its performance of the Escrow Agreement;

(x) A defeasance opinion of Bond Counsel, dated the Closing Date and addressed to the District and the Underwriter, to the effect that, upon the deposit of cash and certain proceeds of the Bonds into the escrow funds established under the Escrow Agreement as provided in the paying agent agreement pursuant to which the Prior Bonds were issued, and the investment of money and securities in accordance with the provisions of the Escrow Agreement, the Prior Bonds will have been satisfied and discharged and are no longer outstanding under said paying agent agreement. In rendering this opinion, Bond Counsel may rely on the Verification Report as to the mathematical accuracy of the schedules with respect to the sufficiency of the escrow funds established to pay the Prior Bonds and will not independently verify the accuracy of the information contained in the Verification Report;

(xi) A report by Causey, Demgen & Moore P.C., verifying the arithmetical accuracy of the computation of projected receipts for and of payments to retire the Prior Bonds (the "Verification Report");

(xii) An opinion of Kutak Rock LLP, as Underwriter's Counsel, addressed to the Underwriter in form and substance satisfactory to the Underwriter;

(xiii) [The Policy with respect to the Bonds insured by the Insurer;]

(xiv) [A certificate of the Insurer in form and substance satisfactory to Bond Counsel and the Underwriter;]

(xv) [An opinion of counsel to the Insurer, addressed to the District and the Underwriter in form and substance satisfactory to Bond Counsel and the Underwriter;] and

(xvi) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence (i) compliance by the District, the Paying Agent and the Escrow Bank with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, and (iii) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(b) If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be canceled by the Underwriter at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or by telephone or telegraph, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in writing at its sole discretion.

**Section 9. Conditions to Obligations of the District.** The performance by the District of its obligations is conditioned upon (a) the performance by the Underwriter of its obligations hereunder; and (b) receipt by the District and the Underwriter of the opinions and certificates being delivered at the Closing by persons and entities other than the District.

**Section 10. Expenses.** (a) The District shall to the extent permitted by applicable law pay all expenses incident to the performance of its obligations hereunder from the proceeds of the sale of the Bonds, including, but not limited to (a) the costs of the preparation and reproduction of the Resolution, the Bonds, this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate, (b) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement, (c) the cost of the preparation, printing and delivery of the Bonds, (d) the fees and disbursements of Bond Counsel and Disclosure Counsel, and any other consultants to the District, including the District's Municipal Advisor, (e) the fees for the Bond rating, including all necessary expenses for travel relating to such rating, (f) the initial fees of the Paying Agent and the fees of the Escrow Bank, (g) the costs of the preparation of the Verification Report, and (h) all other fees and expenses incident to the issuance and sale of the Bonds.

(b) All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP Bureau registration fees, expenses for travel (except in connection with securing a rating on the Bonds or sale of the Bonds), the fees and disbursements of Underwriter's counsel and other expenses (except as provided above) shall be paid by the Underwriter.

(c) The District acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

**Section 11. Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Piner-Olivet Union School District at 3450 Coffey Lane, Santa Rosa, California 95403, Attention: Chief Business Official, or if to the Underwriter, to Raymond James & Associates, Inc., 10250 Constellation Blvd., Suite 850, Los Angeles, California 90067; Attention: John Baracy, Managing Director.

**Section 12. Severability.** In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 13. Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

**Section 14. Electronic Signature**. Each of the parties hereto agrees that the transaction consisting of this Purchase Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent (a) that, by signing this Purchase Agreement using an electronic signature, it is signing, adopting and accepting this Purchase Agreement, and (b) that signing this Purchase Agreement using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Purchase Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Purchase Agreement in a usable format.

**Section 15. Execution in Counterparts.** This Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

[Remainder of page left intentionally blank.]

**Section 16. Applicable Law.** This Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State applicable to contracts made and performed in the State.

Very truly yours,

**RAYMOND JAMES & ASSOCIATES, INC.**

By: ________________________________
Authorized Representative

**PINER-OLIVET UNION SCHOOL DISTRICT**

Date | Time: ___________________________ By: ________________________________

**EXHIBIT A**

**MATURITY SCHEDULE**

**$[__________]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021**
**(FEDERALLY TAXABLE)**

**$[__________] Serial Bonds**

| Maturity (August 1) | Principal Amount | Interest Rate | Yield | Price |
|---|---|---|---|---|

**$[__________] [_____]% Term Bonds due August 1, 20[__] - Yield [_____]%**

**$[__________] [_____]% Term Bonds due August 1, 20[__] - Yield [_____]%**

**TERMS OF REDEMPTION**

**$[__________]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(SONOMA COUNTY, CALIFORNIA)**
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021**
**(FORWARD DELIVERY)**

# FORWARD DELIVERY BOND PURCHASE AGREEMENT

[__________], 2021

Piner-Olivet Union School District
3450 Coffey Lane
Santa Rosa, California 95403

Ladies and Gentlemen:

The undersigned, Raymond James & Associates, Inc. (the "Underwriter"), hereby offers to enter into this Forward Delivery Bond Purchase Agreement (the "Purchase Agreement") with the Piner-Olivet Union School District (the "District") which, upon the acceptance hereof, will be binding upon the District and the Underwriter. By execution of this Purchase Agreement, the District acknowledges the terms hereof and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 PM, California time, on the date hereof.

**Section 1. <u>Purchase and Sale of the Bonds</u>.** (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District for reoffering to the public and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the $[__________] aggregate principal amount of the District's Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 (Forward Delivery) (the "Bonds").

(b) The Bonds shall be issued in the principal amounts and shall bear interest at the rates and shall mature on the dates and in the years shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall bear interest payable from the date thereof and such interest shall be payable on each February 1 and August 1, commencing on August 1, 2021.

(c) The Underwriter shall purchase the Bonds at a price of $[__________] (the "Purchase Price") (which represents the aggregate principal amount of the Bonds, [plus/less] [net] original issue [premium/discount] of $[__________], and less the Underwriter's discount in the amount of $[__________]) in immediately available funds by check, draft or wire transfer to or upon the order of the District, as follows: (i) to The Bank of New York Mellon Trust Company, N.A., as escrow bank (the "Escrow Bank"), the amount of $[__________], to be applied to the refunding of the Prior Bonds (as defined below), [and] (ii) to The Bank of New York Mellon Trust Company, N.A., as costs administrator, the amount of $[__________] to pay the costs of issuance of the Bonds[, and (iii) to the Insurer (defined herein), the amount of $[__________], representing the premium and fees for the Policy (defined herein)].

(d) If the District fails to deliver the Bonds at the Settlement (as defined herein), or if the District shall be unable to satisfy the conditions of the obligation of the Underwriter to purchase and accept delivery of the Bonds as set forth in this Purchase Agreement, or if the obligation of the Underwriter with respect to the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate, and neither the Underwriter nor the District shall be under further obligation hereunder, except that the respective obligations of the District and the Underwriter for the payment of expenses, as provided in Section 13, shall continue in full force and effect.

(e) The District acknowledges and agrees that: (a) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter; (b) the Underwriter is acting solely as underwriter and principal in connection with the matters contemplated by and with respect to all communications under this Purchase Agreement (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters), and is not acting as the agent or fiduciary of the District or as Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of the District and its advisors in connection with the matters contemplated by this Purchase Agreement; (c) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the District or its advisors with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters) nor has it assumed any other obligation to the District except the obligations expressly set forth in this Purchase Agreement; (d) the Underwriter has financial and other interests that differ from those of the District; and (e) in connection with the purchase and sale of the Bonds, the District has consulted or been afforded the opportunity to consult, as applicable, with its own legal, accounting, tax, financial, municipal and other advisors, as applicable, to the extent it has deemed appropriate. The District also acknowledges that it previously received from the Underwriter a letter regarding Municipal Securities Rulemaking Board ("MSRB") Rule G-17 Disclosures, and that it has provided to the Underwriter an acknowledgement of such letter.

**Section 2. The Bonds.** (a) The Bonds shall be dated their date of delivery, and shall mature on August 1 in the years set forth on Exhibit A hereto and be subject to redemption all as set forth on Exhibit A hereto. The Bonds shall be issued and secured pursuant to the provisions of the Resolution of the Board of Trustees of the District (the "Board of Trustees") adopted on December 15, 2020 (the "Resolution"), which provides for the terms of the Bonds, this Purchase Agreement and Articles 9 and 11 of Chapter 3, of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"). The Bonds are being issued (i) to refund a portion of the District's outstanding Piner-Olivet Union School District (Sonoma County, California) General Obligation Bonds, Election of 2010, Series 2011, maturing on August 1 in each of the years [2021 through 2025, inclusive, 2030 and 2038] (the "Prior Bonds"), described in Exhibit B hereto, and (ii) to pay costs of issuance of the Bonds. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Resolution.

(b) [The payment of principal of and interest on the Bonds will be secured by a municipal bond insurance policy (the "Policy") to be issued simultaneously with the issuance of the Bonds by [__________] (the "Insurer").]

(c) Proceeds of the Bonds will be deposited in an escrow fund established under the Escrow Agreement, dated as of [_____] 1, 2021 (the "Escrow Agreement"), by and between the District and the Escrow Bank, relating to the Prior Bonds.

(d) In order to assist the Underwriter with compliance with Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (the "Rule"), the District will enter into the Continuing Disclosure Certificate, dated the Closing Date (the "Continuing Disclosure Certificate").

(e) This Purchase Agreement, the Resolution, the Escrow Agreement and the Continuing Disclosure Certificate are collectively referred to herein as the "District Documents."

(f) The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolution.

(g) The Bonds shall be in definitive form, shall bear CUSIP numbers, and shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

**Section 3. Use of Documents.** The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, the Preliminary Official Statement (defined below), the Official Statement (defined below), the District Documents, and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

**Section 4. Public Offering of the Bonds.** The Underwriter agrees to make a bona fide initial public offering of all the Bonds at prices no higher than, or yields not lower than, those set forth on Exhibit A hereto. Subsequent to such initial public offering but subject to the provisions set forth in Section 5 below, the Underwriter reserves the right to lower such initial offering prices as the Underwriter deems necessary in connection with the marketing of the Bonds; *provided*, however, that the Underwriter shall not change the interest rates set forth in Exhibit A. Subject to the provisions set forth in Section 5 below, the Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth on Exhibit A hereto. The Underwriter also reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

**Section 5. Establishment of Issue Price.** (a) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Settlement (as defined herein) an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District's municipal advisor, Isom Advisors, a Division of Urban Futures, Inc. (the "Municipal Advisor"), and any notice or report to be provided to the District may be provided to the District's Municipal Advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price (meaning single) at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not Settlement has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that the Underwriter's reporting obligation after Settlement may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel (as defined herein). For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth ($5^{th}$) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(1) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(i) (A) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not Settlement has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after Settlement may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (B) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(ii) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(iii) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(2) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not Settlement has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after Settlement may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) "public" means any person other than an underwriter or a related party;

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) "sale date" means the date of execution of this Purchase Agreement by all parties.

**Section 6. <u>Official Statement</u>.** (a) The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated [_________], 2021 (as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement"). The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revisions or additions to the offering price(s), interest rate(s), yield(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule. By the execution of this Purchase Agreement, the District ratifies the use by the Underwriter of the Preliminary Official Statement.

(b) The Underwriter agrees that prior to the time the final Official Statement (as defined in Section 9(c) below) relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary

Official Statement, together with any amendments or supplements thereto prepared by the District, with such delivery being made in the manner required by the Rule. The Underwriter agrees that it will deliver a copy of the final Official Statement and the Updated Official Statement (as defined in Section 9(c) below) to each purchaser of the Bonds with such delivery being made in the manner required by the Rule. The Underwriter agrees that, in accordance with Rule G-32 of the MSRB, within one business day after receipt from the District but by no later than the Closing (as defined below), it will file a copy of the Official Statement with the MSRB. The Underwriter agrees to file any Updated Official Statement with the MSRB within one business day after receipt from the District but by no later than the Settlement (as defined below).

**Section 7. Closing.** At 9:00 a.m., California time, on [__________], 2021, or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the "Closing" or "Closing Date"), the District will deliver to the Underwriter at the offices of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District ("Bond Counsel"), in Irvine, California, the documents set forth in Section 10(a)(5) below.

Assuming the Closing is completed in accordance with the provisions of this Purchase Agreement, then, subject to the provisions of this Purchase Agreement, the Underwriter shall be obligated to purchase the Bonds and pay the purchase price therefor (and the District shall be obligated to issue and deliver such Bonds) at 9:00 a.m., California time, on [__________], 2021, or at such later date as may be mutually agreed upon by the District and the Underwriter (the "Settlement"). In connection with the Settlement, the District will deliver to the Underwriter, through the facilities of The Depository Trust Company ("DTC") in New York, New York, or at such other place as mutually agreed upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, in Irvine, California, the other documents set forth in Section 11(a) below.

**Section 8. Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) The District is a school district duly organized and validly existing under the laws of the State of California (the "State"), with the power to issue the Bonds pursuant to the Act;

(b) (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the Resolution was duly adopted at a meeting of the Board of Trustees, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption, and the Resolution has not been amended, modified or rescinded, (iii) the District has full legal right, power and authority to enter into this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate, to adopt the Resolution, to issue and to deliver the Bonds to the Underwriter, to perform its obligations under each such document or instrument and to carry out and effectuate the transactions contemplated by this Purchase Agreement, the Escrow Agreement and the Resolution; (iv) the execution and delivery or adoption of and the performance by the District of the obligations represented by, the Bonds, the District Documents have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (v) the Resolution and this Purchase Agreement constitute, and, when executed and delivered, the

Escrow Agreement and the Continuing Disclosure Certificate will constitute, valid and legally binding obligations of the District, enforceable against the District in accordance with their respective terms; and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Purchase Agreement;

(c) No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriter may reasonably request, or which have not been taken or obtained; provided, however, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(d) As of the time of acceptance hereof and as of the time of the Closing and the Settlement, the District is not and will not be, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, a default or event of default under any such instrument; and, as of such times, to the best knowledge of the District, the issuance of the Bonds, the execution, delivery and performance of this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate and the compliance with the provisions hereof and thereof and of the Resolution do not conflict with or constitute on the part of the District a violation of, or material default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or is otherwise subject and do not conflict with or result in a violation or breach of, or constitute a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject;

(e) Except as described in the Preliminary Official Statement and in the Official Statement, as of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending (in which service of process has been completed against the District) or, to the best knowledge of the District, otherwise pending or threatened against the District (either in state or federal courts): (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices of the titles of the officials of the District to such offices; (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the levy of any taxes contemplated by the Resolution, or in any way contesting or affecting the validity or enforceability of the Bonds or the District Documents or contesting the powers of the District or its authority with respect to the Bonds or the District Documents; (iii) contesting the completeness or accuracy of the Preliminary Official

Statement or the Official Statement; or (iv) except as disclosed in the Preliminary Official Statement or the Official Statement, in which a final adverse decision could (A) result in any material adverse impact on the financial condition of the District, (B) materially adversely affect the finances or operations of the District or the consummation of the transactions contemplated by the District Documents, (C) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (D) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of such interest on the Bonds from California personal income taxation;

(f) The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations or such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

(g) Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District nor the County of Sonoma (the "County") on behalf of and at the request of the District will have issued any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement;

(h) The District will comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, with respect to the Bonds;

(i) To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the Resolution and the 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 Official Statement. Except as disclosed in the Preliminary Official Statement and the Official Statement, in the preceding five years, the District has not failed to comply in all material respects with any previous undertakings with regard to the Rule to provide annual reports or notices of enumerated events required by such undertakings;

(j) As of its date and as of the date hereof, the Preliminary Official Statement did not and does not, and as of its date and as of the Closing, the Official Statement (as defined below) did not and does not, and, and as of its date and as of the Settlement, the Updated Official Statement (as defined below) (excluding the information therein furnished in writing to the District by the Underwriter and information related to DTC and its book-entry system, the Insurance Policy, the Insurer, or CUSIP numbers, as to which no view is expressed by the District) will not, contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein in light of the circumstances under which they were made not misleading;

(k) The audited financial statements of the District for the fiscal year ended June 30, 20[__], were prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial position and results of operation of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise disclosed in the Official Statement;

(l) The District agrees to take all steps required by law and by the County to ensure that the Board of Supervisors of the County annually levies a tax upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds as and when the same become due;

(m) The District hereby represents that it has not entered into any contract or agreement that would limit or restrict the District's ability to refund the Prior Bonds or enter into this Purchase Agreement for the sale of the Bonds to the Underwriter;

(n) The District shall promptly notify the Underwriter of any fact that might, in the judgment of the District, cast doubt upon or question the ability of the District to issue, sell and deliver the Bonds as provided in this Purchase Agreement; and

(o) Any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.

**Section 9. Covenants of the District**. The District covenants and agrees with the Underwriter that:

(a) The District will furnish such information, execute such instruments, and take such other action in cooperation with, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(b) The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution and the Escrow Agreement;

(c) The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, the final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all Appendices, exhibits, maps, reports and statements included therein or attached thereto being called the "Official Statement") in the designated electronic format in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay for the Bonds. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds. The Underwriter agrees promptly to file a copy of the Official Statement with the MSRB as described in Section 6 above and take any and all other actions necessary to comply with applicable Securities and Exchange

Commission rules and MSRB rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers;

(d) The District shall prepare one updated Official Statement between the date of Closing and Settlement, which shall be dated a date not more than 25 days nor less than 10 days prior to the Settlement of the Bonds, unless the Underwriter requests the District to prepare such document earlier, and gives the District at least 30 days' advance written notice of such request (the "Updated Official Statement"), which, as of such date, will 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 (excluding the information therein furnished in writing to the District by the Underwriter, DTC and its book-entry system, the Insurance Policy, the Insurer, or CUSIP numbers, as to which no view is expressed by the District). The Updated Official Statement may consist either of the Official Statement and a supplement thereto or a separate document substantially in the form of the Official Statement updated to its date of delivery. The District shall furnish to the Underwriter, not less than five days prior to Settlement or on such earlier requested date of the Updated Official Statement in the designated electronic format in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB;

(e) As used herein, the term "Official Statement" shall mean (i) at any point in time during the period from the date of the Official Statement mentioned in Section 9(c) to but not including the date of delivery of any Updated Official Statement to the Underwriter, the Official Statement mentioned in this Section 9(c), and (ii) from and after the date of such delivery of any Updated Official Statement, the Updated Official Statement. References herein as of a specific date to the Official Statement shall mean the Official Statement applicable on such date in accordance with the preceding sentence; and

(f) Up to and including 25 days after the earlier of the End of the Underwriting Period (as defined below) or the date on which the Underwriter shall have sold all of the Bonds, the District will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement or the Updated Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. For not more than 25 days from the Closing in the case of the Official Statement, and from the End of the Underwriting Period (as defined below) in the case of any Updated Official Statement, if in the reasonable opinion of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel"), the District or the Underwriter, any event shall occur as a result of which it is necessary to amend or supplement the Official Statement or the Updated Official Statement in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the District will forthwith prepare and furnish to the Underwriter, in the electronic format designated by the MSRB, any amendment of or supplement to the Official Statement or the Updated Official Statement (in form and substance satisfactory to Bond Counsel and Underwriter's Counsel) which will amend or supplement the Official Statement or the Updated Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement or any Updated Official Statement is delivered to a purchaser, not misleading. As used herein, the term "End of the Underwriting Period" means the later of such time as (i) the Bonds are delivered to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary as of the date of Settlement, the End of the Underwriting Period shall be deemed to be the date of the Settlement. Any notice delivered pursuant to this provision shall be written notice delivered to the District at the Settlement, and shall specify a date (other than the date of Settlement and not more than 25 days after the Settlement) to be deemed the "End of the Underwriting Period."

**Section 10.** **Conditions to Closing.** (a) The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Agreement are and shall be subject at the option of the Underwriter, to the following further conditions at the Closing:

(1) The representations and warranties of the District contained herein shall be true, complete and correct in all material respects at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete and correct in all material respects on the Closing Date; and the District shall be in compliance with each of the agreements made by it in this Purchase Agreement;

(2) At the time of the Closing, (i) the Official Statement and the District Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; (ii) all actions under the Act which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the District Documents or the Official Statement to be performed at or prior to the Closing;

(3) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), shall be pending (in which service of process has been completed against the District), or to the best knowledge of the District, shall be threatened (either in state or federal courts) (i) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (ii) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds or the District Documents, or (iii) in any way contesting the existence or powers of the District, or contesting in any way the completeness or accuracy of the Official Statement;

(4) Between the date hereof and the Closing, the Underwriter shall have the right to cancel its obligation to purchase the Bonds if the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected, in the reasonable judgment of the Underwriter, by the occurrence of any of the following:

(i) legislation enacted or introduced in the Congress, or by the legislature of the State, or recommended for passage by the President of the United

States or a member of the President's cabinet (by press release, other form of notice or otherwise), or a decision rendered by a court established under Article III of the Constitution of the United States or the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(A) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or

(B) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Resolution is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(ii) the declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;

(iii) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

(iv) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force;

(v) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(vi) the withdrawal or downgrading of any underlying rating or credit watch status or outlook of the District's outstanding indebtedness by a national rating agency, or the occurrence of any adverse change of a material nature of the financial condition, results of operation or properties of the District;

(vii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(viii) the occurrence of any adverse change of a material nature of the financial condition, results of operation or properties of the District;

(ix) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, or its property and income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds; or

(x) a material disruption in securities settlement, payment or clearance services or the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets.

(5) At or prior to the Closing Date, the Underwriter shall have received the following documents satisfactory in form and substance to the Underwriter:

(i) Letter Regarding Bond Opinion. A letter of Bond Counsel dated the date of Closing and addressed to the District, to the effect that assuming satisfaction by the District and the Underwriter of their respective obligations to be satisfied under this Purchase Agreement and the issuance of the Bonds, and no change in any applicable law, regulations or rulings, or in interpretations thereof, or in any other facts or circumstances (tax, securities or otherwise) which, in the view of Bond Counsel, affect or are material to the opinion of Bond Counsel (including, without limitation, the existence of any litigation), Bond Counsel expects to be able to render its approving opinion on the date of Settlement in substantially the form attached as Appendix C to the Preliminary Official Statement;

(ii) Reliance Letter. A letter dated as of the date of Closing and addressed to the Underwriter to the effect that the Underwriter may rely upon the letter described in Section 10(a)(5)(i) above;

(iii) Letter Regarding Supplemental Opinion. A letter of Bond Counsel, dated the Closing Date and addressed to the Underwriter, to the effect that assuming satisfaction by the District and the Underwriter of their respective obligations to be satisfied under this Purchase Agreement and the issuance of the Bonds, and no change in any applicable law, regulations or rulings, or in interpretations thereof, or in any other facts or circumstances (tax, securities or otherwise) which, in the view of Bond Counsel, affect or are material to the opinion of Bond Counsel (including, without limitation, the existence of any litigation), Bond Counsel expects to be able to render its supplemental opinion on the date of Settlement substantially to the effect set forth in Section 11(a)(4).

(iv) Letter Regarding Defeasance. A letter of Bond Counsel, dated the date of Closing and addressed to the District and the Underwriter, to the effect that, assuming satisfaction by the District and the Underwriter of their respective obligations to be satisfied under this Purchase Agreement and the issuance of the Bonds, and no change in any applicable law, regulations or rulings, or in interpretations thereof, or in any other facts or circumstances (tax, securities or otherwise) which, in the view of Bond Counsel, affect or are material to the opinion of Bond Counsel (including, without limitation, the existence of any litigation), Bond Counsel expects to be able to issue an opinion to the effect that, on the date of Settlement, the District has taken all actions required to defease the Prior Bonds and such Prior Bonds are no longer outstanding under the terms of the resolution of the District pursuant to which they were issued.

(v) Disclosure Counsel Letter. The letter of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District ("Disclosure Counsel"), addressed to the District and the Underwriter, dated the Closing Date, to the effect that, based on such counsel's participation in conferences with representatives of the County, the District, the Isom Advisors, a Division of Urban Futures, Inc., as the District's Municipal Advisor, the Underwriter, Kutak Rock LLP, as counsel to the Underwriter, [the Insurer] and others, during which the contents of the Official Statement and related matters were discussed, and based on such counsel's participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the District, the County and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the District and the Underwriter, as a matter of fact and not opinion, that, during the course of such counsel's engagement as disclosure counsel with respect to the Bonds, no facts came to the attention of such counsel's attorneys rendering legal services in connection with such representation with respect to the Bonds which caused such counsel to believe that the Official Statement as of its date and as of the Closing Date (except for any CUSIP numbers, financial, accounting, statistical, economic or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or management discussions and analysis, any information about verification, DTC or its book-entry system, [the Insurance Policy, the Insurer,] litigation, ratings, rating agencies, the Underwriter, underwriting or relationships among the parties, any management discussion, any statements about compliance with prior continuing disclosure undertakings, and Appendices [__], [__], [__], [__] and [__], included or referred to therein or omitted therefrom, as to which such counsel may expressly exclude from the scope of this paragraph and as to which such counsel may express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vi) Certificate of the District. A certificate, dated the Closing Date , signed by an appropriate official of the District, to the effect that (i) such official is authorized to execute this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate, (ii) the representations and warranties of the District herein are true and correct in all material respects as of the Closing Date, (iii) the District has complied with all the terms of the District Documents to be complied with by the District prior to or concurrently with the Closing and the Resolution and this Purchase Agreement are in full force and effect, (iv) no litigation is pending (in which service of process has been completed against the District) or, to the best knowledge of the District, otherwise pending or threatened against the District (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds or the District Documents, or (C) in any way contesting the existence or powers of the District, (v) such official has reviewed the Official Statement and on such basis certifies that the Official Statement (other than the information therein furnished in writing to the District by the Underwriter or relating to DTC and its book-entry system, the Insurance Policy, the Insurer, and CUSIP numbers, as to which no view is expressed) does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (vi) each of the conditions listed in Section 10(a)(5) of this Purchase Agreement has been satisfied as of the Closing Date and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied as of the Closing Date, and (vii) the Bonds, when delivered on the Settlement Date to the Underwriter under this Bond Purchase Agreement will substantially conform to the descriptions thereof contained in the Resolution and this Purchase Agreement;

(vii) Opinion of Underwriter's Counsel. An opinion of Kutak Rock LLP, as counsel to the Underwriter and dated as of the Closing Date, in form and substance acceptable to the Underwriter;

(viii) Resolution. A certificate, together with fully executed copies of the Resolution, of the District Clerk to the effect that:

(A) such copies are true and correct copies of the Resolution; and

(B) that the Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the Closing Date;

(ix) Preliminary Official Statement. Certificate of the appropriate officials of the District evidencing their determinations respecting the Preliminary Official Statement in accordance with the Rule;

(x) Official Statement. Two manually executed copies of the Official Statement;

(xi) Rating. Evidence satisfactory to the Underwriter that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(xii) Escrow Agreement. The fully executed copy of the Escrow Agreement, which shall be held by Bond Counsel for release upon Settlement.

(xiii) Continuing Disclosure Certificate. The fully executed copy of the Continuing Disclosure Certificate, which shall be held by Bond Counsel for release upon Settlement.

(xiv) Certificate of the Escrow Bank. A certificate of a duly authorized officer of the Escrow Bank in a form satisfactory to the District and the Underwriter;

(xv) Preliminary Verification Report. A copy of the preliminary verification report of Causey Demgen & Moore, P.C., concluding that the amount of the proceeds of the Bonds to be deposited under the Escrow Agreement are sufficient to defease the Prior Bonds;

(xvi) Certificate of Paying Agent. A certificate of a duly authorized officer of the Paying Agent in a form satisfactory to the District and the Underwriter; and

(xvii) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, (iii) the truth and accuracy, as of the time of Closing, of the Official Statement and (iv) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.

(b) If the District shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement prior to the close of business on the date of Closing and if such unsatisfied conditions shall not have been waived by the Underwriter, or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and be of no further force and effect, except with respect to the obligations of the District and the Underwriter under Section 13 hereof.

**Section 11. Conditions to Settlement.**

(a) Items to be Delivered Upon Settlement. The Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds at the Settlement shall be conditioned upon the performance by the District of its obligations under this Purchase Agreement, including, without limitation, the Closing having been completed and the District having tendered performance of its obligations under Section 7 hereof with respect to the Settlement, which Settlement shall not be completed unless the Underwriter shall receive at the time of the Settlement the following:

(1) Updated Official Statement. Any Updated Official Statement and each supplement or amendment thereto and such number of copies as the Underwriter shall reasonably require;

(2) Bond Opinion. Approving opinion of Bond Counsel dated the date of Settlement and addressed to the District, substantially in the form attached as Appendix C to the Official Statement;

(3) Reliance Letter. A reliance letter, dated as of the date of Settlement and addressed to the Underwriter, of Bond Counsel to the effect that the Underwriter may rely upon the approving opinion described in 10(a)(2) above;

(4) Supplemental Opinion. (iii) A supplemental opinion of Bond Counsel, dated the date of Settlement and addressed to the Underwriter, to the effect that (i) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended, except that no opinion need to be expressed with respect to the Policy, (ii) assuming due authorization, execution and delivery by all the parties thereto other than the District, this Purchase Agreement and the Continuing Disclosure Certificate constitute valid and binding obligations of the District, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against school districts or counties in the State of California (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Certificate for purposes of the Rule), and (iii) statements contained in the Updated Official Statement under the captions ["THE REFUNDING BONDS" (excluding any and all information contained under the subheadings "– Authority for Issuance; Plan of Finance," ["– Bond Insurance Policy,"] "– Plan of Finance, "– Estimated Sources and Uses of Funds," "– Debt Service," "– Outstanding Bonds" and "– Aggregate Debt Service")] and "TAX MATTERS," excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Bonds and the Resolution, and the form and content of Bond Counsel's approving opinion, are accurate in all material respects;

(5) Disclosure Counsel Letter. The letter of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District ("Disclosure Counsel"), addressed to the District and the Underwriter, dated the date of Settlement, to the effect that, based on such counsel's participation in conferences with representatives of the County, the District, Isom Advisors, a Division of Urban Futures, Inc., as the District's Municipal Advisor, the Underwriter, Kutak Rock LLP, as counsel to the Underwriter, and others, during which the contents of the Updated Official Statement and related matters were discussed, and based on such counsel's participation in the above-mentioned conferences (which did not extend beyond the date of the Updated Official Statement), and in reliance thereon, on oral and written statements and representations of the District, the County and others and on the records, documents, certificates, opinions and matters herein mentioned, such counsel advises the District and the Underwriter, as a matter of fact and not opinion, that, during the course of such counsel's engagement as disclosure counsel with respect to the Bonds, no facts came to the attention of such counsel's attorneys rendering legal services in connection with such representation with respect to the Bonds which caused such counsel to believe that the Updated Official Statement as of its date and as of the date of Settlement (except for any CUSIP numbers, financial, accounting, statistical, economic or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or management discussions and analysis, any information about verification, DTC or its book-entry system, the Insurance Policy, the Insurer, litigation, ratings, rating agencies, the Underwriter, underwriting, or relationships among the parties, any statements about compliance with prior continuing disclosure undertakings, and Appendices [__], [__], [__], [__] and [__], included or referred to therein or omitted therefrom, as to which such counsel expressly excludes from the scope of this paragraph and as to which such counsel expresses no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(6) Certificate of the District. A certificate signed by an appropriate Authorized Officer (as defined in the Resolution) of the District to the effect that (i) the representations and warranties of the District herein are true and correct in all material respects as of the date of Settlement, (iii) the District has complied with all the terms of the District Documents to be complied with by the District prior to or concurrently with the Settlement and such documents are in full force and effect, and (iv) such District official has reviewed the Updated Official Statement and on such basis certifies that as of its date the Updated Official Statement (other than the information therein furnished in writing to the District by the Underwriter or relating to DTC and its book-entry system, the Insurance Policy, the Insurer, and CUSIP numbers, as to which no view is expressed) did not and as of the Settlement does not contain any untrue statement of a material fact and as of its date did not and as of the Settlement does not omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading;

(7) Tax Certificate. A tax certificate of the District with respect to the Bonds in form satisfactory to Bond Counsel;

(8) Continuing Disclosure Certificate. Continuing Disclosure Certificate, signed as provided in the Resolution;

(9) Form 8038-G. Evidence that the federal tax information Form 8038-G with respect to the Bonds has been prepared for filing;

(10) Rating. Evidence of Moody's Investors Service ("Moody's") stating the current rating on the Bonds as of the date of Settlement provided, however, that such rating need not be the same rating that was expected as of the date of Closing; provided further that such rating shall not result in the Bonds not being rated investment grade by Moody's on the date of Settlement;

(11) Final Verification Report. A copy of the final verification report of Causey Demgen & Moore, P.C. (the "Final Verification Report"), concluding that the amount of the proceeds of the Bonds to be deposited under the Escrow Agreement are sufficient to defease the Prior Bonds;

(12) Defeasance Opinion. A defeasance opinion of Bond Counsel, dated the date of Settlement and addressed to the District and the Underwriter, to the effect that, upon the deposit of certain proceeds of the Bonds into the escrow funds established under the Escrow Agreement as provided in the paying agent agreement pursuant to which the Prior Bonds were issued, and the investment of money and securities in accordance with the provisions of the Escrow Agreement, the Prior Bonds will have been satisfied and discharged and are no longer outstanding under said paying agent agreement. In rendering this opinion, Bond Counsel may rely on the Final Verification Report as to the mathematical accuracy of the schedules with respect to the sufficiency of the escrow funds established to pay the Prior Bonds and will not independently verify the accuracy of the information contained in the Verification Report;

(13) State Filings. A copy of the Preliminary and Notice of Final Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855 of the California Government Code;

(14) [The Policy. The Policy with respect to the Bonds insured by the Insurer;]

(15) [Certificate of the Insurer. A certificate of the Insurer in form and substance satisfactory to Bond Counsel and the Underwriter;]

(16) [Insurer's Counsel Opinion. An opinion of counsel to the Insurer addressed to the District and the Underwriter in form and substance satisfactory to Bond Counsel and the Underwriter;] and

(17) Underwriter's Counsel Opinion. An opinion of Kutak Rock LLP, as counsel to the Underwriter dated the date of Settlement and addressed to the Underwriter, in form and substance acceptable to the Underwriter; and

(18) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably

request (i) in order to enable Bond Counsel to render its opinion, or (ii) to evidence compliance with legal requirements, or (iii) to evidence the truth and accuracy, as of the date of the Settlement, of the District's representations and warranties contained in this Bond Purchase Agreement, or (iv) to evidence the due performance or satisfaction by the District on or prior to the Settlement of all agreements then to be performed and all conditions then to have been or to be satisfied by the District.

(b) Termination After Closing. The Underwriter shall have the right to terminate its obligation to purchase the Bonds without liability therefor by written notification to the District if, in the reasonable judgment of the Underwriter, at any time on or after Closing and on or prior to Settlement:

(1) there shall have been a Change in Law (defined below);

(2) as a result of any legislation, regulation, rule, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the date of Settlement), or for any other reason Bond Counsel cannot issue an opinion to the effect that (i) the interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and (ii) the interest on the Bonds is exempt from State of California personal income taxes, as stated in the form of opinion attached to the Official Statement as Appendix C;

(3) legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission that, in the reasonable opinion of the Underwriter, following consultation with the District, has the effect of requiring the Bonds to be registered under the Securities Act of 1933, as amended, or requires the qualification of the Resolution under the Trust Indenture Act of 1939, as amended, or an event occurs that would cause the sale of the Bonds to be in violation of any provision of the federal or State securities laws;

(4) the Official Statement as of the date of Closing, or the Updated Official Statement as of Settlement, contained or contains an untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect; or

(5) as of Settlement, the Bonds are no longer rated investment grade by Moody's.

A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter prohibit the Underwriter from completing the underwriting of the Bonds or selling the Bonds or the beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Bonds illegal.

**Section 12. Conditions to Obligations of the District.** The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder; and (ii) the receipt by the District and the Underwriter of the opinions and certificates being delivered at the Closing and the Settlement by persons and entities other than the District.

**Section 13. Expenses.** (a) The Underwriter shall pay from its own funds out-of-pocket expenses of the Underwriter, the California Debt and Investment Advisory Commission fee, travel (except in connection with securing a rating on the Bonds), fees of counsel to the Underwriter and other expenses it incurs. The District shall pay any expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds (or from any other source of available funds of the District). The expenses to be paid by the District include: (i) the cost of the preparation and reproduction of the Resolution; (ii) the fees and expenses of consultants, including its Municipal Advisor; (iii) the fees and disbursements of Bond Counsel and Disclosure counsel; (iv) the cost of the preparation, printing and delivery of the Bonds; (v) the cost of the preparation, delivery and electronic posting of the Preliminary Official Statement, the Official Statement, the Updated Official Statement, and any amendment or supplement thereto; (vi) initial rating fees of Moody's including all necessary expenses for travel relating to such ratings; (vii) fees and expenses of the Paying Agent for the Bonds and the Escrow Bank for the Prior Bonds; (viii) the fees of the Verification Agent; [(ix) any premium for the Policy and related fees and expenses]; and [(ix)(x)] all other fees and expenses incident to the sale of the Bonds other than those to be paid by the Underwriter pursuant to the previous paragraph.

(b) In the event that the Closing or the Settlement does not occur, the Underwriter shall not be responsible for any costs related to the proposed issuance of the Bonds, other than its own costs and the costs of its counsel. All other costs, if any are due, shall be the responsibility of the District.

**Section 14. Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Piner-Olivet Union School District at 3450 Coffey Lane, Santa Rosa, California 95403, Attention: Chief Business Official, or if to the Underwriter, to Raymond James & Associates, Inc., 10250 Constellation Blvd., Suite 850, Los Angeles, California 90067; Attention: John Baracy, Managing Director.

**Section 15. Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Agreement shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Bonds hereunder, and (c) any termination of this Purchase Agreement.

**Section 16. Electronic Signature**. Each of the parties hereto agrees that the transaction consisting of this Purchase Agreement may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent (a) that, by signing of this Purchase Agreement using an electronic signature, it is signing, adopting and accepting this Purchase Agreement, and (b) that signing this Purchase Agreement using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Purchase Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Purchase Agreement in a usable format.

**Section 17. Severability.** In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 18. Execution in Counterparts.** This Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

**Section 19. Applicable Law.** This Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State of California applicable to contracts made and performed in such State.

Very truly yours,

**RAYMOND JAMES & ASSOCIATES, INC.**

By:__________________________________
Authorized Representative

The foregoing is hereby agreed to and accepted:

**PINER-OLIVET UNION SCHOOL DISTRICT**

By:__________________________________

Date | Time: ________________________

**EXHIBIT A**

**MATURITY SCHEDULE**

**$[__________]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(COUNTY OF SONOMA, CALIFORNIA)**
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021**

**$[_________] Serial Bonds**

| Maturity (August 1) | Principal Amount | Interest Rate | Yield | Price | 10% Test Satisfied* | 10% Test Not Satisfied | Subject to Hold-The-Offering Price Rule |
|---|---|---|---|---|---|---|---|

$[__________]  [_____]% Term Bonds due August 1, 20[__] – Yield [_____]% - Price [_____]%
[10% Test Satisfied*][10% Test Not Satisfied*][Subject to Hold-The-Offering Price Rule]

$[__________]  [_____]% Term Bonds due August 1, 20[__] – Yield [_____]% - Price [_____]%
[10% Test Satisfied*][10% Test Not Satisfied*][Subject to Hold-The-Offering Price Rule]

---

* At the time of the execution of this Purchase Agreement and assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement.
[C Yield to call at par on August 1, 20[__].

**TERMS OF REDEMPTION**

## EXHIBIT B

## REFUNDED BONDS

| Maturities to be Refunded (August 1,) | Principal Amount to be Refunded | CUSIP† prior to Refunding | Redemption Date | Redemption Price |
|---|---|---|---|---|
| 2021 | $ 215,000 | 723291 AJ9 | [August 1, 2021] | 100.00% |
| 2022 | 255,000 | 723291 AK6 | [August 1, 2021] | 100.00 |
| 2023 | 290,000 | 723291 AL4 | [August 1, 2021] | 100.00 |
| 2024 | 330,000 | 723291 AA8 | [August 1, 2021] | 100.00 |
| 2025 | 380,000 | 723291 AM2 | [August 1, 2021] | 100.00 |
| 2030 | 2,770,000 | 723291 AB6 | [August 1, 2021] | 100.00 |
| 2038 | 2,750,000 | 723291 AC4 | [August 1, 2021] | 100.00 |

† CUSIP numbers are provided for convenience of reference only. Neither the District nor the Underwriter takes any responsibility for the accuracy of such CUSIP numbers.

**EXHIBIT C**

**CERTIFICATE OF THE UNDERWRITER**

Raymond James & Associates, Inc., has acted as the Underwriter in connection with the sale and issuance by the Piner-Olivet Union School District (the "Issuer") of its $[__________] Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 (Forward Delivery) (the "Bonds"), being issued on the date hereof, and the Underwriter hereby certifies and represents the following:

**Issue Price.**

**[NOT USING HOLD THE PRICE]**

1. **[10% OF EACH MATURITY SOLD BY SETTLEMENT]** As of the date hereof, the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price or yield set forth on Schedule 1 hereto.]

OR

1. **[LESS THAN 10% OF CERTAIN MATURITIES SOLD BY SETTLEMENT]** As of the date hereof, other than the Bonds listed on Schedule A tot eh as undersold maturities (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the [Initial Offering Price/**OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Forward Delivery Purchase Agreement, dated [SALE DATE], 2021, by and between the Underwriter and the Issuer.]

2. With respect to the Undersold Maturities, the Underwriter agrees to notify the Issuer in writing of the first price or yield at which at least 10% of each such Undersold Maturity is ultimately sold by the Underwriter to the Public as soon as practicable after such applicable sales have occurred. If all of an Undersold Maturity is sold to the Public but not more than 10% of the Undersold Maturity is sold by the Underwriter to the Public at any particular price or yield, the Underwriter agrees to notify the Issuer in writing of the amount of the Undersold Maturity sold by the Underwriter to the Public at each of the respective prices or yields at which the Undersold Maturity is sold to the Public.

**[USING HOLD THE PRICE]**

1. As of [SALE DATE], 2021 (the "Sale Date"), all of the Bonds were the subject of a bona fide offering to the Public at the Initial Offering Price.

[2. **[USING HOLD THE PRICE FOR A PORTION OF THE ISSUE]** As of the date hereof, other than the Bonds listed on Exhibit A to the Forward Delivery Bond Purchase Agreement, dated [SALE DATE], 2021 (the "Purchase Agreement"), by and between the Underwriter and the Issuer, as Subject-to-Hold-The-Offering-Price Rule (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the respective [Initial Offering Price **OR IF ACTUAL**

**SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement]. Attached hereto as Schedule 1 is a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Underwriter in the Purchase Agreement, the Underwriter has not offered or sold any of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date.

2. **[USING HOLD THE PRICE FOR 100% OF THE ISSUE]**. As agreed to in writing by the Underwriter in the Forward Delivery Bond Purchase Agreement between the Issuer and the Underwriter dated [SALE DATE], 2021, the Underwriter has not offered or sold any Bond to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication.].

**[Qualified Guarantee**

Based on the attached, we have calculated that the present value of the interest to be saved on the Bonds as a result of the municipal bond insurance policy (the "Insurance") exceeds the present value of the fees for such Insurance. The Insurance was a material factor in selling the Bonds at the lowest possible yield (given other characteristics of the Bonds). In our judgement, the premium paid for the Insurance does not exceed a reasonable arm's length charge for transfer of the credit risk represented by the Insurance and does not include any payment for any direct or indirect services other than the transfer of credit risk.]

**Defined Terms.**

*"Initial Offering Price"* means the prices or yields set forth on the inside cover page of the Issuer's Official Statement in respect of such Bonds dated [SALE DATE], 2021.

*"Maturity"* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

*"Public"* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

*"Related Party*" means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests

or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

*"Underwriter*" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The Underwriter understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate to which this certificate is included as Exhibit C and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP, in connection with its opinion as to the exclusion of interest on the Bonds from federal gross income, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. The Underwriter is certifying only as to facts in existence on the date hereof. Nothing herein represents the Underwriter's interpretation of any laws; in particular the Treasury Regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

The Underwriter agrees that this Certificate may be executed by electronic means, and further agrees and acknowledges that it is the Underwriter's intent (i) that, by the Underwriter signing this Certificate using an electronic signature, it is signing, adopting and accepting this Certificate, and (ii) that signing this Certificate using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Certificate on paper. The Underwriter acknowledges that it has been provided with an electronic or paper copy of this Certificate in a usable format.

Dated: [_________], 2021

**RAYMOND JAMES & ASSOCIATES, INC.**

By:_________________________________
Authorized Representative

# ESCROW AGREEMENT

**by and between**

**PINER-OLIVET UNION SCHOOL DISTRICT**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**

**Dated as of ____________ 1, 2021**

**Piner-Olivet Union School District**
**(County of Sonoma, State of California)**
**General Obligation Bonds**
**Election of 2010, Series 2011**
**(Bank Qualified)**

## ESCROW AGREEMENT

**THIS ESCROW AGREEMENT** (this "Escrow Agreement"), dated as of __________ 1, 2021, is by and between the PINER-OLIVET UNION SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the "District"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as escrow bank (the "Escrow Bank") and as agent of the Prior Paying Agent (as defined herein).

**W I T N E S S E T H:**

**WHEREAS,** the District has heretofore issued the Piner-Olivet Union School District (County of Sonoma, State of California) General Obligation Bonds, Election of 2010, Series 2011 (the "Prior Bonds") in the original principal amount of $8,033,224.60; and

**WHEREAS,** the Prior Bonds were issued pursuant to a Paying Agent Agreement, dated as of February 1, 2011 (the "Paying Agent Agreement"), between the District and The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Prior Paying Agent"); and

**WHEREAS,** the District has determined that debt service savings can be achieved by refunding the Prior Bonds maturing on August 1 of each of the years [2021 through 2025, inclusive, 2030 and 2038] (the "Refunded Bonds"); and

**WHEREAS,** in order to provide the funds necessary to refund the Refunded Bonds, the District has issued $____________ aggregate principal amount of Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)] (the "Refunding Bonds"); and

**WHEREAS,** the Refunding Bonds are issued pursuant to a resolution of the Board of Trustees of the District adopted on December 15, 2020 (the "Refunding Resolution"); and

**WHEREAS,** The Bank of New York Mellon Trust Company, N.A. is the paying agent under the Refunding Resolution (the "Paying Agent"); and

**WHEREAS,** the District has determined to apply a portion of the proceeds of the Refunding Bonds for the purpose of providing the funds necessary to pay, when due, the interest on the Refunded Bonds to and including August 1, 2021 and to redeem the Refunded Bonds on August 1, 2021 (the "Redemption Date") at a redemption price (the "Redemption Price") equal to 100% of the principal amount of the Refunded Bonds; and

**WHEREAS,** the Refunded Bonds are subject to redemption on the Redemption Date and the District has determined to provide for the call for redemption on the Redemption Date of the Refunded Bonds outstanding on the Redemption Date;

**NOW THEREFORE,** in consideration of the mutual covenants and agreements herein contained, the District and the Escrow Bank agree as follows:

**Section 1. <u>Definitions</u>.** Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the Paying Agent Agreement.

**Section 2. <u>The Escrow Fund</u>.** (a) There is hereby established a fund (the "Escrow Fund") to be held as an irrevocably pledged escrow by the Escrow Bank, which the Escrow Bank shall keep separate and apart from all other funds of the District and the Escrow Bank and which shall be applied solely as provided in this Escrow Agreement. The Escrow Fund is established for the purpose of refunding the Refunded Bonds and, for purposes of Section 53555 of the California Government Code, shall be deemed to be a fund in the treasury of the District.

Pending application as provided in this Escrow Agreement, amounts on deposit in the Escrow Fund are hereby pledged and assigned solely to the payment of the interest on and Redemption Price of the Refunded Bonds, which amounts shall be held in trust by the Escrow Bank for the Owners of the Refunded Bonds.

(b) Upon the issuance of the Refunding Bonds, there shall be deposited in the Escrow Fund $______________ received from the proceeds of the sale of the Refunding Bonds.

(c) Upon the deposit of moneys pursuant to Section 2(b), the moneys on deposit in the Escrow Fund will be at least equal to an amount sufficient to purchase the aggregate principal amount of non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America ("Defeasance Securities") set forth in Exhibit A hereto (the "Exhibit A Securities"), which principal, together with all interest due or to become due on such Exhibit A Securities, and any uninvested cash held by the Escrow Bank in the Escrow Fund, will be sufficient to make the payments required by Section 4 hereof.

**Section 3. <u>Use and Investment of Moneys</u>.** (a) The Escrow Bank hereby acknowledges deposit of the moneys described in Section 2(b) and agrees to invest $________________ of such moneys in the Exhibit A Securities upon receipt of certification by a nationally recognized firm of independent certified public accountants that the Exhibit A Securities will mature in such principal amounts and earn interest in such amounts and, in each case, at such times, so that sufficient moneys will be available from maturing principal and interest on the Exhibit A Securities, together with any uninvested moneys then held by the Escrow Bank in the Escrow Fund, to make all payments required by Section 4 hereof. Except as provided in Section 3(b) or Section 3(c), the balance of the moneys described in Section 2 in the amount of $__________ shall be held uninvested in the Escrow Fund.

(b) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall purchase substitute Defeasance Securities for the Defeasance Securities then held in the Escrow Fund with the proceeds derived from the sale, transfer, redemption or other disposition of Defeasance Securities then on deposit in the Escrow Fund and any uninvested money then held by the Escrow Bank hereunder in accordance with the provisions of this Section. Such sale, transfer, redemption or other disposition of Defeasance Securities then on deposit in the Escrow Fund and substitution of other Defeasance Securities shall be effected by the Escrow Bank upon the written request of the District but only by a simultaneous transaction and only upon receipt of (i) certification by a nationally recognized firm of independent certified public accountants that the Defeasance Securities to be substituted, together with the Defeasance Securities which will continue to be held in the Escrow Fund, will mature in such principal amounts and earn interest in such amounts and, in each case, at such times so that sufficient moneys will be available from maturing principal and interest on such Defeasance Securities held in the Escrow Fund, together with any uninvested moneys, to make all payments required by Section 4 hereof, which have not previously been made, and (ii) receipt by the Escrow Bank of an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the sale, transfer, redemption or other disposition and substitution of Defeasance Securities will not adversely affect the exclusion of interest on the Refunded Bonds or the Refunding Bonds from gross income for purposes of federal income taxation.

(c) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall apply any moneys received from the maturing principal of or interest or other investment income on any Defeasance Securities held in an Escrow Fund, or the proceeds from any sale, transfer, redemption or other disposition of Defeasance Securities pursuant to Section 3(b) not required for the purposes of said Section 3(b)(i) to the extent such moneys will not be required at any time for the purpose of making a payment required by Section 4 hereof, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, such moneys shall be transferred to the Treasurer-Tax Collector of the County of Sonoma (the "County Treasurer") for deposit in the District's interest and sinking funds established for the Refunding Bonds upon the written request of the District as received by the Escrow Bank, free and clear of any trust, lien, pledge or assignment securing the Refunded Bonds or otherwise existing hereunder, and (ii) to the extent such moneys will be required for such purpose at a later date, shall, to the extent practicable, be invested or reinvested in Defeasance Securities maturing at times and in amounts sufficient, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, to make such payment required by Section 4 hereof. Prior to investing or reinvesting such moneys in Defeasance Securities pursuant to this subsection (c), the Escrow Bank shall receive an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the investment or reinvestment of such moneys will not adversely affect the exclusion of interest on the Refunded Bonds or the Refunding Bonds from gross income for purposes of federal income taxation.

(d) All Defeasance Securities purchased pursuant to this Escrow Agreement shall be deposited in and held for the credit of the Escrow Fund. Except as provided in this Section 3, no moneys or Defeasance Securities deposited with the Escrow Bank pursuant to this Escrow Agreement nor principal of, or interest payments or other investment income on, any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Refunded Bonds as provided by Section 4 hereof.

(e) The Owners of the Refunded Bonds shall have a first and exclusive lien on the moneys and Defeasance Securities in the Escrow Fund until such moneys and Defeasance Securities are used and applied as provided in this Escrow Agreement.

(f) If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Agreement, if any, the Escrow Bank shall promptly request alternative written investment instructions from the District with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the District. In the absence of investment instructions from the District, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon.

(g) The Escrow Bank shall not be held liable for investment losses resulting from compliance with the provisions of this Escrow Agreement.

**Section 4. Payment of Refunded Bonds.** From the maturing principal of the Defeasance Securities held in the Escrow Fund and the investment income and other earnings thereon and any uninvested money then held in the Escrow Fund, the Escrow Bank shall:

> (a) on each Interest Payment Date to and including the Redemption Date, pay interest on the Refunded Bonds then due and payable in accordance with the terms of the Paying Agent Agreement; and
>
> (b) on the Redemption Date, pay the Redemption Price in accordance with the terms of the Paying Agent Agreement.

To the extent that the amount on deposit in the Escrow Fund on the Redemption Date is in excess of the amount necessary to make the required payments with respect to the Refunded Bonds, as shown in the escrow verification of a nationally recognized firm of independent certified public accountants, such excess shall be transferred to the County Treasurer for deposit in the District's interest and sinking funds established for the Refunding Bonds.

**Section 5. Irrevocable Instructions to Mail Notices.** The District hereby irrevocably designates the Refunded Bonds for prior redemption on the Redemption Date as indicated in Section 4 hereof and hereby irrevocably instructs the Escrow Bank, as the Prior Paying Agent, to (a) give, in accordance with Section 4.04 of the Paying Agent Agreement, notice of redemption of the Refunded Bonds, (b) file, in accordance with the continuing disclosure certificate of the District for the Refunded Bonds, notice of such early redemption and the defeasance of the Refunded Bonds on the Electronic Municipal Market Access (EMMA) website. The Escrow Bank shall not have any liability to any party in connection with any failure to timely file such notice of redemption with the Municipal Securities Rulemaking Board on the EMMA website.

**Section 6. Performance of Duties.** The Escrow Bank agrees to perform the duties set forth herein and agrees that the irrevocable instructions to the Escrow Bank herein provided are in a form satisfactory to it.

**Section 7. Escrow Bank's Authority to Make Investments.** The Escrow Bank shall have no power or duty to invest any funds held under this Escrow Agreement except as provided in Section 3 hereof. The Escrow Bank shall have no power or duty to transfer or otherwise dispose of the moneys held hereunder except as provided in this Escrow Agreement.

**Section 8. Compensation.** The District shall from time to time pay or cause to be paid to the Escrow Bank the agreed upon compensation for its services to be rendered hereunder, and reimburse the Escrow Bank for all of its reasonable advances, expenses and charges, including, without limitation, legal fees and expenses, in the exercise and performance of its duties hereunder; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Bank under this Escrow Agreement or otherwise.

**Section 9. Indemnification.** To the extent permitted by law, the District shall indemnify and save the Escrow Bank and its officers, directors, agents and employees harmless against any liabilities, losses, costs, expenses (including, without limitation, legal fees and expenses), suits, judgments and claims which it or they may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or its willful misconduct. The indemnity contained in this Section shall survive the termination of this Escrow Agreement and the earlier removal or resignation of the Escrow Bank.

**Section 10. Responsibilities of Escrow Bank.** The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or any securities deposited therein, the purchase of the securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof, the sufficiency of the securities or any uninvested moneys held hereunder to accomplish the redemption of the Refunded Bonds, or any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the District, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representation as to the sufficiency of the securities to be purchased pursuant hereto and any uninvested moneys to accomplish the redemption of the Refunded Bonds or to the validity of this Escrow Agreement as to the District and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence or willful misconduct, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel of recognized standing in the field of law relating to municipal bonds) may be deemed to be conclusively established by a written certification of the District.

No provision of this Escrow Agreement shall require the Escrow Bank to risk or advance its own funds. The Escrow Bank shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds 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 Escrow Bank may execute any of its powers or duties hereunder through attorneys, agents or receivers and shall not be answerable for the actions of such attorneys, agents or receivers if selected by it with reasonable care.

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the District shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the District whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank's understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the District and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the District. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The District agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the District; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

**Section 11. Resignation and Removal**. The Escrow Bank may resign by giving written notice to the District, and upon receipt of such notice the District shall promptly appoint a successor Escrow Bank. If the District does not appoint a successor Escrow Bank within thirty days of receipt of such notice, the resigning Escrow Bank may petition a court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, upon such notice as it shall deem proper, appoint a successor Escrow Bank. Upon acceptance of appointment by a successor Escrow Bank, the resigning Escrow Bank shall transfer all moneys held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

The District may remove the Escrow Bank upon thirty (30) days' prior notice, by giving written notice of such removal to the Escrow Bank, and thereupon shall appoint a successor Escrow Bank by an instrument in writing. Upon acceptance of appointment by a successor Escrow Bank, the removed Escrow Bank shall transfer all moneys held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

Any successor Escrow Bank appointed under the provisions hereof shall be a trust company or bank having trust powers, having a corporate trust office in California, having a combined capital and surplus of at least $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 purpose of this paragraph 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.

Any bank, corporation or association into which the Escrow Bank may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Bank shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Bank shall be the successor of the Escrow Bank hereunder without the execution or filing of any paper with any parties hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument or transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

**Section 12. Amendments.** The District and the Escrow Bank may (but only with the consent of the Owners of all of the Refunded Bonds) amend this Escrow Agreement or enter into agreements supplemental to this Escrow Agreement; provided, however, that such amendments and agreements are limited to (a) insertion of unintentionally omitted material, corrections of mistakes or clarifications of ambiguities, (b) pledging of additional legal security for the benefit of the Owners of the Refunded Bonds, or (c) providing for the deposit of additional cash and/or securities in the Escrow Fund. Prior to executing any such amendment or supplemental agreement, the Escrow Bank is entitled to receive and rely upon an opinion of counsel that such amendment or supplemental agreement is authorized or permitted hereunder and shall not materially adversely affect the interests of the owners of the Refunded Bonds or the Refunding Bonds.

**Section 13. Term.** This Escrow Agreement shall terminate on the date upon which the Refunded Bonds have been paid in accordance with this Escrow Agreement.

**Section 14. Severability.** If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the District or the Escrow Bank to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

**Section 15. Counterparts.** This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

**Section 16. Electronic Signature**. Each of the parties hereto agrees that the transaction consisting of this Escrow Agreement may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent (a) that, by signing of this Escrow Agreement using an electronic signature, it is signing, adopting and accepting this Escrow Agreement, and (b) that signing this Escrow Agreement using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Escrow Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Escrow Agreement in a usable format.

**Section 17. Governing Law.** This Escrow Agreement shall be construed under the laws of the State of California.

**PINER-OLIVET UNION SCHOOL DISTRICT**

By: ________________________________

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS ESCROW BANK AND PRIOR PAYING AGENT**

By: ________________________________
Authorized Officer

## EXHIBIT A

## DEFEASANCE SECURITIES

| Type | Maturity Date | Par Amount | Interest Rate | Cost |
|---|---|---|---|---|

**CONTINUING DISCLOSURE CERTIFICATE**

**THIS CONTINUING DISCLOSURE CERTIFICATE** (this "Disclosure Certificate") is executed and delivered by the Piner-Olivet Union School District (the "District") in connection with the issuance of $______________ aggregate principal amount of Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)] (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on December 15, 2020 (the "Resolution"). The District covenants and agrees as follows:

**Section 1. Purpose of the Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

**Section 2. 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, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 hereof.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" shall mean Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"Financial Obligation" shall mean, for the purposes of the Listed Events set out in Section 5(a)(x) and 5(b)(viii), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Holder" shall mean the person in whose name any Bond shall be registered.

"Listed Events" shall mean any of the events listed in Section 5(a) or (b) hereof.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" shall mean the Official Statement, dated _________, 2021 (including all exhibits or appendices thereto), relating to the offer and sale of Bonds.

"Participating Underwriter" shall mean the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) 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 3. Provision of Annual Reports.** (a) 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 due date shall be April 1 of each year, so long as the District's fiscal year ends on June 30), commencing with the report for [the 2019-20 Fiscal Year (which is due not later than April 1, 2021]), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 hereof. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 hereof; provided, however, 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. If the District's fiscal year changes, it shall give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than 15 business days prior to the date specified in subsection (a), the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall, in a timely manner, send or cause to be sent to the MSRB a notice in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) (if the Dissemination Agent is other than the District), provide any Annual Report received by it to the MSRB as provided herein; and

(ii) (if the Dissemination Agent is other than the District), file a report with the District certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB.

**Section 4. Content of Annual Reports.** The District's Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District's audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a) hereof, 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 provided to the MSRB in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) The adopted budget of the District for the then-current fiscal year.

(ii) Assessed value of taxable property in the District for the then-current fiscal year as shown on the most recent equalized assessment role.

(iii) If the County of Sonoma (the "County") no longer includes the tax levy for payment of the Bonds in its Teeter Plan, the property tax levies, collections, and delinquencies for the District for the most recently completed fiscal year.

(iv) Top twenty property owners in the District for the then-current fiscal year, as measured by secured assessed valuation, the amount of their respective taxable value, and their percentage of total secured assessed value, if provided by the County.

Any or all of the items listed above may be set forth in one or a set of documents or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

**Section 5. Reporting of Significant Events.** (a) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers or their failure to perform;

(v) adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

(vi) tender offers;

(vii) defeasances;

(viii) rating changes;

(ix) bankruptcy, insolvency, receivership or similar event of the District; or

(x) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

For the purposes of the event identified in subparagraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(b) 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, in a timely manner not later than ten business days after the occurrence of the event:

(i) unless described in paragraph 5(a)(v), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(ii) modifications to rights of Bond Holders;

(iii) Bond calls;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) non-payment related defaults;

(vi) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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;

(vii) appointment of a successor or additional paying agent or the change of name of a paying agent; or

(viii) incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect Bond holders.

(c) The District shall give, or cause to be given, in a timely manner, notice of a failure to provide the annual financial information on or before the date specified in Section 3 hereof, as provided in Section 3(b) hereof.

(d) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the District determines would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection (b)(iii) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

(e) The District intends to comply with the Listed Events described in subsection (a)(x) and subsection (b)(viii), and the definition of "Financial Obligation" in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885, dated August 20, 2018 (the "2018 Release"), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect to the amendments to the Rule effected by the 2018 Release.

**Section 6. <u>Format for Filings with MSRB</u>**. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

**Section 7. <u>Termination of Reporting Obligation</u>.** The District's obligations under this Disclosure Certificate shall terminate upon the legal 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 a filing with the MSRB.

**Section 8. <u>Dissemination Agent</u>.** 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 Dissemination Agent, with or without appointing a successor Dissemination Agent. 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. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

**Section 9. <u>Amendment; Waiver</u>.** Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Section 3(a) hereof, Section 4 hereof, or Section 5(a) or (b) hereof, 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 the District with respect to the Bonds, or the type of business conducted;

(b) the undertaking, as amended or taking into account such waiver, would, in the opinion of 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; and

(c) the proposed amendment or waiver either (i) is approved by the Holders in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next 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 a filing with the MSRB, 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 required to be filed pursuant to this Disclosure Certificate, 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 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 or any other event required to be reported.

**Section 11. Default.** In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds 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; provided, that any such action may be instituted only in Superior Court of the State of California in and for the County or in U.S. District Court in or nearest to the County. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and 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 (if the Dissemination Agent is other than the District), 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) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section 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 Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 14. Electronic Signature**. Each of the parties hereto agrees that the transaction consisting of this Disclosure Certificate may be conducted by electronic means. Each party agrees and acknowledges that it is such party's intent (a) that, by signing of this Disclosure Certificate using an electronic signature, it is signing, adopting and accepting this Disclosure Certificate, and (b) that signing this Disclosure Certificate using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Disclosure Certificate on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Disclosure Certificate in a usable format.

Dated: ____________, 2021

**PINER-OLIVET UNION SCHOOL DISTRICT**

By: ________________________________

ACCEPTED AND AGREED TO:

**ISOM ADVISORS, A DIVISION OF URBAN FUTURES, INC., as Dissemination Agent**

By: ________________________________
Authorized Signatory

**EXHIBIT A**

**NOTICE TO THE MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE ANNUAL REPORT**

| | |
|---|---|
| Name of Issuer: | PINER-OLIVET UNION SCHOOL DISTRICT |
| Name of Issue: | Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)] |
| Date of Issuance: | _______________, 2021 |

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Certificate of the District, dated _______________, 2021. [The District anticipates that the Annual Report will be filed by ______________.]

Dated:________________

**PINER-OLIVET UNION SCHOOL DISTRICT**

**PRELIMINARY OFFICIAL STATEMENT DATED __________, 2020**



**NEW ISSUE — BOOK-ENTRY ONLY**

**Rating[s]: S&P [(Insured)]: "[___]"**
**Moody's [(Underlying)]: "[___]"**
**(See "MISCELLANEOUS — Rating[s]" herein.)**

*[**Federally Taxable**: In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Refunding Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the Refunding Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Refunding Bonds. See "TAX MATTERS" herein.][**Forward Delivery:** In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, and subject to the satisfaction of certain conditions and to the occurrence of certain events described herein under the heading "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds," interest on the Refunding Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, subject to those same conditions, interest on the Refunding Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Refunding Bonds. See "TAX MATTERS" herein.]*

**$[__________]***

# PINER-OLIVET UNION SCHOOL DISTRICT
## (Sonoma County, California)
## General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)]

**Dated: Date of Delivery** **Due: August 1, as shown herein**

*This cover page is not a summary of this issue; it is only a reference to the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.*

The Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][Forward Delivery] (the "Refunding Bonds") are being issued by the Piner-Olivet Union School District (the "District") (i) to refund[, on a forward delivery basis,] a portion of the outstanding Piner-Olivet Union School District (County of Sonoma, California) General Obligation Bonds, Election of 2010, Series 2011, and (ii) to pay costs of issuance of the Refunding Bonds. The Refunding Bonds are being issued under the laws of the State of California (the "State") and pursuant to a resolution of the Board of Trustees of the District, adopted on December 15, 2020.

The Refunding Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County of Sonoma is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Refunding Bonds, all as more fully described herein. See "SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS" herein.

The Refunding Bonds will be issued as current interest bonds, all as set forth on the inside front cover hereof. Interest on the Refunding Bonds is payable on each February 1 and August 1 to maturity or earlier redemption thereof, commencing August 1, 2021. Principal of the Refunding Bonds is payable on August 1 in each of the years and in the amounts set forth on the inside front cover hereof.

The Refunding Bonds will be issued in denominations of $5,000 principal amount or any integral multiple thereof as shown on the inside front cover hereof.

[The scheduled payment of principal of and interest on the Refunding Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Refunding Bonds by [__________].]

[Insurer logo].]

The Refunding 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 for the Refunding Bonds. Individual purchases of the Refunding Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Refunding Bonds purchased by them. See "THE REFUNDING BONDS – Form and Registration" herein. Payments of the principal of and interest on the Refunding Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as paying agent, registrar and transfer agent with respect to the Refunding Bonds, to DTC for subsequent disbursement to DTC participants, who will remit such payments to the beneficial owners of the Refunding Bonds. See "THE REFUNDING BONDS – Payment of Principal and Interest" herein.

**The Refunding Bonds are subject to redemption prior to maturity as described herein. See "THE REFUNDING BONDS —Redemption" herein.**

---

* *Preliminary; subject to change.*

*[**Federally Taxable:** The Refunding Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Irvine, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Irvine, California, as Disclosure Counsel to the District and for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California. It is anticipated that the Refunding Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about [__________], 2021.][**Forward Delivery**: The Refunding Bonds are offered when, as and if issued and accepted by the Underwriter, subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Irvine, California, Bond Counsel to the District, and certain other conditions. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel and for the Underwriter by its counsel, Kutak Rock LLP, Irvine, California. It is expected that the Refunding Bonds in definitive form will be available for delivery to the Underwriter through the facilities of DTC on or about [__________], 2021, subject to the satisfaction of certain conditions. Potential investors should carefully review the information under the caption "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds." The Underwriter reserves the right to obligate investors purchasing the Refunding Bonds to execute and deliver to the Underwriter a Forward Delivery Contract, the form of which is included herein as APPENDIX H.]*

**[Raymond James logo]**

Dated: __________, 2021

**MATURITY SCHEDULE***
**BASE CUSIP†: 723291**

**$[__________]***
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Refunding Bonds, Series 2021[(Federally Taxable)][(Forward Delivery)]**

**$__________ Serial Refunding Bonds**

| Maturity (August 1) | Principal Amount | Interest Rate | Yield | CUSIP Number† |
|---|---|---|---|---|
| 2021 | $ | % | % | |
| 2022 | | | | |
| 2023 | | | | |
| 2024 | | | | |
| 2025 | | | | |
| 2026 | | | | |
| 2027 | | | | |
| 2028 | | | | |
| 2029 | | | | |
| 2030 | | | | |
| 2031 | | | | |
| 2032 | | | | |
| 2033 | | | | |
| 2034 | | | | |
| 2035 | | | | |
| 2036 | | | | |
| 2037 | | | | |
| 2038 | | | | |

**$__________ ____% Term Refunding Bonds due August 1, 20__ – Yield ____% CUSIP Number† – ___**

**$__________ ____% Term Refunding Bonds due August 1, 20__ – Yield ____% CUSIP Number† – ___**

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2021 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.
* *Preliminary; subject to change.*

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**

**BOARD OF TRUSTEES**

***[To be updated with new officers after December 15th organizational Board meeting]***

Cindy Pryor, *[President]*
Mardi Hinton, *[Vice President]*
Mindy Mohr, *[Clerk]*
Janae Franicevic, *[Member]*
Tony Roehrick, *[Member]*

**DISTRICT ADMINISTRATORS**

Dr. Steve Charbonneau, *Superintendent*
Felicia Koha, *Chief Business Officer*

**PROFESSIONAL SERVICES**

**Municipal Advisor**

Isom Advisors, a Division of Urban Futures, Inc.
*Walnut Creek, California*

**Bond Counsel and Disclosure Counsel**

Orrick, Herrington & Sutcliffe LLP
*Irvine, California*

**Paying Agent, Registrar and Transfer Agent and Escrow Bank**

The Bank of New York Mellon Trust Company, N.A.
*Dallas, Texas*

**Verification Agent**

Causey Demgen & Moore P.C.
*Denver, Colorado*

4138-4978-6153.1

**TABLE OF CONTENTS**

**Page**

**TABLE OF CONTENTS**
(continued)

This Official Statement does not constitute an offering of any security other than the original offering of the Refunding Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Refunding Bonds are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)2 thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Refunding Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed to be reliable, 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 Refunding Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

[Insurance disclosure to come.]

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget," "intend" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

The District maintains a website. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Refunding Bonds.

**In connection with this offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market prices of the Refunding Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Refunding Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.**

**$[__________][*]**
**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Refunding Bonds, Series 2021[(Federally Taxable)][(Forward Delivery)]**

## INTRODUCTION

*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, 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 Refunding Bonds to potential investors is made only by means of the entire Official Statement.*

### General

This Official Statement, which includes the cover page, inside cover page and appendices hereto, is provided to furnish information in connection with the sale of $[__________][*] aggregate principal amount of Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)] (the "Refunding Bonds"), to be offered by the Piner-Olivet Union School District (the "District").

This Official Statement speaks only as of its date, and the information contained herein is subject to change. The District has no obligation to update the information in this Official Statement, except as required by the Continuing Disclosure Certificate to be executed by the District. See "OTHER LEGAL MATTERS – Continuing Disclosure" and APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

The purpose of this Official Statement is to supply information to prospective buyers of the Refunding Bonds. Quotations from and summaries and explanations of the Refunding Bonds, the resolution of the Board of Trustees of the District providing for the issuance of the Refunding Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Refunding Bonds.

Copies of documents referred to herein and information concerning the Refunding Bonds are available from the District by contacting: Piner-Olivet Union School District, 3450 Coffey Lane, Santa Rosa, California 95403, Attention: Superintendent. The District may impose a charge for copying, handling and mailing such requested documents.

### The District

The District has a historical background that goes back more than 100 years. The District encompasses an area of approximately 24 square miles, located in the County of Sonoma (the "County"), specifically in northwest Santa Rosa, California. The community of Santa Rosa is approximately 60 miles

[*] *Preliminary; subject to change.*

north of San Francisco and 20 miles east of the Sonoma coastline. Until relatively recently, the region of the District was considered rural; however, today with the population growth of Santa Rosa, housing developments and light industrial complexes have arisen in the area. The District is still largely rural, but several suburban developments occupy the east section of the District.

The District provides educational services to children in kindergarten through sixth grade at its Jack London Elementary School. The District also operates four charter schools: Morrice Schaefer Charter School (grades K-6), Northwest Prep Charter School (grades 7-12), Olivet Elementary Charter School (grades TK-6) and Piner-Olivet Charter School (grades 7-8). The total student enrollment at the District, including charter school students, was approximately [1,281] students in fiscal year 2019-20 and is projected to be [___] students in fiscal year 2020-21. For additional information about the District, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET" and APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

For specific information on the impact of the Coronavirus Disease 2019 ("COVID-19") pandemic (i) on the security and source of payment for the Refunding Bonds, see "SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS – Assessed Valuation of Property Within the District" and " – Tax Charges and Delinquencies," (ii) on the District's operations and finances, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Infectious Disease Outbreak*," and (iii) on the fiscal year 2020-21 State budget, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *2020-21 State Budget*."

**[Certain Considerations Regarding Forward Delivery of the Refunding Bonds**

***Forward Delivery.*** The District anticipates that the Refunding Bonds will be issued and delivered by the District to the Underwriter and purchased by the Underwriter (the "Settlement") on or about [__________], 2021 (the "Settlement Date"). The following is a description of certain provisions of the Forward Delivery Bond Purchase Agreement, to be dated on or about [__________], 2021 (the "Bond Purchase Agreement"), by between the District and the Underwriter with respect to the Refunding Bonds. This description is not to be considered a full statement of the terms of the Bond Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

Until such time as the Refunding Bonds are issued and delivered by the District and purchased by the Underwriter on the Settlement Date, certain information contained in this Official Statement may change in a material respect. The District agrees in the Bond Purchase Agreement to update the Official Statement, if necessary in the judgment of the Underwriter or the District, so that the Official Statement as amended or supplemented does not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Additionally, the District agrees in the Bond Purchase Agreement to prepare an Updated Official Statement, dated a date not more than 25 days nor less than 10 days prior to the Settlement Date, which, as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. References under "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds" to the Official Statement as of a specific date shall mean (i) this Official Statement, at any point in time during the period from the date of this Official Statement to but not including the date of delivery of the Updated Official Statement to the Underwriter, and (ii) the Updated Official Statement, from and after the date of delivery of the Updated Official Statement, in each case as amended or supplemented.

***Conditions of Settlement.*** The issuance and purchase of the Refunding Bonds on the Settlement Date are subject to the satisfaction of certain conditions set forth in the Bond Purchase Agreement, including, among other things, the delivery to the Underwriter of certain documents and legal opinions on and as of the initial closing date (the "Closing Date") and certain additional documents and legal opinions, and the satisfaction of other conditions, on and as of the Settlement Date, including the delivery to the Underwriter of: (i) the opinion of Bond Counsel, substantially in the form and to the effect set forth in APPENDIX C relating to the Refunding Bonds, (ii) the Updated Official Statement, and (iii) evidence that, as of the Settlement Date, Moody's Investors Service ("Moody's") has rated the Refunding Bonds and that such Refunding Bonds are rated investment grade. Changes or proposed changes in federal or state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the Settlement Date or the failure by the District to provide closing documents of the type customarily required in connection with the issuance of state and local government tax-exempt bonds could prevent those conditions from being satisfied. None of the Refunding Bonds will be issued unless all of the Refunding Bonds are issued and delivered on the Settlement Date.

***Termination of Bond Purchase Agreement.*** The Underwriter has the right to terminate its obligation to purchase the Refunding Bonds without liability therefor by written notification to the District if, in the reasonable judgment of the Underwriter, at any time on or after the date of the Bond Purchase Agreement and on or prior to the Settlement:

- There shall have been a Change in Law. A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date that is on or before the Settlement) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter, prohibit the Underwriter from completing the underwriting of the Refunding Bonds or selling the Refunding Bonds or beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Refunding Bonds illegal.

- As a result of any legislation, regulation, rule, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action that continues to be proposed as of the Settlement), or for any other reason, Bond Counsel cannot issue an opinion to the effect that (a) the interest on the Refunding Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), and (b) the interest on the Refunding Bonds is exempt from State of California personal income taxes, as stated in the form of opinion of Bond Counsel set forth in APPENDIX C hereto.

- The Official Statement as of the Closing Date, or the Updated Official Statement as of the Settlement Date, contained or contains an untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect.

- Legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the SEC that, in the reasonable opinion of the Underwriter, following consultation with the District, has the effect of requiring the Refunding Bonds to be registered under the Securities Act of 1933, as amended, or requires the Resolution to be qualified under the Trust Indenture Act of 1939, as amended, or an event occurs that would cause the sale of the Refunding Bonds to be in violation of any provision of the federal or State of California securities laws.

- As of the Settlement, the Refunding Bonds are no longer rated investment grade by Moody's.

***Forward Delivery Contract.*** The Underwriter reserves the right to obligate investors purchasing the Refunding Bonds to execute a Forward Delivery Contract (the "Forward Delivery Contract") in substantially the form set forth in APPENDIX H. The Forward Delivery Contract provides that the purchaser will remain obligated to purchase the Refunding Bonds, even if the purchaser decides to sell the purchased bonds following the date of the Forward Delivery Contract. The District will not be a party to any Forward Delivery Contract, and the District is not in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the Bond Purchase Agreement are not conditioned or dependent upon the performance of any Forward Delivery Contract.

***Additional Risks Relating to Forward Delivery Period.*** Between the date of the Bond Purchase Agreement and the Settlement Date (the "Forward Delivery Period"), certain information contained in this Official Statement may change in material respects. Any changes in such information will not permit the Underwriter to terminate the Bond Purchase Agreement or release the purchasers of their obligation to purchase the Refunding Bonds unless the change reflects an event described under "Termination of Bond Purchase Agreement" above. In addition to the risks set forth above and under "INTRODUCTION – Investment Considerations," purchasers of the Refunding Bonds are subject to certain additional risks, some of which are described below.

Ratings Risk. No assurances can be given that the rating assigned to the Refunding Bonds on the Settlement Date will not be different from those currently assigned to the Refunding Bonds. Issuance of the Refunding Bonds and the Underwriter's obligations under the Bond Purchase Agreement are not conditioned upon the assignment of any particular ratings for the Refunding Bonds or the maintenance of the initial ratings of the Refunding Bonds, unless the Refunding Bonds are no longer rated investment grade by Moody's on the Settlement Date, as described under "Termination of Bond Purchase Agreement" above.

Secondary Market Risk. The Underwriter is not obligated to make a secondary market for the Refunding Bonds, and no assurance can be given that a secondary market will exist for the Refunding Bonds during the Forward Delivery Period or at any time thereafter. Prospective purchasers of the Refunding Bonds should assume that there will be no secondary market for the Refunding Bonds during the Forward Delivery Period.

Market Value Risk. The market value of the Refunding Bonds as of the Settlement Date may be affected by a variety of factors, including, without limitation, general market conditions, the financial condition of the District and the State, and federal and state tax, securities and other laws. The market value of the Refunding Bonds as of the Settlement Date could therefore be higher or lower than the price to be paid by the initial purchasers of the Refunding Bonds, and that difference could be substantial. Neither the District nor the Underwriter makes any representations as to the expected market value of the Refunding Bonds as of the Settlement Date.

Tax Law Risk. Subject to the other conditions of Settlement and the Underwriter's rights of termination described above, the Bond Purchase Agreement obligates the District to deliver, and the Underwriter to accept, the Refunding Bonds if the District delivers an opinion of Bond Counsel substantially in the form and to the effect set forth in APPENDIX C relating to the Refunding Bonds. Notwithstanding that the enactment of new legislation, new court decisions or the promulgation of new regulations or rulings might diminish the value of, or otherwise affect, the exclusion from gross income of interest payable on "state or local bonds" (such as the Refunding Bonds) for federal income tax purposes, the District might be able to satisfy the requirements for the delivery of the Refunding Bonds. In such event, the purchasers would be required to accept delivery of the Refunding Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood of any such changes in tax law and the consequences of such changes to the purchasers. See "TAX MATTERS" herein.

## THE REFUNDING BONDS

### Authority for Issuance; Plan of Refunding

The Refunding Bonds are issued by the District pursuant to the Constitution and laws of the State, including Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable provisions of law, and pursuant to a resolution adopted by the Board of Trustees of the District on December 15, 2020, providing for the issuance of the Refunding Bonds (the "Resolution").

Proceeds from the Refunding Bonds will be used (i) to refund a portion of the outstanding Piner-Olivet Union School District (County of Sonoma, California) General Obligation Bonds, Election of 2010, Series 2011 (the "Series 2011 Bonds"), and (ii) to pay costs of issuance of the Refunding Bonds. See "−Plan of Refunding" and "−Estimated Sources and Uses of Funds" below.

### [Forward Delivery of Refunding Bonds

The District will deliver the Refunding Bonds on or about [_________], 2021, in book-entry form. The forward delivery of the Refunding Bonds is necessary to comply with certain federal income tax requirements under the Code for a current refunding of the Series 2011 Bonds (as defined herein; see "–Plan of Finance" below). There are certain risks associated with the forward delivery of the Refunding Bonds. See "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds."]

### [Bond Insurance Policy

Concurrently with the issuance of the Refunding Bonds, [_________] ("[___]") will issue its Municipal Bond Insurance Policy (the "Policy") for the Refunding Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Refunding Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement. See "BOND INSURANCE" and APPENDIX G – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY.]

### Form and Registration

The Refunding Bonds will be issued in fully registered form only, without coupons, in denominations of $5,000 principal amount or integral multiples thereof. The Refunding Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Refunding Bonds. Purchases of the Refunding Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in the Refunding Bonds will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Refunding Bonds, beneficial owners of the Refunding Bonds ("Beneficial Owners") will not receive physical certificates representing their ownership interests. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

**Payment of Principal and Interest**

***Interest.*** The Refunding Bonds will be dated as of their date of delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement, payable on February 1 and August 1 of each year (each, an "Interest Payment Date"), commencing on August 1, 2021, computed on the basis of a 360-day year consisting of twelve 30-day months. Each Refunding Bond will bear interest from the Interest Payment Date of such Refunding Bond next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15th day of the calendar month immediately preceding an Interest Payment Date for such Refunding Bond (the "Record Date") and on or prior to the succeeding Interest Payment Date for such Refunding Bond, in which event it will bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Refunding Bond, in which event it will bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds, such Refunding Bond will bear interest from the Interest Payment Date from such Refunding Bond to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds.

***Payment of Refunding Bonds.*** The principal of the Refunding Bonds is payable in lawful money of the United States of America upon the surrender thereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Paying Agent") at the maturity thereof or upon redemption prior to maturity.

Interest on the Refunding Bonds is payable in lawful money of the United States of America by check or draft mailed on each Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to the registered owner thereof (the "Owner") at such Owner's address as it appears on the bond registration books kept by the Paying Agent or at such address as the Owner may have filed with the Paying Agent for that purpose, except that the payment will be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 of outstanding Refunding Bonds who have requested in writing such method of payment of interest prior to the close of business on a Record Date. So long as the Refunding Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

**Redemption***

***Optional Redemption.*** The Refunding Bonds maturing on or before August 1, 20__, are not subject to optional redemption prior to their respective stated maturity dates. The Refunding Bonds maturing on or after August 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the principal amount of the Refunding Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

***Mandatory Sinking Fund Redemption.*** The $___________ term Refunding Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100%

---

* *Preliminary; subject to change.*

of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

| Mandatory Sinking Fund Redemption Date (August 1) | Principal Amount to be Redeemed |
|---|---|
| | $ |
| † | |

† Maturity.

The principal amount of the $___________ term Refunding Bonds maturing on August 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000, by any portion of such term Refunding Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

The $___________ term Refunding Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

| Mandatory Sinking Fund Redemption Date (August 1) | Principal Amount to be Redeemed |
|---|---|
| | $ |
| † | |

† Maturity.

The principal amount of the $___________ term Refunding Bonds maturing on August 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000, by any portion of such term Refunding Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

***Selection of Refunding Bonds for Redemption.*** If less than all of the Refunding Bonds are called for redemption, the Refunding Bonds will be redeemed in inverse order of maturities or as otherwise directed by the District. Whenever less than all of the outstanding Refunding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Refunding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Refunding Bond will be deemed to consist of individual Refunding Bonds of denominations of $5,000 principal amount, each, which may be separately redeemed.

***Notice of Redemption.*** Notice of any redemption of the Refunding Bonds is to be mailed by the Paying Agent, postage prepaid, not less than 20 or more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure

Certificate with respect to the Refunding Bonds. See APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

Each notice of redemption is to contain the following information: (i) the date of such notice; (ii) the name of the Refunding Bonds and the date of issue of the Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity to be redeemed; (vii) in the case of Refunding Bonds redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. Neither the failure to receive the notice of redemption, nor any defect in such notice is to affect the sufficiency of the proceedings for the redemption of the Refunding Bonds called for redemption or the cessation of interest on the date fixed for redemption.

***Effect of Notice of Redemption.*** When notice of redemption has been given substantially as described above, and when the redemption price of the Refunding Bonds called for redemption is set aside for the purpose of redeeming the Refunding Bonds, the Refunding Bonds designated for redemption become due and payable on the specified redemption date and interest ceases to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds are to be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date are entitled to payment of such Refunding Bonds and the redemption premium thereon, if any, only to moneys on deposit in the related interest and sinking fund of the District within the County treasury (the "Interest and Sinking Fund") or the trust fund established for such purpose. All Refunding Bonds redeemed are to be cancelled forthwith by the Paying Agent and are not to be reissued.

***Right to Rescind Notice.*** The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Any optional redemption and notice thereof may be rescinded if for any reason on the date fixed for redemption moneys are not available in the related Interest and Sinking Fund of the District or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Refunding Bonds called for redemption. Notice of rescission of redemption is to be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such rescission is not a condition precedent to rescission, and failure to receive such notice or any defect in such notice does not affect the validity of the rescission.

***Funds for Redemption.*** Prior to or on the redemption date of any Refunding Bonds there is to be available in the related Interest and Sinking Fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as provided in the Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies are to be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the related Interest and Sinking Fund of the District are to be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date is to be paid from the related Interest and Sinking Fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the related Interest and Sinking Fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies are to be held in or returned or transferred to the related Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies are to be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies are to be transferred to the general fund of the District as provided and permitted by law.

### Defeasance of Refunding Bonds

The District may pay and discharge any or all of the Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent at or before maturity, money and/or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the Interest and Sinking Fund, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

### Unclaimed Moneys

Any money held in any fund created pursuant to the Resolution or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Refunding Bonds and remaining unclaimed for two years after the principal of such Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) is to be transferred to the Interest and Sinking Fund for payment of any outstanding bonds of the District payable from such fund; or, if no such bonds of the District are at such time outstanding, the monies are to be transferred to the general fund of the District as provided and permitted by law.

### Plan of Refunding*

The Refunding Bonds will be issued (i) to refund a portion of the District's outstanding Series 2011 Bonds, maturing on August 1 in the years [2022 through 2025, inclusive, 2030 and 2038]* (the "Refunded Bonds"), as set forth below, and (ii) to pay certain costs of issuance of the Refunding Bonds.

**REFUNDED BONDS***

| Maturity Date (August 1,) | Principal Amount | Interest Rate | Yield | Redemption Date | CUSIP† Number |
|---|---|---|---|---|---|
| 2022 | $ 255,000 | 4.500% | 4.650% | August 1, 2021 | 723291 AK6 |
| 2023 | 290,000 | 4.750 | 4.850 | August 1, 2021 | 723291 AL4 |
| 2024 | 330,000 | 5.000 | 5.000 | August 1, 2021 | 723291 AA8 |
| 2025 | 380,000 | 5.000 | 5.120 | August 1, 2021 | 723291 AM2 |
| 2030 | 2,770,000 | 5.500 | 5.550 | August 1, 2021 | 723291 AB6 |
| 2038 | 2,750,000 | 5.750 | 5.800 | August 1, 2021 | 723291 AC4 |

* *Preliminary; subject to change.*
† CUSIP numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assumes responsibility for the accuracy of such CUSIP numbers.

The maturities of the District's outstanding Series 2011 Bonds listed in the following table will not be refunded with proceeds of the Refunding Bonds.

**UNREFUNDED SERIES 2011 BONDS***

Current Interest Bonds

| Maturity Date (August 1,) | Principal Amount | Interest Rate | Yield | CUSIP† Number |
|---|---|---|---|---|
| 2021 | $215,000 | 5.000% | 4.300% | 723291 AJ9 |

Capital Appreciation Bonds

| Maturity Date (August 1,) | Original Principal Amount | Accretion Rate | Maturity Value | Reoffering Yield to Maturity | CUSIP† Number |
|---|---|---|---|---|---|
| 2031 | $90,889.65 | 10.700% | $765,000 | 7.260% | 723291 AT7 |
| 2032 | 66,195.15 | 12.000 | 805,000 | 7.340 | 723291 AU4 |
| 2033 | 62,211.50 | 12.000 | 850,000 | 7.420 | 723291 AV2 |
| 2034 | 57,974.60 | 12.000 | 890,000 | 7.470 | 723291 AW0 |
| 2035 | 42,897.80 | 12.000 | 740,000 | 7.500 | 723291 AX8 |

The District and The Bank of New York Mellon Trust Company, N.A., as escrow bank (the "Escrow Bank") will enter into the Escrow Agreement, [dated as of [_____] 1, 2021][to be dated on or about [______] 1, 2021] (the "Escrow Agreement"), with respect to the Refunded Bonds, pursuant to which the District will deposit a portion of the proceeds from the sale of the Refunding Bonds into a special fund to be held by the Escrow Bank. The amounts deposited with the Escrow Bank with respect to the Refunded Bonds, which will be held pursuant to the Escrow Agreement, will be used to purchase non-callable direct obligations of the United States of America or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America (collectively, the "Defeasance Securities"), the principal of, redemption premium, if any, and interest on which (together with any uninvested amount) will be sufficient to enable the Escrow Bank to pay, when due, the interest on the Refunded Bonds to August 1, 2021 (the "Redemption Date") and to redeem the Refunded Bonds on the Redemption Date at a redemption price equal to the principal amount of the Refunded Bonds to be redeemed, together with accrued interest thereon to the Redemption Date, without premium. See "ESCROW VERIFICATION" herein. Amounts on deposit with the Escrow Bank pursuant to the Escrow Agreement are not available to pay debt service on the Refunding Bonds.

* *Preliminary; subject to change.*

† CUSIP numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assumes responsibility for the accuracy of such CUSIP numbers.

**Estimated Sources and Uses of Funds**

The proceeds of the Refunding Bonds are expected to be applied as follows:

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)]**

**Estimated Sources and Uses of Funds**

| | |
|---|---|
| Sources of Funds: | |
| Aggregate Principal Amount of Refunding Bonds | $ |
| [Plus [Net] Original Issue Premium] | |
| Total Sources of Funds | $ |
| Uses of Funds: | |
| Escrow Fund | $ |
| Costs of Issuance[1] | |
| Total Uses of Funds | $ |

(1) Includes legal fees, municipal advisor fees, Underwriter's discount, rating agency fees, printing fees, [bond insurance premium,] verification agent fees and other miscellaneous expenses.

**Debt Service**

Debt service on the Refunding Bonds, assuming no early optional redemptions, is as set forth in the following table.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Refunding Bonds, Series 2021 [(Federally Taxable)][(Forward Delivery)]**

| Period Ending August 1, | Principal | Interest | Total Debt Service |
|---|---|---|---|
| 2021 | $ | $ | $ |
| 2022 | | | |
| 2023 | | | |
| 2024 | | | |
| 2025 | | | |
| 2026 | | | |
| 2027 | | | |
| 2028 | | | |
| 2029 | | | |
| 2030 | | | |
| 2031 | | | |
| 2032 | | | |
| 2033 | | | |
| 2034 | | | |
| 2035 | | | |
| 2036 | | | |
| 2037 | | | |
| 2038 | | | |
| Total: | $ | $ | $ |

**Outstanding Bonds**

In addition to the Refunding Bonds (and not accounting for the planned refunding of the Refunded Bonds with proceeds of the Refunding Bonds), the District has two series of general obligation bonds outstanding (not including the expected issuance of the Series 2021 Bonds, defined and described further below), which are secured by *ad valorem* taxes upon all property subject to taxation by the District on a parity with the Refunding Bonds.

***1995 Authorization.*** At an election held on June 6, 1995, the District received authorization by over two-thirds of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed $10,000,000 to acquire and construct classrooms (including land as needed) to reduce student overcrowding, to upgrade existing classrooms and sites and all schools, including to accommodate computer technology and to provide for sewers and drainage projects as authorized by law (the "1995 Authorization"). On September 26, 1995, the District issued $5,615,763.50 aggregate initial principal amount of its General Obligation Bonds, Election of 1995, Series 1995 (the "Series 1995 Bonds") as its first series of bonds to be issued under the 1995 Authorization. On July 2, 1997, the District issued $4,382,646.50 aggregate initial principal amount of its General Obligation Bonds, Election of 1995, Series 1997 (the "Series 1997 Bonds"), as its second and final series of bonds to be issued under the 1995 Authorization. On October 17, 2003, the District issued its 2003 General Obligation

Refunding Bonds in the aggregate principal amount of $4,370,000 (the “Series 2003 Refunding Bonds”) to refund the Series 1995 Bonds maturing in the years 2004 through 2015, inclusive.

***2010 Authorization.*** On February 24, 2011, the District issued its Series 2011 Bonds in the aggregate initial principal amount of $8,033,224.60, as its first series of bonds to be issued under the 2010 Authorization. The District expects to issue approximately $[_____] aggregate initial principal amount of its General Obligation Bonds, Election of 2010, Series 2021 (The “Series 2021 Bonds”) on or about [______], 2021. Prior to the issuance of the Series 2021 Bonds, there remains $11,966,775.40 aggregate initial principal amount authorized but unissued under the 2010 Authorization.

A summary of the District’s general obligation bonded debt is set forth on the following page.

[Remainder of page intentionally left blank.]

### Aggregate Debt Service

The following table sets forth the annual aggregate debt service requirements of all outstanding bonds of the District, assuming no early redemptions other than mandatory sinking fund payments.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**General Obligation Bonds − Aggregate Debt Service**

| | **1995 Authorization** | **2010 Authorization** | | | |
|---|---|---|---|---|---|
| Period Ending (August 1,) | Series 1997 Bonds | Series 2011 Bonds | Series 2021 Bonds | Refunding Bonds[1] | Aggregate Total Debt Service |
| 2021 | $2,210,000.00 | $596,975.00 | $ | | $ |
| 2022 | 2,415,000.00 | 626,225.00 | | | |
| 2023 | - | 649,750.00 | | | |
| 2024 | - | 675,975.00 | | | |
| 2025 | - | 709,475.00 | | | |
| 2026 | - | 745,475.00 | | | |
| 2027 | - | 771,550.00 | | | |
| 2028 | - | 809,875.00 | | | |
| 2029 | - | 844,625.00 | | | |
| 2030 | - | 880,800.00 | | | |
| 2031 | - | 923,125.00 | | | |
| 2032 | - | 963,125.00 | | | |
| 2033 | - | 1,008,125.00 | | | |
| 2034 | - | 1,048,125.00 | | | |
| 2035 | - | 1,093,125.00 | | | |
| 2036 | - | 1,136,912.50 | | | |
| 2037 | - | 839,987.50 | | | |
| 2038 | - | 861,862.50 | | | |
| 2039 | - | - | | | |
| 2040 | - | - | | | |
| 2041 | - | - | | | |
| 2042 | - | - | | | |
| 2043 | - | - | | | |
| 2044 | - | - | | | |
| 2045 | - | - | | | |
| Total | $4,625,000.00 | $15,185,112.50 | $ | | $ |

(1) Does not reflect the planned refunding of the Refunded Bonds with proceeds of the Refunding Bonds.
Source: Isom Advisors, a Division of Urban Futures, Inc.

## SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS

### General

In order to provide sufficient funds for repayment of principal and interest when due on the Refunding Bonds, the Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District. When collected, the tax revenues will be deposited by the County in the

Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

The Refunding Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law, and are not a debt or obligation of the County. No fund of the County is pledged or obligated to repayment of the Refunding Bonds.

**Statutory Lien on Taxes (Senate Bill 222)**

Pursuant to Section 53515 of the California Government Code (which became effective on January 1, 2016), all general obligation bonds issued by local agencies, including refunding bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. Section 53515 provides that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Section 53515 further provides that the revenues received pursuant to the levy and collection of the tax will be immediately subject to the lien, and the lien will immediately attach to the revenues and be effective, binding and enforceable against the local agency, its successor, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Refunding Bonds, but also any other bonds of the District payable, as to both principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

**Pledge of Tax Revenues**

The District has pledged all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the payment of all bonds, including the Refunding Bonds (collectively, the "Bonds"), of the District heretofore or hereafter issued pursuant to voter-approved measures of the District and amounts on deposit in the Interest and Sinking Fund to the payment of the principal or redemption price of and interest on the Bonds. The Resolution provides that the property taxes and amounts held in the Interest and Sinking Fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in the Interest and Sinking Fund to secure the payment of the Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The Resolution provides that this pledge constitutes an agreement between the District and the owners of the Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure.

**Property Taxation System**

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts receive property taxes for payment of voter-approved bonds as well as for general operating purposes.

Local property taxation is the responsibility of various county officers. School districts whose boundaries extend into more than one county are treated for property tax purposes as separate jurisdictions in each county in which they are located. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes. Both the county auditor-controller and the county treasurer-tax collector have accounting responsibilities related to the collecting of the property taxes. Once collected, the county auditor-controller apportions and distributes the taxes to the various taxing entities and related funds and accounts. The county treasurer-tax collector, the superintendent of schools of which has jurisdiction over the school district, holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on the bonds when due, as ex officio treasurer of the school district.

**Assessed Valuation of Property Within the District**

***General.*** Taxable property located in the District has a fiscal year 2020-21 assessed value of \$2,557,138,620. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the State Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See "*– Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

Under the State Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect: generally reducing the assessed value in the District, as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

Locally taxed 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 property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as "utility" property.

The following table sets forth the assessed valuation of the various classes of property in the District's boundaries from fiscal years 2007-08 through 2020-21, each as of the date the equalized assessment roll is established in August of each year.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Assessed Valuations**
**Fiscal Years 2007-08 through 2020-21**

| Fiscal Year | Local Secured | Utility | Unsecured | Total |
|---|---|---|---|---|
| 2007-08 | $1,757,929,779 | $0 | $32,830,667 | $1,792,760,446 |
| 2008-09 | 1,794,706,834 | 0 | 38,004,839 | 1,832,711,673 |
| 2009-10 | 1,774,821,329 | 0 | 40,430,961 | 1,815,252,290 |
| 2010-11 | 1,700,956,812 | 0 | 43,674,736 | 1,744,631,548 |
| 2011-12 | 1,666,480,035 | 0 | 42,987,640 | 1,709,467,675 |
| 2012-13 | 1,646,951,939 | 0 | 42,280,557 | 1,689,232,496 |
| 2013-14 | 1,752,452,248 | 0 | 45,048,048 | 1,797,500,296 |
| 2014-15 | 1,829,056,132 | 0 | 43,070,922 | 1,872,127,054 |
| 2015-16 | 1,990,882,247 | 0 | 40,378,145 | 2,031,260,392 |
| 2016-17 | 2,112,673,956 | 0 | 39,673,680 | 2,152,347,636 |
| 2017-18 | 2,239,049,722 | 0 | 47,310,609 | 2,286,360,331 |
| 2018-19 | 2,161,615,673 | 0 | 48,401,059 | 2,210,016,732 |
| 2019-20 | 2,367,969,181 | 0 | 49,952,825 | 2,417,922,006 |
| 2020-21 | 2,505,034,955 | 0 | 52,103,665 | 2,557,138,620 |

Source: California Municipal Statistics, Inc.

Currently, a single taxpayer owns real property that comprises approximately 2.72% of the fiscal year 2020-21 assessed value of local secured property within the District. See *"– Largest Fiscal Year 2020-21 Local Secured Taxpayers"* below.

***Risk of Decline in Property Values.*** Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control, such as a general market decline in property values, including potential market declines caused by the effects of a reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, drought, flood, landslide, liquefaction, levee failure, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also "—Appeals of Assessed Valuation; Blanket Reductions of Assessed Values" below.

***Risk of Changing Economic Conditions.*** Property values could be reduced by factors beyond the District's control, including a depressed real estate market due to general economic conditions in the County, the region, and the State. With the outbreak of COVID-19, the world is currently experiencing a global pandemic. The pandemic may result in an economic recession or depression that causes a general market decline in property values therefore affecting the assessed value of the property in the District. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Infectious Disease Outbreak.*"

***Risk of Earthquake***. Property values could be reduced by the complete or partial destruction of taxable property as a result of an earthquake. The District is located in a seismically active region. The notable earthquake faults include the San Andreas fault, the Rodgers Creek fault and the Hayward fault.

***Risk of Drought.*** In recent years California has experienced severe drought conditions. In January 2014, the Governor declared a state-wide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California State Water Resources Control Board (the "State Water Board") subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures. It is not possible for the District to make any representation regarding the extent to which drought conditions could cause reduced economic activity within the boundaries of the District or the extent to which the drought has had or may have in the future on the value of taxable property within the District.

***Risk of Wildfire.*** Property damage due to wildfire could result in a significant decrease in the assessed value of property in the District. In recent years, portions of California, including the County and adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Notable incidents that have impacted the County and adjacent counties in recent years include the Central LNU Complex Fire, Mendocino Complex Fire, Kincade Fire, LNU Lightening Complex Fire, August Complex Fire and Glass Fire. In October 2017, the Central LNU Complex Fire burned approximately 110,720 acres of land in the County and adjacent Napa County and damaged 491 structures, destroyed 6,997 structures and caused 25 fatalities according to the California Department of Forestry and Fire Protection ("Cal Fire"). In July 2018, the Mendocino Complex Fire burned approximately 459,123 acres of land in the adjacent counties of Colusa, Glenn, Lake and Mendocino and destroyed 299 structures, caused 3 injuries and caused 1 fatality according to Cal Fire. As of November 2020, the Mendocino Complex Fire is the second largest wildfire in the recorded history of California according to Cal Fire. In October 2019, the Kincade Fire burned approximately 77,758 acres of land in the County and damaged 60 structures, destroyed 374 structures and caused 4 injuries according to Cal Fire. In August 2020, the LNU Lightening Complex Fire burned approximately 363,220 acres of land in the County and the adjacent counties of Lake, Napa, Solano and Yolo and damaged 232 structures, destroyed 1,491 structures, caused 5 injuries and caused 4 fatalities according to Cal Fire. As of November 2020, the LNU Lightening Complex Fire is the fifth largest wildfire in the recorded history of California according to Cal Fire. In August 2020, the August Complex Fire burned approximately 1,032,648 acres of land in the adjacent counties of Colusa, Glenn, Humboldt, Lake, Mendocino, Tehama and Trinity and damaged 6 structures, destroyed 935 structures, caused 2 injuries and caused 31 fatalities according to the United States Forest Service. As of November 2020, the August Complex Fire is the largest wildfire in the recorded history of California according to Cal Fire. In September 2020, the Glass Fire burned approximately 67,484 acres of land in the County and adjacent Napa County and damaged 282 structures and destroyed 1,555 structures according to Cal Fire. [Within the boundaries of the District, no property was damaged or destroyed by the Central LNU Complex Fire, Mendocino Complex Fire, Kincade Fire, LNU Lightening Complex Fire, August Complex Fire and Glass Fire or other recent wildfires. Further, no District facilities were damaged or destroyed by the Central LNU Complex Fire, Mendocino Complex Fire, Kincade Fire, LNU Lightening Complex Fire, August Complex Fire and Glass Fire or other recent wildfires.] ***[District to confirm.]*** It is not possible for the District to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact the value of taxable property within the District.

***Appeals of Assessed Valuation; Blanket Reductions of Assessed Values.*** There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs. Any base year appeal must be made within four years of the change of ownership or new construction date.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (such pre-reduction level escalated by the annual inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then-current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIIIA of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIIIA of the State Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues" for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

***Bonding Capacity.*** As an elementary school district, the District may issue bonds in an amount up to 1.25% of the assessed valuation of taxable property within its boundaries. The District's fiscal year 2020-21 gross bonding capacity (also commonly referred to as the "bonding limit" or "debt limit") is approximately $31.96 million and its net bonding capacity is approximately $23.48 million (taking into account current outstanding debt before the issuance of the Series 2021 Bonds and the Refunding Bonds and not accounting for the refunding of the Refunded Bonds). Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

***Assessed Valuation by Jurisdiction.*** The following table describes the percentage and value of the total assessed valuation of the property within the District's by jurisdiction in the City of Santa Rosa and unincorporated portions of the County for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Fiscal Year 2020-21 Assessed Valuation by Jurisdiction**

| Jurisdiction | Assessed Valuation in District | % of District | Assessed Valuation of Jurisdiction | % of Jurisdiction in District |
|---|---|---|---|---|
| City of Santa Rosa | $1,813,546,411 | 70.92% | $26,795,324,651 | 6.77% |
| Unincorporated Sonoma County | 743,592,209 | 29.08 | 40,090,131,136 | 1.85 |
| Total District | $2,557,138,620 | 100.00% | | |
| Sonoma County | $2,557,138,620 | 100.00% | $99,119,807,601 | 2.58% |

Source: California Municipal Statistics, Inc.

***Assessed Valuation by Land Use.*** The following table sets forth a distribution of taxable property located in the District on the fiscal year 2020-21 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Fiscal Year 2020-21 Assessed Valuation and Parcels by Land Use**

| | 2020-21 Assessed Valuation[1] | % of Total | No. of Parcels | % of Total |
|---|---|---|---|---|
| Non-Residential: | | | | |
| Agricultural | $ 248,493,534 | 9.92% | 235 | 4.06% |
| Commercial | 65,702,535 | 2.62 | 35 | 0.60 |
| Vacant Commercial | 737,421 | 0.03 | 2 | 0.03 |
| Industrial | 163,259,444 | 6.52 | 72 | 1.24 |
| Vacant Industrial | 842,310 | 0.03 | 2 | 0.03 |
| Recreational | 7,575,961 | 0.30 | 1 | 0.02 |
| Government/Social/Institutional | 25,261,214 | 1.01 | 13 | 0.22 |
| Miscellaneous | 126,748 | 0.01 | 17 | 0.29 |
| Subtotal Non-Residential | $ 511,999,167 | 20.44% | 377 | 6.51% |
| Residential: | | | | |
| Single Family Residence | $1,666,962,335 | 66.54% | 4,077 | 70.37% |
| Condominium/Townhouse | 54,635,696 | 2.18 | 189 | 3.26 |
| Mobile Home | 8,810,315 | 0.35 | 301 | 5.20 |
| Mobile Home Park | 21,890,879 | 0.87 | 2 | 0.03 |
| 2-4 Residential Units | 88,012,260 | 3.51 | 172 | 2.97 |
| 5+ Residential Units/Apartments | 79,493,259 | 3.17 | 8 | 0.14 |
| Vacant Residential | 73,231,044 | 2.92 | 668 | 11.53 |
| Subtotal Residential | $1,993,035,788 | 79.56% | 5,417 | 93.49% |
| TOTAL | $2,505,034,955 | 100.00% | 5,794 | 100.00% |

(1) Local secured assessed valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

***Assessed Valuation of Single-Family Homes.*** The following table sets forth the assessed valuation of single-family homes in the District's boundaries for fiscal year 2020-21, including the average and median per parcel assessed value.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Fiscal Year 2020-21 Per Parcel Assessed Valuation of Single Family Homes**

| | Number of Parcels | Assessed Valuation | Average Assessed Valuation | Median Assessed Valuation |
|---|---|---|---|---|
| Single Family Residential | 4,077 | $1,666,962,335 | $408,870 | $384,403 |

| 2020-21 Assessed Valuation | No. of Parcels[(1)] | % of Total | Cumulative % of Total | Total Valuation | % of Total | Cumulative % of Total |
|---|---|---|---|---|---|---|
| $0 - $49,999 | 22 | 0.540% | 0.540% | $ 791,845 | 0.048% | 0.048% |
| $50,000 - $99,999 | 153 | 3.753 | 4.292 | 12,117,469 | 0.727 | 0.774 |
| $100,000 - $149,999 | 170 | 4.170 | 8.462 | 20,783,400 | 1.247 | 2.021 |
| $150,000 - $199,999 | 292 | 7.162 | 15.624 | 51,373,535 | 3.082 | 5.103 |
| $200,000 - $249,999 | 325 | 7.972 | 23.596 | 73,719,288 | 4.422 | 9.525 |
| $250,000 - $299,999 | 445 | 10.915 | 34.511 | 122,357,503 | 7.340 | 16.866 |
| $300,000 - $349,999 | 385 | 9.443 | 43.954 | 124,766,716 | 7.485 | 24.350 |
| $350,000 - $399,999 | 363 | 8.904 | 52.857 | 136,080,235 | 8.163 | 32.514 |
| $400,000 - $449,999 | 341 | 8.364 | 61.221 | 144,872,679 | 8.691 | 41.204 |
| $450,000 - $499,999 | 338 | 8.290 | 69.512 | 160,458,889 | 9.626 | 50.830 |
| $500,000 - $549,999 | 313 | 7.677 | 77.189 | 164,097,763 | 9.844 | 60.674 |
| $550,000 - $599,999 | 299 | 7.334 | 84.523 | 171,191,917 | 10.270 | 70.944 |
| $600,000 - $649,999 | 207 | 5.077 | 89.600 | 128,699,588 | 7.721 | 78.665 |
| $650,000 - $699,999 | 131 | 3.213 | 92.813 | 88,245,308 | 5.294 | 83.958 |
| $700,000 - $749,999 | 79 | 1.938 | 94.751 | 56,949,260 | 3.416 | 87.375 |
| $750,000 - $799,999 | 47 | 1.153 | 95.904 | 36,397,649 | 2.183 | 89.558 |
| $800,000 - $849,999 | 43 | 1.055 | 96.959 | 35,540,254 | 2.132 | 91.690 |
| $850,000 - $899,999 | 21 | 0.515 | 97.474 | 18,264,386 | 1.096 | 92.786 |
| $900,000 - $949,999 | 21 | 0.515 | 97.989 | 19,346,670 | 1.161 | 93.947 |
| $950,000 - $999,999 | 20 | 0.491 | 98.479 | 19,434,878 | 1.166 | 95.112 |
| $1,00,000 and greater | 62 | 1.521 | 100.000 | 81,473,103 | 4.888 | 100.000 |
| Total | 4,077 | 100.000% | | $1,666,962,335 | 100.000% | |

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

***Largest Taxpayers in District.*** The following table sets forth the 20 taxpayers with the greatest combined ownership of taxable property in the District on the fiscal year 2020-21 tax roll, and the assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Largest Fiscal Year 2020-21 Local Secured Taxpayers**

| | Property Owner | Primary Land Use | 2020-21 Assessed Valuation | Percent of Total[(1)] |
|---|---|---|---|---|
| 1. | Sonoma-Cutrer Vineyards Inc. | Winery | $ 68,030,705 | 2.72% |
| 2. | Tilden Redwood LP | Apartments | 38,971,192 | 1.56 |
| 3. | Fulton Marketplace SC LP | Shopping Center | 24,991,586 | 1.00 |
| 4. | Pioneer Apartments LP | Apartments | 24,747,315 | 0.99 |
| 5. | Jackson Family Investments III LLC | Vineyards | 23,219,847 | 0.93 |
| 6. | Fulton Santa Rosa LLC | Hospital | 22,855,800 | 0.91 |
| 7. | 3300 Coffey Ln LLC | Light Industrial | 19,723,534 | 0.79 |
| 8. | Hometown Orchard LLC | Mobile Home Park | 16,362,628 | 0.65 |
| 9. | Bernard A. & Sandra Orsi Trust | Vineyards | 14,524,791 | 0.58 |
| 10. | Piner Holding LLC | Vineyards | 12,829,979 | 0.51 |
| 11. | Wheeler Winery Inc. | Winery | 11,030,290 | 0.44 |
| 12. | HTO Properties LLC | Vineyards | 10,068,277 | 0.40 |
| 13. | CoffeyPCBP LLC | Warehouse | 9,607,942 | 0.38 |
| 14. | Santa Rosa Realty Partners LLC | Recreational Facility | 9,369,365 | 0.37 |
| 15. | LaFranchi Land and Cattle Company LLC | Agricultural | 7,877,357 | 0.31 |
| 16. | Klein Foods Inc. | Vineyards | 7,210,630 | 0.29 |
| 17. | Gallaher Homes LLC | Residential Development | 6,453,353 | 0.26 |
| 18. | Post Street Realty Group LLC | Service Station/Car Wash | 6,128,381 | 0.24 |
| 19. | Franciscan Vineyards Inc. | Vineyards | 6,039,686 | 0.24 |
| 20. | SBRI Orchards West LLC | Apartments | 5,976,638 | 0.24 |
| | | | $346,019,296 | 13.81% |

(1) Fiscal year 2020-21 local secured assessed valuation: $2,505,034,955.
Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner. As shown above, a single taxpayer owns real property that comprises approximately 2.72% of the fiscal year 2020-21 assessed value of local secured property within the District. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control. See *"−Appeals of Assessed Valuation; Blanket Reductions of Assessed Values"* above.

## Tax Rates

The State Constitution permits the levy of an *ad valorem* tax on taxable property not to exceed 1% of the full cash value of the property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness.

The rate of tax necessary to pay fixed debt service on the Refunding Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Refunding Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, drought, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Refunding Bonds. Issuance of additional authorized bonds in the future might also cause the tax rate to increase.

***Typical Tax Rate Area.*** The following table sets forth *ad valorem* property tax rates for the last five fiscal years in a typical tax rate area of the District (TRA 4-112). TRA 4-112 comprises approximately 49.50% of the total assessed value of taxable property in the District for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Typical Total Tax Rates per $100 of Assessed Valuation (TRA 4-112)**
**Fiscal Years 2016-17 through 2020-21**

| | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 |
|---|---|---|---|---|---|
| General | 1.0000% | 1.0000% | 1.0000% | 1.0000% | 1.0000% |
| Warm Springs Dam-Russian River Project | 0.0070 | 0.0070 | 0.0070 | 0.0070 | 0.0070 |
| Piner-Olivet Union School District | 0.0910 | 0.0910 | 0.1000 | 0.1020 | 0.1020 |
| Santa Rosa High School District | 0.0710 | 0.0590 | 0.0620 | 0.0485 | 0.0360 |
| Sonoma County Community College District | 0.0400 | 0.0370 | 0.0360 | 0.0370 | 0.0370 |
| Total Tax Rate | 1.2090% | 1.1940% | 1.2050% | 1.1945% | 1.1820% |

Source: California Municipal Statistics, Inc.

**Tax Charges and Delinquencies**

***General.*** A school district's share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Refunding Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The county treasurer-tax collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a $10 cost is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a $15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the county treasurer-tax collector. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

In light of the financial hardship that many taxpayers are experiencing due to COVID-19 and the related recession, the Governor issued Executive Order N-61-20, which suspends, until May 6, 2021, the statutory requirements for the imposition of penalties, costs, and interest for the failure to pay property taxes on the secured or unsecured roll, or to pay a supplemental bill provided certain conditions are met. One such condition is that the taxpayer timely files a claim for relief in a form and manner prescribed by the county treasurer-tax collector. While the District cannot predict the extent of delinquencies and delayed tax collections or the resulting impact on the District's financial condition or operations, the County has adopted the Teeter Plan (defined herein) according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. See "– Teeter Plan" below. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "STATE FUNDING OF SCHOOL DISTRICTS – Local Control Funding Formula – *Infectious Disease Outbreak*."

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. 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 on November 1. To collect unpaid taxes, the county treasurer-tax collector may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The county treasurer-tax collector may also bring a civil suit against the taxpayer for payment.

Property tax delinquencies may be impacted by economic and other factors beyond the District's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression can be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a natural or manmade disaster, such as earthquake, drought, flood, fire, toxic dumping or pandemic. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Infectious Disease Outbreak*."

The real property tax charges and corresponding delinquencies for the 1% general fund apportionment, with respect to the property located in the County, and for the District's general obligation bond debt service levy, with respect to the property located in the District, for fiscal years 2018-19 and 2019-20 are set forth below. Prior to fiscal year 2018-19, the County did not provide information with respect to the real property tax charges and corresponding delinquencies for the 1% general fund apportionment, with respect to property located in the County, or for the District's general obligation bond debt service levy, with respect to the property located in the District. See "− *Teeter Plan*" below.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Secured Tax Charges and Delinquencies**
**Fiscal Years 2018-19 and 2019-20**

| | Secured Tax Charge[1] | Amount Delinquent June 30 | % Delinquent June 30 |
|---|---|---|---|
| 2018-19 | $2,791,509.16 | $21,041.83 | 0.75% |
| 2019-20 | 3,052,439.56 | 34,193.71 | 1.12 |

| | Secured Tax Charge[2] | Amount Delinquent June 30 | % Delinquent June 30 |
|---|---|---|---|
| 2018-19 | $2,143,316.24 | $20,819.88 | 0.97% |
| 2019-20 | 2,399,451.44 | 30,200.60 | 1.26 |

(1) 1% general fund apportionment.
(2) District's general obligation bond debt service levy.
Source: California Municipal Statistics, Inc.

***Teeter Plan.*** The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 and following of the California Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County, including school districts, receives the amount of uncollected taxes levied on the secured tax roll credited to its fund, in the same manner as if the amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected, that would have been due the local agency. The County applies the Teeter Plan to taxes levied for repayment of school district general obligation bonds.

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 from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. The District is not aware of any plans by the Board of Supervisors of the County to discontinue the Teeter Plan.

## Direct and Overlapping Debt

Set forth on the following page is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. effective November 19, 2020 for debt outstanding as of December 1, 2020. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not set forth in the table) produces the amount set forth in column three, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

The schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. 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

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Statement of Direct and Overlapping Bonded Debt**

November 19, 2020

2020-21 Assessed Valuation: $2,557,138,620

| | % Applicable | Debt 12/1/20 |
|---|---|---|
| DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT: | | |
| Sonoma County Joint Community College District | 2.560% | $ 9,118,848 |
| Santa Rosa High School District | 7.271 | 9,283,613 |
| Piner-Olivet Union School District | 100.000 | 8,487,702[1] |
| TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT | | $26,890,163 |
| | | |
| OVERLAPPING GENERAL FUND DEBT: | | |
| Sonoma County General Fund Obligations | 2.580% | $ 316,721 |
| Sonoma County Pension Obligation Bonds | 2.580 | 7,396,602 |
| Sonoma County Office of Education Certificates of Participation | 2.580 | 90,651 |
| Santa Rosa High School District Certificates of Participation | 7.271 | 900,435 |
| West County Transportation Agency | 2.370 | 242,214[2] |
| City of Santa Rosa Certificates of Participation | 6.768 | 893,376 |
| City of Santa Rosa Pension Obligation Bonds | 6.768 | 909,958 |
| TOTAL OVERLAPPING GENERAL FUND DEBT | | $10,749,957 |
| | | |
| COMBINED TOTAL DEBT | | $37,640,120[3] |

Ratios to 2020-21 Assessed Valuation:

Direct Debt ($8,487,702) .......... 0.33%
Total Direct and Overlapping Tax and Assessment Debt .......... 1.05%
Combined Total Debt .......... 1.47%

(1) Excludes the Series 2021 Bonds and the Refunding Bonds; includes the Refunded Bonds.
(2) West County Transportation Agency 2017 Bonds (Transportation Facility Project). The District has agreed to make certain payments to the West County Transportation Agency. The West County Transportation Agency has pledged these payments to repay the bonds. See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Debt – *West County Transportation Agency*" herein for more information.
(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

## BOND INSURANCE

[Insurance disclosure to come.]

## TAX MATTERS

***[Taxable Refunding:*** In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Refunding Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the Refunding Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Refunding Bonds. The proposed form of opinion of Bond Counsel is contained in Appendix C hereto.

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the Refunding Bonds that acquire their Refunding Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "IRS") with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Refunding Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Refunding Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Refunding Bonds pursuant to this offering for the issue price that is applicable to such Refunding Bonds (i.e., the price at which a substantial amount of the Refunding Bonds are sold to the public) and who will hold their Refunding Bonds as "capital assets" within the meaning of Section 1221 of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a Refunding Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a Refunding Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Refunding Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Refunding Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Refunding Bonds (including their status as U.S. Holders or Non-U.S. Holders).

Notwithstanding the rules described below, it should be noted that certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Refunding Bonds at the time that such income, gain or loss is recognized on such financial statements instead of under the rules described below (in the case of original issue discount, such requirements are only effective for tax years beginning after December 31, 2018).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Refunding Bonds in light of their particular circumstances.

***U.S. Holders***

*Interest.* Interest on the Refunding Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

Refunding Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Refunding Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Refunding Bond.

***Sale or Other Taxable Disposition of the Refunding Bonds.*** Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition of a Refunding Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Refunding Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Refunding Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Refunding Bond (generally, the purchase price paid by the U.S. Holder for the Refunding Bond, decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Refunding Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Refunding Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

***Defeasance of the Refunding Bonds.*** If the District defeases any Refunding Bond, the Refunding Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted tax basis in the Refunding Bond.

***Information Reporting and Backup Withholding.*** Payments on the Refunding Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Refunding Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the Refunding Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Refunding Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

***Non-U.S. Holders***

*Interest.* Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act," payments of principal of, and interest on, any Refunding Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, a such term is defined in the Code, which is related to the District through stock ownership and (2) a bank which acquires such Refunding Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the beneficial owner of the Refunding Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

*Disposition of the Refunding Bonds.* Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District or a deemed retirement due to defeasance of the Refunding Bond ) or other disposition of a Refunding Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

*U.S. Federal Estate Tax.* A Refunding Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such Refunding Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

*Information Reporting and Backup Withholding.* Subject to the discussion below under the heading "FATCA," under current U.S. Treasury Regulations, payments of principal and interest on any Refunding Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the beneficial owner of the Refunding Bond or a financial institution holding the Refunding Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

***Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders***

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain

U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the Refunding Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term "foreign passthru payments." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Refunding Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Refunding Bonds, including the application and effect of state, local, non-U.S., and other tax laws.]

[***Forward Delivery:*** In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, and subject to satisfaction of certain conditions and to the occurrence of certain events described herein under the heading "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds," interest on the Refunding Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that, subject to those same conditions, interest on the Refunding Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX C hereto.

To the extent the issue price of any maturity of the Refunding Bonds is less than the amount to be paid at maturity of such Refunding Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Refunding Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Refunding Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Refunding Bonds is the first price at which a substantial amount of such maturity of the Refunding Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Refunding Bonds accrues daily over the term to maturity of such Refunding Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Refunding Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Refunding Bonds. Beneficial Owners of the Refunding Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Refunding Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Refunding Bonds in the original offering to the public at the first price at which a substantial amount of such Refunding Bonds is sold to the public.

Refunding Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Refunding Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Refunding Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Refunding Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Refunding Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Refunding Bonds may adversely affect the value of, or the tax status of interest on, the Refunding Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion, subject to satisfaction of certain conditions and to the occurrence of certain events described herein under the heading "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds," that interest on the Refunding Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Refunding Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Refunding Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Refunding Bonds. Prospective purchasers of the Refunding Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is expected to be based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Refunding Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and is not expected to give any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District covenants, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Refunding Bonds will end with the issuance of the Refunding Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Refunding Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the District and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Refunding Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Refunding Bonds, and may cause the District or the Beneficial Owners to incur significant expense.]

**[CERTAIN ERISA CONSIDERATIONS**

*[**Federally Taxable:*** The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain restrictions on employee pension and welfare benefit plans subject to ERISA ("ERISA Plans") regarding prohibited transactions, and also imposes certain obligations on those persons who are fiduciaries with respect to ERISA Plans. Section 4975 of the Code imposes similar prohibited transaction restrictions on certain plans, including (i) tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under section 501(a) of the Code and which are not governmental or church plans as defined herein ("Qualified Retirement Plans"), and (ii) individual retirement accounts ("IRAs") described in Section 408(b) of the Code (the foregoing in clauses (i) and (ii), "Tax-Favored Plans"). Certain employee benefit plans, such as governmental plans (as defined in Section 3(32) of ERISA), non-U.S. plans (as described in Section 4(b)(4) of ERISA) and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA), are not subject to ERISA requirements or Section 4975 of the Code, but may be subject to requirements or prohibitions under applicable federal, state, local, non-U.S. or other laws or regulations that are, to a material extent, similar to the requirements of ERISA and Section 4975 of the Code ("Similar Law").

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan's investment be made in accordance with the documents governing the plan, ERISA Plans are subject to prohibited transaction restrictions imposed by Section 406 of ERISA. ERISA Plans and Tax-Favored Plans are also subject to prohibited transaction restrictions imposed by Section 4975 of the Code. These rules generally prohibit a broad range of transactions between (i) ERISA Plans, Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, "Benefit Plans") and (ii) persons who have certain specified relationships to the Benefit Plans (such persons are referred to as "Parties in Interest" or "Disqualified Persons"), in each case unless a statutory, regulatory or administrative exemption is available. The definitions of "Party in Interest" and "Disqualified Person" are expansive. While other entities may be encompassed by those definitions, they include most notably: (1) a fiduciary with respect to a Benefit Plan; (2) a person providing services to a Benefit Plan; (3) an employer or employee organization any of whose employees or members are covered by a Benefit Plan; and (4) an owner of an IRA. Certain Parties in Interest (or Disqualified Persons) that participate in a non-exempt prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory, regulatory or administrative exemption is available. Without an exemption, an owner of an IRA may disqualify his or her IRA.

Certain transactions involving the purchase, holding or transfer of the Refunding Bonds might be deemed to constitute prohibited transactions under ERISA and the Code if assets of the District were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor at 29 C.F.R. section 2510.3-101, as modified by Section 3(42) of ERISA (the "Plan Assets

Regulation"), the assets of the District would be treated as plan assets of a Benefit Plan for the purposes of ERISA and the Code if the Benefit Plan acquires an "equity interest" in the District and none of the exceptions contained in the Plan Assets Regulation are applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although there can be no assurances in this regard, it appears that the Refunding Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation and accordingly the assets of the District should not be treated as the assets of Benefit Plans investing in the Refunding Bonds. The debt treatment of the Refunding Bonds for ERISA purposes could change subsequent to issuance of the Refunding Bonds. In the event of a withdrawal or downgrade to below investment grade of the rating of the Refunding Bonds or a characterization of the Refunding Bonds as other than indebtedness under applicable local law, the subsequent purchase of the Refunding Bonds or any interest therein by a Benefit Plan is prohibited.

However, without regard to whether the Refunding Bonds are treated as an equity interest for such purposes, the acquisition or holding of Refunding Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the District or the Paying Agent, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan. The fiduciary of a Benefit Plan that proposes to purchase and hold any Refunding Bonds should consider, among other things, whether such purchase and holding may involve (i) the direct or indirect extension of credit to a Party in Interest or a Disqualified Person, (ii) the sale or exchange of any property between a Benefit Plan and a Party in Interest or a Disqualified Person, or (iii) the transfer to, or use by or for the benefit of, a Party in Interest or a Disqualified Person, of any Benefit Plan assets.

Certain status-based exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Refunding Bond. These are commonly referred to as prohibited transaction class exemptions or "PTCEs." Included among these exemptions are:

PTCE 75-1, which exempts certain transactions between a Benefit Plan and certain brokers-dealers, reporting dealers and banks;

PTCE 96-23, which exempts transactions effected at the sole discretion of an "in-house asset manager";

PTCE 90-1, which exempts certain investments by an insurance company pooled separate account;

PTCE 95-60, which exempts certain investments effected on behalf of an "insurance company general account";

PTCE 91-38, which exempts certain investments by bank collective investment funds; and

PTCE 84-14, which exempts certain transactions effected at the sole discretion of a "qualified professional asset manager."

In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code generally provide for a statutory exemption from the prohibitions of Section 406(a) of ERISA and Section 4975 of the Code, commonly referred to as the "Service Provider Exemption". The Service Provider Exemption covers transactions involving "adequate consideration" between Benefit Plans and persons who are Parties in Interest or Disqualified Persons solely by reason of providing services to such Benefit Plans or who are persons affiliated with such service providers, provided generally that such persons are not fiduciaries with respect to "plan assets" of any Benefit Plan involved in the transaction and that certain other conditions are satisfied.

The availability of each of these PTCEs and/or the Service Provider Exemption is subject to a number of important conditions which the Benefit Plan's fiduciary must consider in determining whether such exemptions apply. There can be no assurance that all the conditions of any such exemptions will be satisfied at the time that the Refunding Bonds are acquired by a purchaser, or thereafter, if the facts relied upon for utilizing a prohibited transaction exemption change, or that the scope of relief provided by these exemptions will necessarily cover all acts that might be construed as prohibited transactions. Therefore, a Benefit Plan fiduciary considering an investment in the Refunding Bond should consult with its counsel prior to making such purchase.

By its acceptance of a Refunding Bond (or an interest therein), each purchaser and transferee (and if the purchaser or transferee is a Benefit Plan, its fiduciary) will be deemed to have represented and warranted that either (i) no "plan assets" of any Benefit Plan or a plan subject to Similar Law have been used to purchase such Refunding Bond or (ii) the purchase and holding of such Refunding Bonds is exempt from the prohibited transaction restrictions of ERISA and Section 4975 of the Code pursuant to a statutory, regulatory or administrative exemption and will not violate Similar Law. A purchaser or transferee who acquires Refunding Bonds with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

None of the District, the Paying Agent, or the Underwriter is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the acquisition or transfer of the Refunding Bonds by any Benefit Plan.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that any Benefit Plan fiduciary or other person considering whether to purchase Refunding Bonds on behalf of a Benefit Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code to such investment and the availability of any exemption. In addition, persons responsible for considering the purchase of Refunding Bonds by a governmental plan, non-electing church plan or non-U.S. plan should consult with their counsel regarding the applicability of any Similar Law to such an investment.]

## OTHER LEGAL MATTERS

### Legal Opinion

The validity of the Refunding Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Bond Counsel expects to deliver an opinion with respect to the Refunding Bonds at the time of issuance substantially in the form set forth in Appendix C. Bond Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, and for the Underwriter by Kutak Rock LLP, Irvine, California.

**Legality for Investment in California**

Under the provisions of the California Financial Code, the Refunding Bonds are legal investments for commercial banks in California to the extent that the Refunding 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, the Refunding Bonds are eligible securities for deposit of public moneys in the State.

**Continuing Disclosure**

The District has covenanted for the benefit of the holders and Beneficial Owners of the Refunding Bonds to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the "EMMA System") certain annual financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of the District's fiscal year (currently ending June 30), commencing with the report for fiscal year 2019-20 (which is due no later than April 1, 2021) and notice of the occurrence of certain enumerated events ("Notice Events") in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX D − "FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "Rule"). ***[Note to team: Depending on timing of FY 19-20 audit, assess whether this OS will constitute Annual Report for FY 19-20.]***

***[To be updated based on continuing disclosure report provided by Underwriter.]***

[Isom Advisors, a Division of Urban Futures, Inc. currently serves as the District's dissemination agent in connection with each of the District's prior continuing disclosure undertakings pursuant to the Rule and will serve as dissemination agent in connection with the continuing disclosure undertaking pursuant to the Rule relating to the Refunding Bonds.]

The continuing disclosure undertakings under the Continuing Disclosure Certificate are the obligation of the District. The County shall not have any obligation or incur any liability whatsoever with respect to the performance of the District's duties regarding continuing disclosure. The County has not reviewed nor is it responsible for the content of the Official Statement.

**Litigation**

No litigation is pending or threatened concerning or contesting the validity of the Refunding Bonds or the District's ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District's ability to issue and retire the Refunding Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Refunding Bonds or District officials who will sign certifications relating to the Refunding Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter at the time of the original delivery of the Refunding Bonds.

[The District is occasionally subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.]

## ESCROW VERIFICATION

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter (defined herein) relating to the computation of projected receipts of principal and interest on the Defeasance Securities, and the projected payments of principal, redemption premium, if any, and interest to retire the Refunded Bonds will be verified by Causey Demgen & Moore P.C., Denver, Colorado (the "Verification Agent"). Such computations will be based solely on assumptions and information supplied by the District and the Underwriter (defined herein). The Verification Agent will restrict its procedures to verifying the arithmetical accuracy of certain computations and will not make any study to evaluate the assumptions and information on which the computations are based, and will express no opinion on the data used, the reasonableness of the assumptions or the achievability of the projected outcome.

## MISCELLANEOUS

### Rating[s]

Moody's has assigned [a][an underlying] rating of "[___]" to the Refunding Bonds. A rating agency generally bases its rating on its own investigations, studies and assumptions as well as information and materials furnished to it (which may include information and materials from the District, which are not included in this Official Statement). The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of such rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Refunding Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Refunding Bonds. Neither the Underwriter (defined below) nor the District has undertaken any responsibility after the offering of the Refunding Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

[In addition, [S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC][S&P] is expected to assign its rating of "[___]" to the Refunding Bonds with the understanding that, upon delivery of the Refunding Bonds, the Policy will be delivered by [___]. See "BOND INSURANCE." Such rating is assigned solely as a result of the issuance of the Policy and will reflect only the rating agency's view of the claims-paying ability and financial strength of [___]. Neither the District nor the Underwriter have made any independent investigation of the claims-paying ability of [___] and no representation is made that any insured rating of the Refunding Bonds based upon the purchase of the Policy will remain higher than the rating agency's underlying rating of the Refunding Bonds described above, which did not take bond insurance into account. The existence of the Policy will not, of itself, negatively affect such underlying rating. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Refunding Bonds and the claims paying ability of [___], particularly over the life of the investment. Without regard to any bond insurance, the Refunding Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal and accreted value of and interest on the Refunding Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS." However, any downward revision or withdrawal of any rating of [___] may have an adverse effect on the market price or marketability of the Refunding Bonds.]

**Professionals Involved in the Offering**

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Refunding Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Refunding Bonds. Isom Advisors, a Division of Urban Futures, Inc., is acting as the District's municipal advisor (the "Municipal Advisor") with respect to the Refunding Bonds. Kutak Rock LLP, Irvine, California, is acting as counsel to the Underwriter with respect to the Refunding Bonds. Payment of the fees and expenses of the District's Municipal Advisor and counsel to the Underwriter are also contingent upon the sale and delivery of the Refunding Bonds.

**Underwriting**

The Refunding Bonds are being purchased for reoffering to the public by Raymond James & Associates, Inc. (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement executed on __________, 2020 (the "Purchase Agreement"), by and between the Underwriter and the District[, for delivery of the Refunding Bonds on or after the [_________], 2021, the Settlement Date]. The Underwriter has agreed to purchase the Refunding Bonds at a price of $__________ (which represents the aggregate principal amount of the Refunding Bonds, less an Underwriter's discount in the amount of $__________). The Purchase Agreement provides that the Underwriter will purchase all of the Refunding Bonds [if they are purchased, subject to certain terms and conditions set forth in the Purchase Agreement. See also "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds."][, subject to certain terms and conditions set forth in the Purchase Agreement, including the approval of certain legal matters by counsel].

The Underwriter may offer and sell the Refunding Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices set forth on the inside front cover page of this Official Statement. The public offering prices may be changed from time to time by the Underwriter.

## ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Refunding Bonds. Quotations from and summaries and explanations of the Refunding Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Refunding Bonds.

The District has duly authorized the delivery of this Official Statement.

**PINER-OLIVET UNION SCHOOL DISTRICT**

By: ___________________________________
Superintendent

# APPENDIX A

# INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

**TABLE OF CONTENTS**

**Page**

*The information in this appendix concerning the operations of the Piner-Olivet Union School District (the "District"), the District's finances, and State of California (the "State") funding of education, 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 Series 2021 Bonds is payable from the general fund of the District or from State revenues. The Series 2021 Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the County of Sonoma on property within the District in an amount sufficient for the timely payment of principal of and interest on the Series 2021 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS" in the front portion of this Official Statement.* ***[Note: All references to Series 2021 Bonds will be updated to Refunding Bonds for the Refunding Official Statement.]***

## THE DISTRICT

### Introduction

The District has a historical background that goes back more than 100 years. The District encompasses an area of approximately 24 square miles, located in the County of Sonoma (the "County"), specifically in northwest Santa Rosa, California. The community of Santa Rosa is approximately 60 miles north of San Francisco and 20 miles east of the Sonoma coastline. Until relatively recently, the region of the District was considered rural; however, today with the population growth of Santa Rosa, housing developments and light industrial complexes have arisen in the area. The District is still largely rural, but several suburban developments occupy the east section of the District.

The District provides educational services to children in kindergarten through sixth grade at its Jack London Elementary School. The District also operates four charter schools: Morrice Schaefer Charter School (grades K-6), Northwest Prep Charter School (grades 7-12), Olivet Elementary Charter School (grades TK-6) and Piner-Olivet Charter School (grades 7-8). The total student enrollment at the District, including charter school students, was approximately [1,281] students in fiscal year 2019-20 and is projected to be [___] students in fiscal year 2020-21.

### Board of Trustees

The District is governed by a five-member Board of Trustees (the "Board of Trustees"), each member of which is a voting member elected by voters of the District to serve a four-year term. Elections for positions to the Board of Trustees are held every two years, alternating between two and three available positions. Each December, the Board of Trustees elects a President, Vice President and Clerk to serve one-year terms. Current members of the Board of Trustees, together with their office and the date their current term expires, are set forth below. ***[Note: Board officers to be updated following 12/15 organizational meeting.]***

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**

**Board of Trustees**

| Name | Office | Term Expires |
|---|---|---|
| Cindy Pryor | [President] | December 2022 |
| Mardi Hinton | [Vice President] | December 2022 |
| Mindy Mohr | [Clerk] | December 2024 |
| Janae Franicevic | [Member] | December 2022 |
| Tony Roehrick | [Member] | December 2024 |

**Superintendent and Chief Business Official**

The Superintendent and Chief Business Official are appointed by the Board of Trustees. The Superintendent reports directly to the Board of Trustees. The Chief Business Official reports directly to the Superintendent. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. Dr. Steve Charbonneau has served as Superintendent of the District since August 2020. The Chief Business Official is responsible for management of the District's finances and business operations. Felicia Koha has served as Chief Business Official since May 2018. Information concerning the District's Superintendent and the Chief Business Official is set forth below.

***Dr. Steve Charbonneau, Superintendent.*** Dr. Steve Charbonneau has been an educator for over 25 years and brings to the Superintendent position some unique experiences. Dr. Charbonneau served previously as the Deputy Superintendent at an American Embassy school in the Democratic Republic of Congo and also served as Elementary Principal at an American School in Dubai, which served over 1200 students. Over the course of his career, Dr. Charbonneau has served as Principal at all levels; elementary, middle school, and high school. Along the way, Dr. Charbonneau has been a part of several successful school district bond campaigns and he has managed a number of school construction projects.

***Felicia Koha, Chief Business Official. [District to provide short biography.]***

**Cybersecurity**

The District collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, and contractors. As the custodian of such information, the District may face cybersecurity threats from time to time. ***[District to describe any cybersecurity events within the past 5 years. Does the District have a cybersecurity policy in place? Does the District have cybersecurity insurance? Has the District implemented any other practices to reduce or defend against cybersecurity threats/attacks?]***

## DISTRICT FINANCIAL MATTERS

**State Funding of Education; State Budget Process**

***General.*** As is true for all school districts in California, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (the "Local Control Funding Formula" or "LCFF") (see "*– Allocation of State Funding to School Districts; Local Control Funding Formula*") and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the State Constitution (see "– Local Sources of Education Funding"). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. The District has projected to receive approximately [____]% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), projected at approximately $[____] million in fiscal year 2020-21. Such amount includes both the State funding provided under the LCFF as well as other State revenues (see "*– Allocation of State Funding to School Districts; Local Control Funding Formula,*" "*–Attendance and LCFF*" and "Other District Revenues – *Other State Revenues*" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by the State's voters in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the

Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented the LCFF. Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See "– *Allocation of State Funding to School Districts; Local Control Funding Formula*" for more information.

***State Budget Process***. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. The budget requires a simple majority vote of each house of the State Legislature for passage. The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. A two–thirds vote of the State Legislature is required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2020-21 State budget on June 29, 2020.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a State Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the State Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

***Aggregate State Education Funding.*** The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over $4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State is doing in fiscal years 2019-20 and 2020-21 (see – "*2020-21 State Budget*" below for further information); by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Series 2021 Bonds, and the District takes no responsibility for informing owners of the Series 2021 Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, **www.dof.ca.gov**, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at **www.lao.ca.gov**. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, **www.treasurer.ca.gov**. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

***2020-21 State Budget***. The Governor signed the fiscal year 2020-21 State Budget (the "2020-21 State Budget") on June 29, 2020. According to the State, the economic impact of the COVID-19 pandemic has resulted in a $54.3 billion budget deficit, which the State is addressing through the following measures:

- Reserves. The 2020-21 State Budget draws down $8.8 billion in reserves, including $7.8 billion from the Rainy Day Fund, $450 million from the Safety Net Reserve, and all of the funds in the Public School System Stabilization Account.

- Trigger. The 2020-21 State Budget includes $11.1 billion in reductions and deferrals that will be restored if federal legislation providing for at least $14 billion in federal funds is passed by the United States Congress and signed by the President, and such funds are received by October 15, 2020. If the State receives a lesser amount between $2 billion and $14 billion, the reductions and deferrals will be partially restored. The trigger includes $6.6 billion in deferred spending on schools, approximately $970 million in funding for the University of California and the California State University, $2.8 billion for state employee compensation, $150 million for courts, and funding for child support administration, teacher training, moderate-income housing, and infrastructure to support infill housing. The trigger would also fund an additional $250 million for county programs to backfill revenue losses. If the federal government does not provide funds in fiscal year 2020-21, the deferrals provided in the 2020-21 State Budget may create a larger budget shortfall in subsequent fiscal years. A larger budget shortfall in subsequent years may result in continuing deferrals until the State is able to fully fund its current year education obligations in a single budget year.

- Federal Funds. The 2020-21 State Budget relies on $10.1 billion in federal funds that provide general fund relief, including $8.1 billion already received. This includes the enhanced Federal Medical Assistance Percentage, a portion of the State's allocation from the federal Coronavirus Relief Fund and funds provided for childcare programs.

- Revenues. The 2020-21 State Budget temporarily suspends the use of net operating losses for medium and large businesses and temporarily limits to $5 million the amount of business incentive credits a taxpayer can use in any given tax year. These short-term limitations will generate $4.4 billion in new revenues in fiscal year 2020-21.

- Borrowing/Transfers/Deferrals. The 2020-21 State Budget relies on $9.3 billion in special fund borrowing and transfers, as well as other deferrals for K-14 school districts.

- Cancelled Expansions, Updated Assumptions and Other Solutions. The 2020-21 State Budget includes $10.6 billion of other solutions for addressing the budget deficit, such as cancelling multiple program expansions and anticipating increased government efficiencies, higher ongoing revenues, and lower health and human services caseload costs that previously estimated.

Because of such measures described above, the 2020-21 State Budget is a balanced budget for fiscal year 2020-21 that projects approximately $137.7 billion in revenues, $88.8 billion in non-Proposition 98 expenditures and $45.1 billion in Proposition 98 expenditures. The 2020-21 State Budget sets aside $2.6 billion in the Special Fund for Economic Uncertainties, and it includes total funding of $98.8 billion ($48.1 billion general fund and $50.7 billion other funds) for all K-12 education programs. The 2020-21 State Budget estimates the Proposition 98 minimum guarantee at $78.5 billion in fiscal year 2018-19, $77.7 billion in fiscal year 2019-20, and $70.9 billion in fiscal year 2020-21. The reduction in Proposition 98 funding will result in per pupil spending of $10,654 in fiscal year 2020-21, a $1,339 reduction from fiscal year 2019-20.

The 2020-21 State Budget offsets such reduction in Proposition 98 funding in several ways, including the following:

- Local Control Funding Formula Deferrals. As a result of the COVID-19 pandemic, $1.9 billion in LCFF apportionments in fiscal year 2019-20 were deferred until fiscal year 2020-21, and the 2020-21 State Budget provides that apportionment deferrals in fiscal year 2020-21 will grow to $11 billion. Such deferrals allow LCFF funding to remain at fiscal year 2019-20 levels in both fiscal years. The 2020-21 State Budget suspends the statutory LCFF cost-of-living adjustment in fiscal year 2020-21. The 2020-21 State Budget provides that $5.8 billion of deferrals will be triggered off in fiscal year 2020-21 if sufficient federal funding is provided that can be used for such purpose.

- Learning Loss Mitigation. Additionally, the 2020-21 State Budget includes a one-time investment of $5.3 billion (comprised of $4.4 billion from the federal Coronavirus Relief Fund, $589.9 million in Proposition 98 general fund resources, and $355.2 from the federal Governor's Emergency Education Relief Fund) to local education agencies to address learning loss resulting from school closures. To ensure that those local educational agencies serving students most affected by the COVID-19 pandemic receive additional funding, the 2020-21 State Budget will allocate $2.9 billion of such funds based on the LCFF supplemental and concentration grant allocation, $1.5 billion of such funds based on the number of students with exceptional needs, and $979.8 million of such funds based on the total LCFF allocation.

- Supplemental Appropriations. In fiscal years 2019-20 and 2020-21, the Proposition 98 funding level drops below the target funding level by a total of approximately $12.4 billion. To accelerate the recovery from such funding reduction, the 2020-21 State Budget provides supplemental appropriations above the required Proposition 98 funding level, beginning in fiscal year 2021-22, and in each of the next several fiscal years, in an amount equal to 1.5% of general fund revenues, up to a total of $12.4 billion.

- Revised CalPERS and CalSTRS Contributions. To provide immediate and long-term relief to school districts facing rising pension costs, the 2020-21 State Budget redirects $2.3 billion appropriated in the 2019-20 State Budget to California State Teachers' Retirement System ("CalSTRS") and the California Public Employees' Retirement System ("CalPERS") for long-term unfunded liabilities to instead reduce employer contribution rates in fiscal years 2020-21 and 2021-22. Such reallocation will reduce the CalSTRS employer contribution rate from 18.41% to approximately 16.15% in fiscal year 2020-21 and from 17.9% to 16.02% in fiscal year 2021-22. The CalPERS Schools Pool employer contribution rate will be reduced from 22.67% to 20.7% in fiscal year 2020-21 and from 24.6% to 22.84% in fiscal year 2021-22.

- Federal Funds. In addition to the federal Coronavirus Relief Fund and Governor's Emergency Education Relief Fund allocations described above, the 2020-21 State Budget includes $1.6 billion in federal Secondary School Emergency Relief funds. Of this amount, $1.5 billion will be allocated to local educational agencies in proportion to the amount of Title I-A funding they receive and may be used for costs relating to the COVID-19 pandemic. Of the remaining $164.7 million, $112.2 million will be used to provide up to $0.75 per meal for local educational agencies participating in certain school meal programs and serving meals between March 2020 and August 2020 due to school closures, $45 million will be used for grants to local educational agencies to increase access to health, mental health, and social service supports for high-need students, $6 million will be used to provide educator professional development for providing high quality distance learning, and $1.5 million will be used for State Department of Education costs associated with the COVID-19 pandemic.

- Temporary Revenue Increases. As described above, the 2020-21 State Budget includes a temporary three-year suspension of net operating losses, and a limitation on business incentive tax credits to offset no more than $5 million of tax liability per year. These temporary changes, along with other tax changes, will generate additional general fund revenues, approximately $1.6 billion of which will benefit the Proposition 98 guarantee.

- Special Education. The 2020-21 State Budget provides for increased special education base rates of $625 per pupil pursuant to a new funding formula. The 2020-21 State Budget also includes $100 million to increase funding for students with low-incidence disabilities, $15 million in federal Individuals with Disabilities Education Act ("IDEA") funds for the Golden State Teacher Scholarship Program to increase the special education teacher pipeline, $8.6 million in IDEA funds to assist local educational agencies to develop regional alternative dispute resolution services and statewide mediation services, and $1.1 million in IDEA funds to study the current special education governance and accountability structure.

- Average Daily Attendance and Distance Learning. The 2020-21 State Budget assumes that local educational agencies will provide in-classroom instruction during the 2020-21 school year, but recognizes that public health officials may require school closures. To ensure funding stability regardless of instructional model, the 2020-21 State Budget includes a hold-harmless provision for the purpose of calculating apportionments in fiscal year 2020-21, and it provides that average daily attendance will be based on the 2019-20 school year. The 2020-21 State Budget also includes requirements for distance learning services in the event of school closures.

- Employee Protections. The 2020-21 State Budget suspends layoffs of non-management certificated staff during fiscal year 2020-21 and classified staff who hold positions in nutrition, transportation, or custodial services during fiscal year 2020-21. The 2020-21 State Budget includes $60 million Proposition 98 general fund resources to provide a match of State funds for participating classified employees to be paid during the summer recess period. The 2020-21 State Budget also states that it is the intent of the State Legislature that school districts, community college districts, joint powers authorities, and county offices of education retain all classified employees in fiscal year 2020-21.

The complete 2020-21 State Budget is available from the California Department of Finance website at **www.dof.ca.gov**. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

***Future Budgets and Budgetary Actions***. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District's ability to predict or control, including but not limited to the COVID-19 pandemic. Certain actions could result in a significant shortfall of revenue and cash, and could impair the State's ability to fund schools during fiscal years 2020-21 and 2021-22 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Series 2021 Bonds are payable from *ad valorem* property taxes, the State budget is not expected to have an impact on the payment of the Series 2021 Bonds.

***School District Reserves.*** As described above, the State is accessing its reserves to mitigate the budget shortfall in fiscal year 2020-21, including drawing down all of the funds in the Public School System Stabilization Account. See "- *2020-21 State Budget*." In order to mitigate some of the reductions in State revenue based on the 2020-21 State Budget, school districts may choose to access their local reserves. The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. At the time preparation of the District's original adopted budget for fiscal year 2020-21, the District projected that it would not meet the 3% reserve requirement in fiscal year 2022-23. ***[District to confirm. Why do District financials refer to a 4% reserve requirement? Does the District's Board of Trustee's have a policy in place requiring 4%?]*** Since the District's original adopted budget for fiscal year 2020-21 was informed by the assumptions contained in Governor's May revision to the proposed fiscal year 2020-21 State budget, which were significantly revised in 2020-21 State Budget, the District's projections with respect to fiscal year 2020-21 that were revised in connection with its first interim report for fiscal year 2020-21 indicate ***[Does first interim show meeting reserve requirement for all three years?]***. [For more information on the District's original adopted budget for fiscal year 2020-21 and expected revisions in light of the assumptions contained in the 2020-21 State Budget, see "– District Budget Process and County Review – *District's Fiscal Year 2020-21 Budget*." For more information on the District's first interim report for fiscal year 2020-21, see "– District Budget Process and County Review – *District's Fiscal Year 2020-21 First Interim Report*."]

***Prohibitions on Diverting Local Revenues for State Purposes.*** Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund ("ERAF") in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the State Constitution, which the State's voters approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of an initiative constitutional amendment at the November 2010 election, known as "Proposition 22."

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. One effect of this amendment has been to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert $1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of $1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*"). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years – such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

***Allocation of State Funding to School Districts; Local Control Funding Formula.*** Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, under California Education Code Section 42238 and following, each school district was determined to have a target funding level: a "base revenue limit" per student multiplied by the district's student enrollment measured in units of average daily attendance. The base revenue limit was calculated from the district's prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district's base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This is referred to as State "equalization aid." To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State's contribution; ultimately, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State equalization aid, and received only its special categorical aid, which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some equalization aid were commonly referred to as "revenue limit districts," which are now referred to as "LCFF districts." The District is a LCFF district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant ("Base Grant") per unit of average daily attendance ("A.D.A.") with additional supplemental funding (the "Supplemental Grant") allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF was projected to have an eight-year implementation program to incrementally close the gap between actual funding and the target level of funding, as described below, but achieved full implementation ahead of schedule in fiscal year 2018-19. The LCFF includes the following components:

- A Base Grant for each local education agency ("LEA"). The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2020-21, the LCFF provided to school districts and charter schools: (a) a Target Base Grant for each LEA equivalent to $8,503 per A.D.A. for kindergarten through grade 3; (b) a Target Base Grant for each LEA equivalent to $7,818 per A.D.A. for grades 4 through 6; (c) a Target Base Grant for each LEA equivalent to $8,050 per A.D.A. for grades 7 and 8; (d) a Target Base Grant for each LEA equivalent to $9,572 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. The 2020-21 State Budget suspends the statutory cost-of-living adjustment in fiscal year 2020-21. For more information, see "*–2020-21 State Budget*."

- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional Concentration Grant of up to 50% of a LEA's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.

- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF in fiscal year 2018-19. Upon full implementation in fiscal year 2018-19, LEAs now receive the greater of the Base Grant or the ERT.

Under LCFF, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts would continue to receive the same level of State aid as allocated in fiscal year 2012-13.

***Local Control Accountability Plans.*** A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year LCAP. Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Typically, each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the "Collaborative"), a newly established body of educational specialists, was created to advise and assist local education agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency's LCAP.

In response to the COVID-19 pandemic and the unique conditions under which many school districts are operating, Senate Bill 98, a budget trailer bill adopted in connection with the 2020-21 State Budget, revises certain annual LCAP requirements, removes the requirement for a traditional LCAP for the 2020-21 school year and replaces such requirement with what is referred to as a Learning Continuity and Attendance Plan (the "Learning Continuity and Attendance Plan"). The Learning Continuity and Attendance Plan seeks to address funding stability for schools while providing information at the LEA level describing how student learning continuity will be addressed during the COVID-19 pandemic in the 2020-21 school year. The Learning Continuity and Attendance Plan is intended to balance the needs of all stakeholders, including educators, parents, students, and community members, while streamlining meaningful stakeholder engagement. The Learning Continuity and Attendance Plan memorializes the planning process already underway for the 2020-21 school year, and includes plans for the following: (i) addressing gaps in learning; (ii) conducting meaningful stakeholder engagement; (iii) maintaining transparency; (iv) addressing the needs of unduplicated pupils, students with unique needs, and students experiencing homelessness; (v) providing access to necessary devices and connectivity for distance learning; (vi) providing resources and support to address student and staff mental health and social emotional well-being; and, (vii) continuing to provide school meals for students. Senate Bill 98 also requires school districts to approve a Parent Budget Overview by December 15, 2020, which was formerly an aspect of the prior LCAP reporting requirements. Accordingly, the Board of Trustees adopted a Learning Continuity and Attendance Plan on September 23, 2020 and a Parent Budget Overview on [________] and submitted such reports to the Sonoma County Office of Education ("SCOE").

***Attendance and LCFF.*** The first table that follows sets forth the actual A.D.A., enrollment (including percentage of students who are English language learners, from low-income families and/or foster youth (collectively, "EL/LI Students")), and targeted Base Grant per unit of A.D.A. for fiscal years 2015-16 through 2019-20, respectively, and the projected A.D.A., enrollment (including percentage of students are EL/LI Students), and targeted Base Grant per unit of A.D.A. for fiscal year 2020-21 for the Jack London Elementary School; it includes special education students, but does not include the District's charter schools.

The second table that follows sets forth the actual A.D.A., enrollment (including percentage of students who are EL/LI Students), and targeted Base Grant per unit of A.D.A. for fiscal years 2015-16 through 2019-20, respectively, and the projected A.D.A., enrollment (including percentage of students are EL/LI Students), and targeted Base Grant per unit of A.D.A. for fiscal year 2020-21 for the District's four charter schools: Morrice Schaefer Charter School (grades K-6), Northwest Prep Charter School (grades 7-12), Olivet Elementary Charter School (grades K-6) and Piner-Olivet Charter School (grades 7-8).

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Average Daily Attendance, Enrollment and Targeted Base Grant**
**Fiscal Years 2015-16 through 2020-21**

## Jack London Elementary School

| | | A.D.A./Base Grant | | | Enrollment[10] | |
|---|---|---|---|---|---|---|
| Fiscal Year | | K-3 | 4-6 | Total A.D.A. | Total Enrollment | Unduplicated Percentage of EL/LI Students |
| 2015-16 | A.D.A.[1]: | 194.57 | 152.15 | 346.72 | 331 | 50.19% |
| | Targeted Base Grant[2][3]: | $7,820 | $7,189 | -- | -- | -- |
| 2016-17 | A.D.A.[1]: | 177.96 | 166.80 | 344.76 | 345 | 47.61% |
| | Targeted Base Grant[2][4]: | $7,820 | $7,189 | -- | -- | -- |
| 2017-18 | A.D.A.[1]: | 178.90 | 165.94 | 344.84 | 299 | 49.34% |
| | Targeted Base Grant[2][5]: | $7,941 | $7,301 | -- | -- | -- |
| 2018-19 | A.D.A.[1]: | 162.45 | 146.52 | 308.97 | 279 | 48.39% |
| | Targeted Base Grant[2][6]: | $8,235 | $7,571 | -- | -- | -- |
| 2019-20 | A.D.A.[1]: | [____] | [____] | [____] | [275] | [____]% |
| | Targeted Base Grant[2][7]: | $8,503 | $7,818 | -- | -- | -- |
| 2020-21[8] | A.D.A.[8]: | [____] | [____] | [____] | [261] | [____]% |
| | Targeted Base Grant[2][9]: | $8,503 | $7,818 | -- | -- | -- |

___________________

(1) A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a "material decrease" in attendance or attendance at Saturday school.
(2) Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and include the grade span adjustment, but do not include any supplemental and concentration grants under the LCFF. Such amounts were not expected to be fully funded in fiscal years shown above. However, the LCFF was fully implemented as of fiscal year 2018-19, two years ahead of its anticipated implementation.
(3) Targeted fiscal year 2015-16 Base Grant amount reflects a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.
(4) Targeted fiscal year 2016-17 Base Grant amount reflects a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.
(5) Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.
(6) Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts. This "super COLA" amount was authorized by the 2018-19 State Budget and exceeds the statutory 2.71% cost-of-living adjustment.
(7) Targeted fiscal year 2019-20 Base Grant amount reflects a 3.26% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.
(8) Figures are estimates.
(9) Targeted fiscal year 2020-21 Base Grant amount reflects a 0% cost-of-living adjustment from targeted fiscal year 2019-20 Base Grant amounts.
(10) Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district's percentage of unduplicated EL/LI Students is based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.
Source: Piner-Olivet Union School District.

## Charter Schools

| Fiscal Year | | K-3 | 4-6 | 7-8 | 9-12 | Total A.D.A. | Total Enrollment | Unduplicated Percentage of EL/LI Students |
|---|---|---|---|---|---|---|---|---|
| | | A.D.A./Base Grant | | | | | Enrollment[10] | |
| 2015-16 | A.D.A.[1]: | 426.44 | 302.44 | 240.57 | 64.07 | 1,033.52 | 1,084 | 55.76% |
| | Targeted Base Grant[2][3]: | $7,820 | $7,189 | $7,403 | $8,801 | -- | -- | -- |
| 2016-17 | A.D.A.[1]: | 438.46 | 265.31 | 241.69 | 66.59 | 1,012.05 | 1,077 | 52.33% |
| | Targeted Base Grant[2][4]: | $7,820 | $7,189 | $7,403 | $8,801 | -- | -- | -- |
| 2017-18 | A.D.A.[1]: | 415.78 | 250.93 | 223.14 | 65.48 | 955.33 | 1,056 | 54.38% |
| | Targeted Base Grant[2][5]: | $7,941 | $7,301 | $7,518 | $8,939 | -- | -- | -- |
| 2018-19 | A.D.A.[1]: | 388.14 | 242.75 | 236.49 | 63.78 | 931.16 | 982 | 54.42% |
| | Targeted Base Grant[2][6]: | $8,235 | $7,571 | $7,796 | $9,269 | -- | -- | -- |
| 2019-20 | A.D.A.[1]: | [____] | [____] | [____] | [____] | [____] | [1,003] | [____]% |
| | Targeted Base Grant[2][7]: | $8,503 | $7,818 | $8,050 | $9,572 | -- | -- | -- |
| 2020-21[8] | A.D.A.[8]: | [____] | [____] | [____] | [____] | [____] | [1,004] | [____]% |
| | Targeted Base Grant[2][9]: | $8,503 | $7,818 | $8,050 | $9,572 | -- | -- | -- |

(1) A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a "material decrease" in attendance or attendance at Saturday school.
(2) Such amounts represent the targeted amount of Base Grant per unit of A.D.A., and include the grade span adjustment, but do not include any supplemental and concentration grants under the LCFF. Such amounts were not expected to be fully funded in fiscal years shown above. However, the LCFF was fully implemented as of fiscal year 2018-19, two years ahead of its anticipated implementation.
(3) Targeted fiscal year 2015-16 Base Grant amount reflects a 1.02% cost-of-living adjustment from targeted fiscal year 2014-15 Base Grant amounts.
(4) Targeted fiscal year 2016-17 Base Grant amount reflects a 0.00% cost-of-living adjustment from targeted fiscal year 2015-16 Base Grant amounts.
(5) Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.
(6) Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts. This "super COLA" amount was authorized by the 2018-19 State Budget and exceeds the statutory 2.71% cost-of-living adjustment.
(7) Targeted fiscal year 2019-20 Base Grant amount reflects a 3.26% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.
(8) Figures are estimates.
(9) Targeted fiscal year 2020-21 Base Grant amount reflects a 0% cost-of-living adjustment from targeted fiscal year 2019-20 Base Grant amounts.
(10) Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district's percentage of unduplicated EL/LI Students is based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.
Source: Piner-Olivet Union School District.

The District has projected to receive approximately $[____] million in aggregate revenues reported under LCFF sources in fiscal year 2020-21 (or approximately [____]% of its general fund revenues in fiscal year 2020-21). Such amount includes supplemental grants and concentrated grants for targeted groups projected at $[_____] and $[_____], respectively, in fiscal year 2020-21.

***Infectious Disease Outbreak.*** In general, the outbreak of a highly contagious disease or epidemic disease could harm the District's financial results or result in a temporary shutdown of the District's facilities. As discussed above, school districts in California are funded based on the LCFF, which allocates a base grant per unit of average daily attendance with additional supplemental grants based on certain factors. See "*- Allocation of State Funding to School District; Local Control Funding Formula*." Thus, a temporary shutdown of a school or an entire school district would reduce the average daily attendance and could impact the funding a school district receives unless the State legislature or California Department of

Education takes action to exclude such days from the calculations for funding purposes. Further, any impact on the State's tax and other revenue receipts as a result of a highly contagious or epidemic disease may in turn impact other educational funding that the District receives from the State. See "*–Future Budgets and Budgetary Actions*." In addition, the District may incur increased operational costs to conduct distance learning or to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease.

COVID-19 Background. The outbreak of the respiratory disease caused by COVID-19 has been declared a pandemic by the World Health Organization, a national emergency by President Trump and a state of emergency by the Governor of the State.

Federal Response. On March 22, 2020, President Trump approved the Major Disaster Declaration for the State of California's COVID-19 pandemic, authorizing federal emergency aid related to COVID-19. Local educational agencies may submit a request for public assistance through the California Office of Emergency Services for reimbursement of certain costs incurred as a result of COVID-19. [The District has not submitted a request for public assistance.]***[District to confirm.]***

On March 27, 2020, the U.S. House of Representatives approved and President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act provides $30 billion to education, specifically $3 billion allocated to state governors to be used at their discretion to address the emergency, $13.5 billion for K-12 education, and $14.25 billion for postsecondary institutions. School districts will be able to use their share of the $13.5 billion K-12 education allocation under the CARES Act, which will be based on the proportion of Title I funding received for the most recent fiscal year, for purposes authorized by federal law and other specified uses.

The District expects to receive approximately $[___] million under the CARES Act, which includes approximately $[__] million from the Elementary and Secondary Schools Emergency Relief Fund provided directly from the federal government to the District, approximately $[___] million from the Coronavirus Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, approximately $[___] million from the Governor's Emergency Education Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, and approximately $[___] million from the State's general fund for learning loss litigation provided from CARES Act funding administered through the State. The District received approximately $[____] under the CARES Act in September 2020. ***[When does the District expect to receive the remaining portion of the CARES Act related funding?]***

State Legislation Relating to School Districts. On March 17, 2020, the Governor signed Senate Bill 117 ("SB 117") as urgency legislation effective immediately. For purposes of school district funding for fiscal year 2019-20, SB 117 limits the average daily attendance reported to the California Department of Education to include the full school months from July 1, 2019, to February 29, 2020. This condensed ADA period applies to school districts that comply with Executive Order N-26-20, which provides that school districts that initiate a school closure to address COVID-19 will continue to receive State funding to support certain enumerated school functions during the period of closure. SB 117 further states the intent of the State Legislature that a school district's employees and contractors are paid during the period of a school closure due to COVID-19. SB 117 also waives instructional time penalties that would otherwise accrue, as long as the school district superintendent, county superintendent or charter school administrator certify that the closure due to COVID-19 caused the school district to fall below applicable instructional time requirements. SB 117 also includes $100 million in additional funding to school districts for certain costs incurred as a result of COVID-19. The District received $[20,697] from such additional State funding in fiscal year 2019-20.

District Response. As a result of the outbreak of COVID-19, the District closed its schools for in-person instruction in March 2020 for the remainder of the 2019-20 school year and implemented a distance learning model. On August 17, 2020, the District started the 2020-21 school year using the distance learning model with plans to transition to in-person instruction when permitted by State and local officials. ***[District to update with more details regarding its current instruction format and upcoming plans.]***

In fiscal year 2019-20, the District recorded $[______] in COVID-19 related expenditures, largely resulting from increased expenditures for [________________]. In fiscal year 2020-21, the District is projecting approximately $[___] for additional COVID-19 related expenditures for [____________________________]. The District has been allocated approximately $[___] in one-time funds under the CARES Act and $[20,697] in one-time funds under SB 117 to mitigate the impact of COVID-19 during fiscal years 2019-20 and 2020-21, [which the District currently expects will cover the increased expenditures relating to COVID-19]. ***[District to update and confirm.]***

While SB 117 and the CARES Act have provided and will continue to provide some immediate relief to school districts, including the District, the short-term and long-term impacts of the COVID-19 outbreak are unknown as the situation is rapidly evolving. The District cannot predict whether similar legislation would be enacted in the event the outbreak of COVID-19 continues or a similar or other outbreak of a highly contagious disease or epidemic disease were to occur in the future.

**Local Sources of Education Funding**

The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some State equalization aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as a LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "State Funding of Education; State Budget Process *–Allocation of State Funding to School Districts; Local Control Funding Formula"* for more information about the LCFF.

Local property tax revenues are projected to account for approximately [____]% of the District's aggregate revenues reported under LCFF sources and are projected to be approximately $[____] million, or [____]% of total general fund revenues in fiscal year 2020-21.

For information about the property taxation system in California and the District's property tax base, see "– Property Taxation System," "–Assessed Valuation of Property Within the District," and "–Tax Charges and Delinquencies" under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS" in the front portion of the Official Statement.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below.

***Effect of Changes in Enrollment.*** Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently.

In LCFF districts, such as the District, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In community funded districts, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it a LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the $120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

**Other District Revenues**

***Federal Revenues.*** The federal government provides funding for several District programs, including special education programs. Federal revenues, most of which are restricted, comprise approximately [____]% (or approximately $[____]) of the District's general fund projected revenues for fiscal year 2020-21.

***Other State Revenues.*** In addition to State apportionments for Proposition 98 funding through the Local Control Funding Formula, the District receives other State revenues, consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into LCFF. Categorical funding for certain programs was excluded from LCFF, and school districts will continue to receive restricted State revenues to fund these programs. Other State revenues comprise approximately [____]% (or approximately $[____] million) of the District's general fund projected revenues for fiscal year 2020-21.

A portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. The District has projected to receive approximately $[____] in State lottery revenue for fiscal year 2020-21.

***Other Local Revenues.*** In addition to *ad valorem* property taxes, the District receives additional local revenues from sources, such as interest income, leases and rentals, educational foundations, donations and sales of property. Other local revenues comprise approximately [____]% (or approximately $[____]) of the District's general fund projected revenues for fiscal year 2020-21.

## Charter Schools

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the California Education Code (the "Charter School Law"). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based system of accountability, and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. However, independent charter schools that receive their funding directly from the State are generally not included in a school district's financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would generally be included in the school district's financial reports and audited financial statements.

There are currently four dependent charter schools operating in the District: the Morrice Schaefer Charter School, serving grades kindergarten through six, the Olivet Elementary Charter School, serving transition kindergarten through grade six, Piner-Olivet Charter, serving grades seven through eight, and the Northwest Prep Charter School, serving grades seven through twelve, all of which operate under charter from the District. The charter schools within the District have a combined total enrollment of [1,003] students in fiscal year 2019-20 and a projected enrollment of [____] in fiscal year 2020-21. The Board of Trustees of the District oversees operations of the charter schools, and the charter schools are reflected in the District's financial statements. The District can make no representation as to whether enrollment at such charter school may increase at the expense of District enrollment in future years, whether additional charter schools will be established within the territory of the District, or as to the impact these or other charter school developments may have on the District's A.D.A. or finances in future years.

## Significant Accounting Policies and Audited Financial Statements

***[Note: This section and the disclosure that follows assumes receipt of the fiscal year 2019-20 audit prior to posting the POS; the placeholders for the fiscal year 2019-20 audited financial data will be updated when available.]*** The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are accounted for in accordance with the Department of Education's California School Accounting Manual. This manual, according to Section 41010 of the Education Code, is to be followed by all California school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the District's audited financial statements for the fiscal year ended June 30, 2020, which are included as Appendix B.

Independently audited financial statements are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. Typically, school districts in the State are required to file their audited financial statements for the preceding fiscal year with the State Controller's Office, the State Superintendent of Public Instruction, and the county superintendent of schools by

December 15 of each year. In response to the COVID-19 pandemic and the challenges it presents for school district operations, Senate Bill 98 (Chapter 24, enacted on June 29, 2020, as an urgency bill) provides, among other things, that a school district's audited financial statements for fiscal year 2019-20 are not due until March 31, 2021.

The following tables contain data abstracted from financial statements prepared by the District's independent auditor, Stephen Roatch Accountancy Corporation, Certified Public Accountants, Folsom, California, ("Stephen Roatch"), for fiscal years 2015-16 through 2019-20. ***[Need to confirm same accounting firm for fiscal year 2019-20 audit.]*** Stephen Roatch has not been requested to consent to the use or to the inclusion of its reports in this Official Statement, and it has not audited or reviewed this Official Statement.

The following table sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for the fiscal years 2015-16 through 2019-20.

## PINER-OLIVET UNION SCHOOL DISTRICT
## (Sonoma County, California)
## Statement of General Fund Revenues, Expenditures and Changes in Fund Balance[1]
## Fiscal Years 2015-16 through 2019-20

| | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| LCFF: | | | | | |
| State Apportionments | $5,590,862 | $6,758,908 | $6,868,288 | $6,811,692 | |
| Local Taxes | 4,804,743 | 3,953,490 | 4,161,905 | 4,130,910 | |
| Total LCFF | 10,395,605 | 10,712,398 | 11,030,193 | 10,942,602 | |
| Federal Revenue | 507,397 | 424,607 | 601,762 | 630,786 | |
| Other State Revenue | 1,442,402 | 1,163,250 | 1,009,484 | 1,454,019 | |
| Other Local Revenue | 1,132,638 | 1,336,597 | 1,693,808 | 1,061,288 | |
| **Total Revenues** | $13,478,042 | $13,636,852 | $14,335,247 | $14,088,695 | |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Instruction | 8,275,832 | 8,274,464 | 8,721,248 | 9,330,001 | |
| Supervision of Instruction | 67,880 | 168,934 | 224,536 | 208,917 | |
| Instructional Library and Technology | 92,803 | 91,573 | 86,796 | 231,635 | |
| School Site Administration | 666,410 | 705,543 | 713,503 | 862,520 | |
| Home-to-School Transportation | 325,148 | 337,671 | 335,207 | 344,425 | |
| Food Services | - | - | 364 | - | |
| Other Pupil Services | 467,965 | 509,494 | 597,228 | 615,489 | |
| Data Processing Services | 5,000 | 7,151 | 5,610 | 5,280 | |
| Other General Administration | 940,724 | 940,952 | 969,499 | 1,097,374 | |
| Plant Services | 1,134,553 | 991,879 | 1,422,852 | 1,259,711 | |
| Facilities Acquisition and Construction | 898,075 | 2,545,155 | 285,053 | 98,992 | |
| Other Outgo | - | - | - | - | |
| **Total Expenditures** | $12,874,390 | $14,572,816 | $13,361,896 | $14,054,344 | |
| **Excess of Revenues Over (Under) Expenditures** | 603,652 | (935,964) | 973,351 | 34,351 | |
| **Other Financing Sources (Uses)** | | | | | |
| Operating Transfers In | - | - | - | - | |
| Operating Transfers Out | (10,000) | (46,000) | (70,503) | (63,600) | |
| **Total other financing sources (uses)** | (10,000) | (46,000) | (70,503) | (63,600) | |
| **Net Change in Fund Balances** | 593,652 | (981,964) | 902,848 | (29,249) | |
| **Fund Balances – July 1** | $4,627,994 | $5,221,646 | $4,239,682 | $5,142,530 | |
| **Fund Balances – June 30** | $5,221,646 | $4,239,682 | $5,142,530 | $5,113,281 | |

[1] The District's audited financial statements include the operations of the Jack London Elementary School and the four charter schools operated by the District, Morrice Schaefer Charter School, Northwest Prep Charter, Olivet Elementary Charter School and Piner-Olivet Charter School. However, the General Fund activity excludes the operations of the Northwest Prep Charter and Piner-Olivet Charter School, which are accounted for separately in special revenue funds.

Source: Piner-Olivet Union School District Audited Financial Statements for fiscal years 2015-16 through 2019-20.

The following table shows the general fund balance sheet of the District for fiscal years 2015-16 through 2019-20.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Summary of General Fund Balance Sheet**
**Fiscal Years 2015-16 through 2019-20**

| | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Deposits and Investments | $5,453,302 | $3,930,176 | $4,683,566 | $5,954,507 | |
| Receivables | 938,351 | 1,260,644 | 1,449,542 | 1,398,820 | |
| Due From Other Funds | 82,918 | 321,284 | 132,697 | 234,284 | |
| Prepaid | - | 1,175 | 1,175 | - | |
| **Total Assets** | $6,474,571 | $5,513,279 | $6,266,980 | $7,587,611 | |
| **Liabilities and Fund Balances** | | | | | |
| **Liabilities:** | | | | | |
| Accounts Payable | $1,228,010 | $1,035,120 | $1,076,880 | $2,261,504 | |
| Due to Other Funds | 10,012 | 166,515 | 9,688 | 32 | |
| Deferred/Unearned Revenue | 14,903 | 71,962 | 37,882 | 212,794 | |
| **Total Liabilities** | $1,252,925 | $1,273,597 | $1,124,450 | $2,474,330 | |
| **Fund Balances:** | | | | | |
| Nonspendable | 2,000 | 3,175 | 3,175 | 2,000 | |
| Restricted | 335,853 | 304,143 | 268,952 | 337,101 | |
| Committed | 1,317,204 | 1,608,070 | 1,436,830 | 1,531,355 | |
| Assigned | 1,149,725 | 1,165,310 | 934,044 | 1,544,379 | |
| Unassigned | 2,416,864 | 1,158,984 | 2,499,529 | 1,698,446 | |
| **Total Fund Balances** | $5,221,646 | $4,239,682 | $5,142,530 | $5,113,281 | |
| **Total Liabilities and Fund Balances** | $6,474,571 | $5,513,279 | $6,266,980 | $7,587,611 | |

Source: Piner-Olivet Union School District Audited Financial Statements for fiscal years 2015-16 through 2019-20.

**District Budget Process and County Review**

***Budget Process.*** State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the County of Sonoma Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction (the "State Superintendent") may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

***Interim Reporting.*** A State law adopted in 1991 (known as "A.B. 1200") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. [In the last five years, the District received a qualified certification for its first interim financial report in fiscal year 2017-18.] ***[District to confirm.]***

***County and State Response to School Districts Under Financial Distress.*** For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

***District's Fiscal Year 2020-21 Budget.*** The District's original adopted budget for fiscal year 2020-21, which is included in the table below and described throughout this Appendix A, reflects the assumptions contained in the Governor's May revision to the proposed fiscal year 2020-21 State budget, which were significantly revised in the 2020-21 State Budget. After analyzing the revised assumptions included in the 2020-21 State Budget, District officials have identified the major funding changes included in the 2020-21 State Budget that will have a material impact on the District's original adopted budget for fiscal year 2020-21, which include the suspension of the COLA, increasing LCFF funding, additional one-time CARES Act revenues to assist with the impact of the COVID-19 pandemic, and the deferral of State apportionments. Given the rapidly evolving nature of the COVID-19 pandemic and the uncertainty of additional federal funding and its impact on the 2020-21 State Budget, even with the updates summarized above, the District's budget for fiscal year 2020-21 is subject to change throughout the current fiscal year as additional information becomes available. On December 15, 2020, the Board of Trustees approved the District's first interim report for fiscal year 2020-21, which reflects further revised budget projections for fiscal year 2020-21. ***[District to review and update. What are the notable changes in the first interim report? District to provide letter from COE re first interim report for FY 2020-21 prior to posting POS (if available). Upon review of the first interim report for FY 2020-21, assess additional disclosure.]***

The table on the following page sets forth the District's adopted general fund budgets for fiscal years 2017-18 through 2020-21, unaudited actuals for fiscal years 2017-18 through 2019-20, and first interim report for fiscal year 2020-21.

## PINER-OLIVET UNION SCHOOL DISTRICT
## (Sonoma County, California)
## General Fund Budgets for Fiscal Years 2017-18 through 2020-21, Unaudited Actuals for Fiscal Years 2017-18 through 2019-20 and First Interim Report for Fiscal Year 2020-2021

| | 2017-18 Original Adopted Budget | 2017-18 Unaudited Actuals[1] | 2018-19 Original Adopted Budget | 2018-19 Unaudited Actuals[1] | 2019-20 Original Adopted Budget | 2019-20 Unaudited Actuals[1] | 2020-21 Original Adopted Budget | 2020-21 First Interim Report[2] |
|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | |
| LCFF Sources | $10,348,448.00 | $10,758,182.01 | $9,992,447.00 | $10,942,601.55 | $10,221,167.00 | $11,400,545.05 | $10,355,730.00 | |
| Federal Revenue | 518,222.00 | 601,761.62 | 515,060.00 | 630,785.55 | 516,553.00 | 703,940.47 | 573,234.00 | |
| Other State Revenue | 571,561.00 | 1,009,483.92 | 841,834.00 | 1,454,019.58 | 571,423.00 | 1,065,930.36 | 652,483.00 | |
| Other Local Revenue | 859,142.00 | 1,619,928.78 | 787,454.00 | 1,048,265.00 | 954,908.00 | 1,346,390.34 | 883,143.00 | |
| **TOTAL REVENUES** | 12,297,373.00 | 13,989,356.33 | 12,136,795.00 | 14,075,671.68 | 12,264,051.00 | 14,516,806.22 | 12,464,590.00 | |
| **EXPENDITURES** | | | | | | | | |
| Certificated Salaries | 5,078,406.00 | 5,068,589.55 | 4,657,255.00 | 4,964,809.68 | 4,766,886.00 | 4,875,547.52 | 5,053,328.00 | |
| Classified Salaries | 1,678,107.00 | 1,708,606.17 | 1,798,886.00 | 2,031,819.38 | 1,822,891.00 | 1,912,764.90 | 1,756,112.00 | |
| Employee Benefits | 2,982,120.00 | 2,982,167.19 | 2,801,998.00 | 3,309,051.32 | 2,801,301.00 | 3,063,597.19 | 2,909,131.00 | |
| Books and Supplies | 537,761.00 | 410,909.85 | 330,697.00 | 569,393.65 | 368,330.00 | 984,646.20 | 385,433.00 | |
| Services, Other Operating Expenses | 2,189,237.00 | 2,891,818.04 | 2,447,941.00 | 3,046,332.24 | 2,527,197.00 | 3,126,902.96 | 2,921,992.00 | |
| Capital Outlay | 553,500.00 | 299,805.32 | - | 132,937.19 | 732,546.00 | 39,900.37 | - | |
| Other Outgo (excluding Direct Support/Indirect Costs) | - | - | - | - | - | - | - | |
| Transfers of Direct Support/Indirect Costs | - | - | (1.00) | - | - | - | - | |
| **TOTAL EXPENDITURES** | 13,019,131.00 | 13,361,896.12 | 12,036,776.00 | 14,054,343.46 | 13,019,151.00 | 14,003,359.14 | 13,025,996.00 | |
| **EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES** | (721,758.00) | 627,460.21 | 100,019.00 | 21,328.22 | (755,100.00) | 513,447.08 | (561,406.00) | |
| **OTHER FINANCING SOURCES (USES)** | | | | | | | | |
| Inter-fund Transfers In | 400,000.00 | 750,000.00 | 425,000.00 | 1,070,000.00 | 675,000.00 | 578,030.29 | 675,000.00 | |
| Inter-fund Transfers Out | (400,000.00) | (820,502.84) | (478,200.00) | (1,133,600.12) | (728,200.00) | (684,860.74) | (739,667.00) | |
| Other Sources (Uses) | - | | - | - | - | - | - | |
| Contributions | - | | - | - | - | - | - | |
| **TOTAL, OTHER FINANCING SOURCES (USES)** | - | (70,502.84) | (53,200.00) | (63,600.12) | (53,200.00) | (106,830.45) | (64,667.00) | |
| **NET INCREASE (DECREASE) IN FUND BALANCE** | (721,758.00) | 556,957.37 | 46,819.00 | (42,271.90) | (808,300.00) | 406,616.63 | (626,073.00) | |
| **BEGINNING BALANCE, as of July 1** | 2,423,936.00 | 3,618,528.29 | 3,056,667.00 | 4,175,485.66 | 3,894,382.00 | 4,470,492.76 | 3,770,286.00 | |
| **Audit Adjustments** | - | - | - | 337,279.00 | - | - | - | |
| **As of July 1 – Audited** | 2,423,936.00 | 3,618,528.29 | 3,056,667.00 | 4,512,764.66 | 3,894,382.00 | 4,470,492.76 | 3,770,286.00 | |
| **Other Restatements** | - | - | - | - | - | - | - | |
| **Adjusted beginning Balance** | 2,423,936.00 | 3,618,528.29 | 3,056,667.00 | 4,512,764.66 | 3,894,382.00 | 4,470,492.76 | 3,770,286.00 | |
| **ENDING BALANCE** | $1,702,178.00 | $4,175,485.66 | $3,103,486.00 | $4,470,492.76 | $3,086,082.00 | $4,877,109.39 | $3,144,213.00 | |
| **Unrestricted Balance** | $1,611,744.00 | $3,906,533.87 | $3,103,486.00 | $4,133,392.07 | $3,086,082.00 | $4,723,272.38 | $3,046,792.00 | |
| **Restricted Balance** | $90,434.00 | $268,951.79 | - | $337,100.69 | - | $153,837.01 | $97,421.00 | |

(1) The unaudited actuals differ from the District's audited financial statements due to the consolidation of the Special Revenue – Special Reserve Fund and Special Reserve for Postemployment Benefits Fund with the General Fund in the audited financial statements in accordance with GASB Statement No. 54.

(2) Figures are projections.

Source: Piner-Olivet Union School District adopted general fund budgets for fiscal years 2017-18 through 2020-21; unaudited actuals for fiscal years 2017-18 through 2019-20; and first interim report for fiscal year 2020-2021.

**District Debt Structure** **[*Note: Section to be updated with FY 2019-20 audit when available*.]**

***Long-Term Debt Summary.*** A schedule of changes in the District's long-term obligations for the year ended June 30, 2020, consisted of the following:

| Long-Term Debt | Balance, July 1, 2019 | Additions | Deductions | Balances June 30, 2020 | Due Within One Year |
|---|---|---|---|---|---|
| Compensated Absences | $ | $ | $ | $ | $ |
| General Obligation Bonds:(1) | | | | | |
| Current Interest | | | | | |
| Capital Appreciation | | | | | |
| Bond Premium | | | | | |
| Early Retirement Incentives | | | | | |
| Total OPEB Liability | | | | | |
| Net Pension Liability | | | | | |
| Totals | $ | $ | $ | $ | $ |

(1) [Does not include the Series 2021 Bonds or the Refunding Bonds or the planned refunding of the Refunded Bonds. See "THE SERIES 2021 BONDS – Outstanding Bonds" and "– Aggregate Debt Service" in the front portion of this Official Statement for more information about such outstanding bonds.]

Source: Piner-Olivet Union School District Audited Financial Report for fiscal year 2019-20.

***General Obligation Bonds.*** In addition to the Series 2021 Bonds, the District has outstanding two series of general obligation bonds, which are secured by *ad valorem* taxes levied upon all property subject to taxation by the District on a parity with the Series 2021 Bonds.

See "THE SERIES 2021 BONDS – Outstanding Bonds" and "– Aggregate Debt Service" in the front portion of this Official Statement for more information about such outstanding bonds.

***West County Transportation Agency.*** The District is a member of the West County Transportation Agency ("WCTA"), a joint exercise of powers agency that provides pupil transportation services for member school districts. See "Joint Powers Agreements and Joint Ventures" herein for more information. In April 2017, the WCTA issued its West County Transportation Agency Series 2017 Bonds (Transportation Facilities Project) (the "West County Transportation Agency Bonds"), which are secured in part by payments by the District and 16 other participating local school districts. The District paid its member share of $[_____] in fiscal year 2019-20 and expects to pay its member share of $[____] in fiscal year 2020-21, as set forth in the following table provided by the District. The District's payments to the WCTA are paid from the District's General Fund. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2021 BONDS – Direct and Overlapping Debt" in the front portion of the Official Statement for more information.

***[NOTE: Table to be updated by District.]***

| WCTA Costs | Fiscal Year 2019-20 | Fiscal Year 2020-21 |
|---|---|---|
| Home to School Transportation – Excess Cost Transfer | | |
| Special Education Transportation | | |
| Facility Lease Payment – Home to School(1) | | |
| Facility Lease Payment – Special Education(1) | | |
| Total Costs | | |

(1) Payments related to the West County Transportation Agency Bonds are included in the facility lease payments. Assuming no early redemptions, the West County Transportation Agency Bonds mature in 2047.

Source: Piner-Olivet Union School District.

***Early Retirement Incentives***. During fiscal year 2016-17, the District signed a memorandum of understanding with the Piner-Olivet Teachers' Association as a means of encouraging early retirement. To be eligible, certificated employees must have at least 10 years of service with the District preceding their resignation/retirement, and must be at least 55 years of age at the time of resignation/retirement. Eight certificated employees chose to participate in the program. Future estimated payments for early retirement incentives as of June 30, 2020 are $[_______] in 2021.

***Other Post-Employment Benefits (OPEBs).*** In addition to the retirement plan benefits with CalSTRS and CalPERS (defined below), the District offers certain post-retirement healthcare benefits. The District administers a single-employer defined benefit health care plan (the "Plan"). As of July 1, 2020, there were [___] participants in the Plan, which consist of [__] inactive employees currently receiving benefit payments and [___] active employees. Plan benefits and contribution requirements for both the employee and the District are established by labor agreements. All contracts with District employees will be renegotiated at various times in the future, and thus, costs and benefits are subject to change. The District has not established an irrevocable trust in accordance with Statement Number 75 to prefund its OPEB liability.

Certificated and Certificated Management. Under the Plan, upon attainment of age 55 and completion of at least 14 years of service credit with the District, a certificated employee may retire under CalSTRS and receive a District contribution towards healthcare (medical, prescription drug and behavioral health) coverage equal to a percentage of the District cap according to the age at retirement as follows:

| Age at Retirement | Percentage of District Cap |
|---|---|
| 55 but less than 58 | 100% |
| 58 but less than 61 | 90% |
| 61 but less than 65 | 75% |

The District cap for fiscal year 2019-20 was currently $[___] per month ($[___] annually) and is frozen in the year of retirement. District benefits end at age 65. The District contribution may not be used toward coverage for spouses or other dependents.

Classified, Classified Management and Classified Confidential Employees. Under the Plan, these groups receive the same retiree benefits as certificated employees with the exception that they are required to have 15 rather than 14 years of service, and retirement under CalPERS.

Employees who work at least 50% but less than 100% full-time receive a pro-rata share of the District-paid retiree benefits described above. There is one current retiree who receives 50% District-paid lifetime benefits under a special arrangement for non-Medicare-eligible certificated retirees aged 65 and over.

***[District to provide 2019 actuarial report when available.]*** [Demsey, Filliger & Associates] has prepared an actuarial report, dated [July 1, 2018] (the "Actuarial Report"). According to the Actuarial Report, the District had a total and net OPEB liability of $1,095,667. The Actuarial Report was based on the following assumptions: a discount rate of 3.13%, an inflation rate of 3.00% per annum, salary increases of 3.00% per annum, and a health care cost rate trend of 5.80% for 2020, decreasing 0.10% per year to 5.00%. The District currently pays for its OPEB obligations on a pay-as-you-go basis. In fiscal year 2019-20, the District contributed $[___] to the Plan, all of which was used for current premiums. In fiscal year 2020-21, such contribution is projected to be $[__________].

The changes in the total OPEB liability for fiscal year 2019-20 are set forth in the table below:

***[Insert changes in total OPEB liability table from FY 19-20 audit when available.]***

In June 2015, the Governmental Accounting Standards Board ("GASB") issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("Statement Number 75"). Other post-employment benefits (meaning other than pension benefits) ("OPEB") generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long term care benefits. The objective of Statement Number 75 is to improve accounting and financial reporting by the State and local governments for OPEB by requiring the recognition of entire OPEB liability, a more comprehensive measure of OPEB expense, new note disclosures and certain required supplementary information. In addition, Statement Number 75 sets forth additional accounting methods to improve the usefulness of information about OPEB included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. Statement Number 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. Statement Number 75 replaces GASB Statements Number 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and Number 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented Statement Number 75 beginning with its audited financial statements for fiscal year 2017-18.

***Tax and Revenue Anticipation Notes.*** The District did not issue tax and revenue anticipation notes ("TRANS") or borrow funds to supplement the District's cash flow in fiscal years 2018-19 and 2019-20. Due to deferrals in State funding in fiscal year 2020-21, the District plans to issue TRANS through SCOE in fiscal year 2020-21 to supplement the District's cash flow. The District also maintains a line of credit with the County through April 2020, but it has not drawn upon such credit as of the date hereof ***[Confirm prior to posting POS]***. See "State Funding of Education; State Budget Process – *2020-21 State Budget*" for more information regarding State funding deferrals. The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

**Employment**

As of December 1, 2020, the District employed approximately [_____] full-time equivalent ("FTE") employees, consisting of [_____] FTE non-management certificated employees, [___] FTE certificated management employees, [___] FTE classified non-management employees and [___] FTE classified management employees. For fiscal year 2019-20, the total certificated and classified payrolls were approximately $[___] million and $[___] million, respectively. For fiscal year 2020-21, the total certificated and classified payrolls are projected to be approximately $[___] million and $[___] million, respectively.

The District's certificated and classified employees are represented by formal bargaining organizations as shown in the table below. ***[District to describe status of negotiations with bargaining unit, including any negotiations regarding MOUs for various instructional methods.]***

| Name of Bargaining Unit | Number of FTEs Represented | Current Contract Expiration Date |
|---|---|---|
| Piner-Olivet Union Educators' Association | [____] | June 30, 2021 |
| California School Employees Association/Chapter 45 | [____] | June 30, 2021 |

Source: Piner-Olivet Union School District.

**Retirement Benefits**

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, including teachers and administrators, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

***CalSTRS.*** The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Governor Brown signed into law Assembly Bill 1469 on June 24, 2014, as part of the fiscal year 2014-15 State budget (the "2014-15 State Budget"). The 2014-15 State Budget introduced phased increases to employee, employer and State contributions to CalSTRS and sets forth a plan to eliminate CalSTRS' unfunded liability by June 30, 2046.

The 2014-15 State Budget increased employee contributions, which were previously set at 8.00% of pay, to 10.25% of pay for members hired on or before December 31, 2012 and 9.205% of pay for members hired on or after January 1, 2013 effective July 1, 2016. On July 1, 2018, the rate increased to 10.250% of pay for employees hired on or after January 1, 2013. Employer contribution rates were also increased in fiscal year 2014-15 to 8.88% of payroll, with such rate increasing by 1.85% each year thereafter, plateauing at 19.10% of payroll in July 2020. However, due to supplemental payments of approximately $850 million pursuant to the 2019-20 State Budget, employer contribution rates decreased from 18.13% to 17.10% in fiscal year 2019-20 and 19.10% to 18.40% in fiscal year 2020-21. In addition, pursuant to the 2020-21 State Budget, employer contribution rates are expected to decrease from 18.40% to 16.15% in fiscal year 2020-21 and from 17.10% to 16.02% in fiscal year 2021-22 (see table below). The State's total contribution was increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, and to 10.828% of payroll in fiscal year 2020-21. The State's contribution includes an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program.

Pursuant to the 2014-15 State Budget, employer contribution rates, including school districts' contribution rates, will increase in accordance with the following schedule:

| Effective Date (July 1) | School District Contribution Rate |
|---|---|
| 2014 | 8.88% |
| 2015 | 10.73 |
| 2016 | 12.58 |
| 2017 | 14.43 |
| 2018 | 16.28 |
| 2019 | 17.10* |
| 2020 | 16.15† |
| 2021 | 16.02† |

* Pursuant to the fiscal year 2019-20 State budget.
† Pursuant to the 2020-21 State Budget. See "– State Funding of Education; State Budget Process –*2020-21 State Budget*."

Source: Assembly Bill 1469.

The following table sets forth the District's employer contributions to CalSTRS as well as the State's non-employer contributions to CalSTRS on behalf of the District for fiscal years 2016-17 through 2018-19, the contribution for fiscal year 2019-20, and the projected contribution for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Contributions to CalSTRS for Fiscal Years 2016-17 through 2020-21**

| Fiscal Year | District Contribution | State's STRS On-Behalf Amounts |
|---|---|---|
| 2016-17 | $777,346 | $526,325 |
| 2017-18 | 898,595 | 513,065 |
| 2018-19 | 991,960 | 949,408 |
| 2019-20 | [_________] | [_________] |
| 2020-21[1] | [_________] | [_________] |

[1] First interim report for fiscal year 2020-21.
Source: Piner-Olivet Union School District

The District's total employer contributions to CalSTRS for fiscal years 2016-17 through 2019-20 were equal to 100% of the required contributions for each year. Pursuant to the 2014-15 State Budget, beginning in fiscal year 2021-22, the State Teachers Retirement Board is required to increase or decrease employer contribution rates to the rates designed to eliminate the CalSTRS unfunded liability by June 30, 2046. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate the CalSTRS unfunded liability. As the world is currently experiencing a pandemic, the District cannot predict the impact of the outbreak of COVID-19 on investment earnings and employer contribution rates. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – Infectious Disease Outbreak." However, under existing law, the State Teachers Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability.

As of June 30, 2019, the actuarial valuation (the "2019 CalSTRS Actuarial Valuation") for the entire CalSTRS defined benefit program showed an estimated unfunded actuarial liability of $105.7 billion, a decrease of approximately $1.5 billion from the June 30, 2018 valuation. The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2019 and June 30, 2018, based on the actuarial assumptions, were approximately 66.0% and 64.0%, respectively. According to the 2019 CalSTRS Actuarial Valuation, the funded ratio increased by 2.0% during the past year and has decreased by approximately 12% over the past 10 years. As described in the 2019 CalSTRS Actuarial Valuation, the additional State contribution and the return on the actuarial value of assets (7.7%) that exceeded the assumed return (7%) were the primary causes of the increase in the funded ratio from the prior year valuation. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The following are certain of the actuarial assumptions set forth in the 2019 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. The 2019 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See

"–Governor's Pension Reform" below for a discussion of the pension reform measure signed by the Governor in August 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of a global pandemic, including the outbreak of COVID-19, on investment earnings and school district contributions. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – Infectious Disease Outbreak" for more information about the impact of COVID-19. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2019-20. School districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.062% of eligible salary expenditures for fiscal year 2018-19 and originally 20.733% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the 2020-21 State Budget allocates funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.84%, respectively. See "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – 2020-21 State Budget."

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2018 (the "2018 CalPERS Schools Pool Actuarial Valuation") reported an actuarial accrued liability of $92.07 billion with the market value of assets at $64.85 billion, and a funded status of 70.4%. The actuarial funding method used in the 2018 CalPERS Schools Pool Actuarial Valuation is the "Entry Age Normal Cost Method." The 2018 CalPERS Schools Pool Actuarial Valuation assumes, among other things, 2.625% inflation and payroll growth of 2.875% compounded annually. The 2018 CalPERS Schools Pool Actuarial Valuation reflects a discount rate of 7.25% compounded annually (net of administrative expenses) as of June 30, 2018 and 7.00% compounded annually (net of administrative expenses) as of June 30, 2019. The CalPERS Board adopted new demographic assumptions on December 19, 2017, including a reduction in the inflation assumption from 2.625% as of June 30, 2018 to 2.50% as of June 30, 2019. The reduction in the inflation assumption results in decreases in both the normal cost and the accrued liabilities in the future.

The following table sets forth the District's total employer contributions to CalPERS for fiscal years 2016-17 through 2018-19, the contribution for fiscal year 2019-20, and the projected contribution for fiscal year 2020-21.

**PINER-OLIVET UNION SCHOOL DISTRICT**
**(Sonoma County, California)**
**Contributions to CalPERS for Fiscal Years 2016-17 through 2020-21**

| Fiscal Year | Contribution |
|---|---|
| 2016-17 | $253,524 |
| 2017-18 | 291,655 |
| 2018-19 | 368,543 |
| 2019-20 | [________] |
| 2020-21[(1)] | [________] |

(1) First interim report for fiscal year 2020-21.
Source: Piner-Olivet Union School District

The District's total employer contributions to CalPERS for fiscal years 2016-17 through 2018-19 were equal to 100% of the required contributions for each year.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

CalSTRS and CalPERS are more fully described in Note 9 to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020."

***Governor's Pension Reform.*** On August 28, 2012, Governor Brown and the State Legislature reached agreement on a law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is $137,300 for 2020, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires State employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law.

**Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures**

The District participates in two joint ventures under joint powers agreements ("JPAs"): Redwood Empire Schools' Insurance Group (RESIG) for property and liability, workers' compensation and dental insurance coverage, and West County Transportation Agency for pupil transportation services. The relationship between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes.

The JPAs arrange for and/or provides coverage for its members. Each JPA is governed by a board consisting of a representative from each member district. Each board controls the operations of their JPA, including selection of management and approval of operating budgets independent of any influence by the member districts beyond their representation on the Board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to their participation in each JPA. See Note 14 to the District's audited financial statements in APPENDIX B— "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2020" for more information.

## CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

### Limitations on Revenues

On June 6, 1978, California voters approved Proposition 13 ("Proposition 13"), which added Article XIIIA to the State Constitution ("Article XIIIA"). Article XIIIA limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIIIA 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 have occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

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

***County of Orange v. Orange County Assessment Appeals Board No. 3.*** Section 51 of the Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new "base year value" for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIIIA. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the State Supreme Court declined to review the ruling, leaving the recapture law in place.

***Legislation Implementing Article XIIIA.*** Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. 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 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment 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.

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 market value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

**Article XIIIB of the California Constitution**

An initiative to amend the State Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979, thereby adding Article XIIIB to the State Constitution ("Article XIIIB"). Under Article XIIIB 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 XIIIB does not affect the appropriation of moneys which are excluded from the definition of "appropriations subject to limitation," including 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" is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIIIB, if these entities' revenues in any year 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. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State's allowable limit.

**Article XIIIC and Article XIIID of the California Constitution**

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID ("Article XIIIC" and "Article XIIID," respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4. Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIIIA of the California Constitution.

The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

**Statutory Limitations**

On November 4, 1986, State voters approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 *in Santa Clara County Transportation Authority v. Guardino.* This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

**Proposition 98 and Proposition 111**

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's Appropriations Limit. The Accountability Act guarantees State funding for K-12 districts and community college districts (collectively, "K-14 districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIIIB spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State Appropriations Limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the Appropriations Limit for K-14 districts and the K-14 districts Appropriations Limits for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIIB surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, California voters approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the Appropriations Limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the "first test") or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to per capita personal income) and enrollment (the "second test"). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a "credit" to be paid in future years when general fund revenue growth exceeds personal income growth.

**Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos***

On February 1, 2012, pursuant to the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, Assembly Bill No. 26 (First Extraordinary Session) ("AB1X 26") dissolved all redevelopment agencies in existence and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency were transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

It is possible that there will be additional legislation proposed and/or enacted to clarify various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a "tax claw back" provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This "tax claw back" provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

**Proposition 30 and Proposition 55**

On November 6, 2012, voters approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2019 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see "–Proposition 98 and Proposition 111" above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative ("Proposition 55"), approved by the voters on November 8, 2016, extends by 12 years the temporary personal income tax increases on incomes over $250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales and use tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

**Applications of Constitutional and Statutory Provisions**

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see "DISTRICT FINANCIAL MATTERS — State Funding of Education; State Budget Process."

**Proposition 2**

***General.*** Proposition 2, which included certain constitutional amendments to the Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

***Rainy Day Fund.*** The Proposition 2 constitutional amendments related to the Rainy Day Fund (i) require deposits into the Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year's deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create a Proposition 98 reserve (the "Public School System Stabilization Account") to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Public School System Stabilization Account unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

***SB 858***. Senate Bill 858 ("SB 858") became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Public School System Stabilization Account, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

***SB 751.*** Senate Bill 751 ("SB 751"), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The District, which has an A.D.A. of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses.

The Series 2021 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Series 2021 Bonds as and when due.

**Future Initiatives**

Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID, as well as Propositions 2, 30, 55, 62, 98, 111 and 218, were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenue.

## APPENDIX B

## FINANCIAL STATEMENTS OF THE DISTRICT
## FOR THE FISCAL YEAR ENDED JUNE 30, 2020

## APPENDIX C

## PROPOSED FORM OF OPINION OF BOND COUNSEL

*[Federally Taxable: Upon issuance and delivery of the Refunding Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, proposes to render its final approving opinion with respect to the Refunding Bonds in substantially the following form:][**Forward Delivery:** Subject to satisfaction of certain conditions and to the occurrence of certain events described under the heading "INTRODUCTION – Certain Considerations Regarding Forward Delivery of the Refunding Bonds" and "THE REFUNDING BONDS – Forward Delivery of Refunding Bonds," Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, expects to be able to render on the Settlement Date its final approving opinion with respect to the Refunding Bonds in substantially the following form:]*

# APPENDIX D

## FORM OF CONTINUING DISCLOSURE CERTIFICATE

# APPENDIX E

## SONOMA COUNTY STATEMENT OF INVESTMENT POLICY AND QUARTERLY INVESTMENT REPORT

*The following information has been furnished by the Office of the Auditor-Controller-Treasurer-Tax Collector, County of Sonoma. It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the Auditor-Controller-Treasurer-Tax Collector and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Auditor-Controller-Treasurer, Tax Collection, County of Sonoma, 585 Fiscal Drive, Room 100, Santa Rosa, CA 95403.*

## APPENDIX F

## BOOK-ENTRY ONLY SYSTEM

*The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Refunding Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Refunding Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.*

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Refunding Bonds (the "Securities"). The Securities 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 Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. 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 a Standard & Poor's rating of 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**.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. 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 Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities 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 registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities 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 redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or 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.

9. DTC may discontinue providing its services as depository with respect to the Securities 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, Security certificates are required to be printed and delivered.

10. 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, Security certificates will be printed and delivered to DTC.

11. 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.

# APPENDIX G

## SPECIMEN MUNICIPAL BOND INSURANCE POLICY

**APPENDIX H**

**FORM OF DELAYED DELIVERY CONTRACT**

Raymond James & Associates, Inc.
880 Carillion Parkway
Tower 3, Third Floor
St. Petersburg, Florida 33716

RE: $__________ Piner-Olivet Union School District (Sonoma County, California) General Obligation Refunding Bonds, Series 2021 (Forward Delivery) (the "Bonds")

Ladies and Gentlemen:

The undersigned (the "Purchaser") hereby agrees to purchase from Raymond James & Associates, Inc. (the "Underwriter"), when, as, and if issued and delivered to the Underwriter by the Piner-Union School District (the "District"), and the Underwriter agrees to sell to the Purchaser:

| Par Amount | Maturity Date | Interest Rate | CUSIP | Number | Yield | Price |
|---|---|---|---|---|---|---|

of the above-referenced Bonds (the "Purchased Bonds") offered by the District under the Preliminary Official Statement dated __________, 2020 (the "Preliminary Official Statement") and the Official Statement relating to the Bonds dated __________, 2021 (the "Official Statement"), receipt and review of copies of which is hereby acknowledged, at the purchase price and with the interest rates, principal amounts, and maturity dates shown above, and on the further terms and conditions set forth in this Delayed Delivery Contract. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Official Statement. The Bonds are being purchased by the Underwriter pursuant to a Forward Delivery Bond Purchase Agreement between the District and the Underwriter (the "Forward Delivery Bond Purchase Agreement").

The Purchaser hereby confirms that it has received and reviewed the Preliminary Official Statement and the Official Statement (including, without limitation, the section entitled "INTRODUCTION – Certain Considerations Regarding Forward Delivery of Refunding Bonds"), has considered the risks associated with purchasing the Purchased Bonds and is duly authorized to purchase the Purchased Bonds. The Purchaser acknowledges and agrees that the Purchased Bonds are being sold on a "forward" basis, and the Purchaser hereby purchases and agrees to accept delivery of the Purchased Bonds from the Underwriter on or about __________, 2021 (the "Settlement Date"), as they may be issued and delivered in accordance with the Forward Delivery Bond Purchase Agreement.

Payment for the Purchased Bonds on the Settlement Date shall be made to the Underwriter or upon its order on the Settlement Date upon delivery to the Purchaser of the Purchased Bonds through the book-entry system of The Depository Trust Company. The Purchaser agrees that in no event shall the Underwriter be responsible or liable for any claim or loss, whether direct or consequential, which the Purchaser may suffer the District does not for any reason issue and deliver the above-referenced Bonds.

Upon issuance by the District of the Bonds and purchase thereof by the Underwriter, the obligation of the Purchaser to take delivery of the Purchased Bonds hereunder shall be unconditional except in the event that between the date of this Delayed Delivery Contract and the Settlement Date one of the following events shall have occurred:

(1) there shall have been a Change in Law (defined below);

(2) as a result of any legislation, regulation, ruling, order, release, court decision or judgment or action by the U.S. Department of the Treasury, the Internal Revenue Service, or any agency of the State either enacted, issued, effective, adopted or proposed (but only with respect to any such proposed legislation, regulation, ruling, order, release, court decision or judgment or action which continues to be proposed as of the Settlement Date), or for any other reason, Bond Counsel cannot issue an opinion substantially in the form attached to the Official Statement as APPENDIX C to the effect that (a) the interest on the Bonds is not subject to federal income tax under Section 103 of the Code (or comparable provisions of any successor federal tax laws), and

(3) the interest on the Bonds is exempt from the State of California income taxation;

(4) the Official Statement as of the date of Closing (as defined in the Forward Delivery Bond Purchase Agreement) (which is expected to occur on or about __________, 2021), or the Updated Official Statement to be provided by the District pursuant to the terms of the Forward Delivery Bond Purchase Agreement as of the Settlement Date contained or contains an untrue statement or misstatement of material fact or omitted or omits to state a material fact necessary in order to make the statements and information contained therein not misleading in any material respect;

(5) legislation shall be enacted, or a decision by a court of the United States shall be rendered, or any action shall be taken by, or on behalf of, the Securities Exchange Commission which, in the reasonable opinion of the Underwriter, following consultation with the District, has the effect of requiring the Bonds to be registered under the Securities Act of 1933, as amended, or requires the qualification of the Resolution under the Trust Indenture Act of 1939, as amended, or an event shall occur which would cause the sale of the Bonds to be in violation of any provision of the federal or State of California securities laws;

(6) a general banking moratorium has been declared by federal, New York or California authorities and it is in effect as of the Settlement Date; or

(7) as of the Settlement Date, the Bonds are no longer rated investment grade by Moody's Investors Service [or Standard & Poor's Global Ratings].

The Underwriter shall notify the Purchaser promptly in the event that the Underwriter becomes aware of the occurrence of any of the events described in clauses (1) through (6) above.

A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies; (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date which is on or before the Settlement Date) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, (A) as to the Underwriter, prohibit the Underwriter from completing the underwriting of the Bonds or selling the Bonds or the beneficial ownership interests therein to the public, or (B) as to the District, would make the completion of the issuance, sale or delivery of the Bonds illegal.

If the Change of Law eliminates the exclusion from gross income for federal income tax purposes of interest payable on “state or local bonds,” the Underwriter would not be obligated to purchase the Bonds from the District, and the Purchaser would not be required to accept delivery of the Purchased Bonds from the Underwriter.

The Purchaser acknowledges and agrees that the Purchased Bonds are being sold on a “forward” or “delayed delivery” basis for delivery on the Settlement Date and that the Purchaser is obligated to take up and pay for the Purchased Bonds on the Settlement Date unless one of the events described above shall have occurred.

The Purchaser acknowledges that it will not be able to withdraw its order as described herein, and will not otherwise be excused from performance of its obligations to take up and pay for the Purchased Bonds on the Settlement Date because of market or credit changes, including specifically, but not limited to (a) except for the rating change described in event number 6 above, changes in the ratings assigned to the Bonds between the date of Closing and the Settlement Date or changes in the credit associated with the Bonds generally, and (b) changes in the financial condition, operations, performance, properties or prospects of the District from the date hereof to the Settlement Date. The Purchaser acknowledges and agrees that it will remain obligated to purchase the Purchased Bonds in accordance with the terms hereof, even if the Purchaser decides to sell the Purchased Bonds following the date hereof, unless the Purchaser sells the Purchased Bonds to another institution with the prior written consent of the Underwriter and such institution provides a written acknowledgment of confirmation of purchase order and a delayed delivery contract in the same respective forms as that executed by the Purchaser.

The Purchaser represents and warrants that, as of the date of this Delayed Delivery Contract, the Purchaser is not prohibited from purchasing the Purchased Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the Purchaser is subject. Each of the undersigned parties represents and warrants that it has the power and authority to enter into this Delayed Delivery Contract and to perform its obligations hereunder.

The Purchaser agrees that it will at all times satisfy the minimum initial and maintenance margin requirements of Regulation T of the Board of Governors of the Federal Reserve System, Rule 431 of the New York Governors of the Federal Reserve System, Rule 4210 of the Financial Industry Regulatory Authority and any other margin regulations applicable to the Underwriter.

This Delayed Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party without the prior written consent of the other.

The Purchaser acknowledges that the Underwriter is entering into Forward Delivery Bond Purchase Agreement with the District to purchase the Bonds in reliance in part on the performance by the Purchaser of its obligations hereunder.

This Delayed Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

It is understood that the acceptance by the Underwriter of any Delayed Delivery Contract (including this one) is in the Underwriter's sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Delayed Delivery Contract is acceptable to the Underwriter, it is requested that the Underwriter sign the form of acceptance below and mail, email or otherwise deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Underwriter, and the Purchaser when such counterpart is so mailed, emailed or otherwise delivered by the Underwriter. This Delayed Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

This Delayed Delivery Contract shall be construed and administered under the laws of the State of New York.

**[PURCHASER]**

By: ________________________________
Name: ______________________________
Title: _______________________________
Address: ____________________________
Telephone: __________________________
Accepted: ___________________________

**RAYMOND JAMES & ASSOCIATES, INC.**

By: ________________________________
Name: ______________________________
Title: _______________________________

# Agenda Item Summary

Action Item: **12.3** ***Approval of Consulting Services Agreement between Isom Advisors, a Division of Urban Futures Inc. a California Corporation ("Advisor"), and Piner-Olivet Union School District***

| | | |
|---|---|---|
| Regular Meeting of: December 15, 2020 | Action Item | Report Format:Oral |
| :Attachment: **Agreement** | | |

**Presented by:** Dr. Steve Charbonneau, Superintendent

**Background** For the past several months, POUSD Administration and the School Board have benefitted from the counsel of Greg Isom, Principal of Isom Advisors. In light of the district's realization of acquiring and utilizing bond funds, a formal agreement with Mr. Isom is needed.

**Issue(s)** This fall, the POUSD Board has considered the use of bond funds to fund a number of projects, critical to the advancement of POUSD educational incentives. A formal agreement with Mr. Isom is needed in order to take the next steps to acquire and utilize bond funds.

**Fiscal Impact** Isom Advisors consulting fees are approximately 20% less than the fees paid for by the district previously for similar services and their fees come out of bond proceeds not the district's general fund. This contract is the same contract for all their other school districts in Sonoma County.

**Recommendation** POUSD Administration recommends the approval of a formal contract with Isom Advisors, in order to facilitate the acquisition and use of bond funds now and for the future

**CONSULTING SERVICES AGREEMENT**

This CONSULTING SERVICES AGREEMENT (this "Agreement") is dated as of the latest date set forth on the signature page hereto (the "Effective Date") and is entered into by and between Isom Advisors, a Division of Urban Futures Inc., a California corporation ("Advisor"), and Piner-Olivet Union School District ("District").

RECITALS

WHEREAS, District wishes to issue certain bonds (the "Bonds") and desires that Advisor provide to District certain Consulting Services (defined below) with respect to the Bonds; and

WHEREAS, Advisor desires to provide to District certain Consulting Services with respect to the Bonds on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations, and warranties contained in this Agreement, the parties agree as follows:

AGREEMENT

1. **CONSULTING SERVICES**. District hereby retains Advisor to perform (i) the financial advisory services set forth on Exhibit A hereto ("the Financial Advisory Services"); and (ii) the Continuing Disclosure/Annual Debt Transparency Report services set forth on Exhibit B hereto (the "Continuing Disclosure/ADTR Services"); and Advisor hereby agrees to perform the Consulting Services pursuant to the terms and conditions of this Agreement.

2. **EFFECTIVE DATE, TERM AND CONDITIONS**. This Agreement shall be effective as of the Effective Date and shall remain in effect until (i) the 5-year (five-year) anniversary of the Effective Date (the "Term") or (ii) until the Agreement is terminated as set forth below. The parties may extend the Term for successive 1-year (one-year) periods upon mutual written agreement, or otherwise as the parties may agree in writing.

3. **COMPENSATION**. Compensation for the Consulting Services provided to District pursuant to this Agreement shall be as set forth in this Section 3. Fees for Continuing Disclosure/ADTR Services shall be paid from the District's general fund or other allowable sources. Fees for Financial Advisory Services shall be paid out of proceeds received by the District resulting from the sale of Bonds.

a. <u>Fees</u>.

i. For Financial Advisory Services, District shall pay to Advisor a fee of Sixty-Five Thousand Dollars ($65,000) for each series of Bonds sold, payable upon the closing of each series of Bonds (including, without limitation, the first). If two or more series are sold concurrently, such as a refunding with a new issuance, Advisor will charge a 50% reduced fee for the second series.

ii. For Continuing Disclosure/ADTR Services, should District utilize this service, shall pay an annual fee of One Thousand Five Hundred Dollars ($1,000) for the filing of customary continuing disclosure documents for each year of the Term existing after a closing of a series of GO Bonds. For Annual Debt Transparency Report, District shall pay an annual fee of $500 until all bond proceeds are spent; thereafter, an annual fee of $250 to prepare the Annual Debt Transparency Report; paid within 30 days of receipt of invoice.

b. Expenses.

i. District shall reimburse Advisor for out-of-pocket expenses incurred by Advisor in the course of performance of Consulting Services at the actual cost of such expenses, which are not to exceed $2,500. Payment for any expenses pursuant to this Section 3(b) shall be made at the next following due date for payment of a fee pursuant to Section 3(a).

4. **COVENANTS**.

a. District.

i. Access to Personnel. District will cooperate with Advisor by providing opportunities to consult with District personnel as Advisor deems reasonably necessary to perform the Consulting Services.

ii. Information. District agrees to provide on a timely, diligent and accurate basis, and to the best extent possible, all necessary information reasonably requested by Advisor for the purpose of performing the Consulting Services.

iii. Additional Professional Services. District agrees to provide or authorize additional professional services (e.g., legal counsel, paying agent) as Advisor deems reasonably necessary to complete the Consulting Services and the Bond issuance.

iv. Further Assurances. District agrees to take such further actions as may be necessary or appropriate to effectuate, carry out and comply with all of the terms of this Agreement and the transactions contemplated hereby.

b. Advisor.

i. Compliance with Laws. Advisor shall, at all times, comply with all laws, rules and regulations related to the subject matter of this Agreement and to which Advisor is subject.

ii. Non-Discrimination. Advisor shall not discriminate on the basis of a person's actual or perceived race, religious creed, color, national origin, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, veteran status, gender, gender identity, gender expression, sex, or sexual orientation in employment or operation of its services.

5. **TERMINATION**.

a. This Agreement may be terminated prior to the conclusion of the Term as follows:

i. By either party upon the other party's material breach of any of its representations, warranties or obligations under this Agreement, provided that such breach is not cured within thirty (30) days of receipt of notice specifying the breach.

ii. At any time upon mutual written consent of the Parties.

b. The District agrees that during the term and any subsequent terms of this contract that Isom Advisors, a Division of Urban Futures, Inc. shall be the sole financial advisor in relation to the sale of the Bonds, and that no additional financial advisors shall be hired by the District for the services described in this Agreement without the written consent of Isom Advisors, a Division of Urban Futures, Inc.

6. **LIMITATION OF LIABILITY**.

a. Advisor Liability. The parties agree that Advisor's officers, directors, agents and employees shall not be personally liable to District for any damages in connection with this Agreement. Advisor shall be solely liable for any finally determined damages in connection with this Agreement for which Advisor is deemed liable.

b. Limitation of Advisor Liability. Except to the extent finally determined to have resulted from the gross negligence, fraud or willful misconduct of Advisor, Advisor's liability to pay damages for any damages, losses and claims incurred by District, regardless of the theory of liability asserted, is limited to no more than an amount equal to the total amount of fees paid to Advisor under this Agreement. In addition, Advisor shall not be liable in any event for lost profits, revenue or goodwill, or any other consequential, indirect, incidental, punitive, exemplary or special damages.

c. District Liability. The parties agree that District's officers, directors, agents, and employees shall not be personally liable to Advisor for any damages in connection with this Agreement. District shall be solely liable for any finally determined damages in connection with this Agreement for which District is deemed liable.

d. Limitation of District Liability. Except to the extent finally determined to have resulted from the gross negligence, fraud or willful misconduct of District, District's liability to pay damages for any damages, losses and claims incurred by Advisor, regardless of the theory of liability asserted, is limited to no more than an amount equal to the total amount of fees to be paid to Advisor under this Agreement. In addition, District will not be liable in any event for lost profits, revenue or goodwill, or any other consequential, indirect, incidental, punitive, exemplary or special damages.

e. Survival of Liability. The provisions of this Section 6 shall survive the expiration or termination of this agreement.

7. **PROFESSIONAL LIABILITY INSURANCE**

Advisors will procure and maintain Professional liability insurance with the minimum limits of $1,000,000 per occurrence. Professional liability coverage provided on a "claims made" basis shall be maintained for four years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

Advisors will furnish to District duly authenticated Certificates of Insurance and Endorsements evidencing maintenance of the insurance required under this Agreement and such other evidence of insurance as may be reasonably required by District from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent "A VII." Originals of the duly authenticated Certificates of Insurance and Endorsements shall be included with this Agreement.

Each insurance policy shall state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the District. Notwithstanding any commitment on the part of the insurer to provide such notice to the District, failure of Advisors to provide separate notice of any intent to cancel any policy or change policy providers, or of any actual or potential cancellation, shall constitute a breach of contract for which District shall be entitled to full indemnification under the Agreement.

Maintenance of specified insurance coverage is a material element of this Agreement, and Advisors' failure to maintain or renew coverage or to provide evidence of renewal during the term of this Agreement may be treated as a material breach of contract by District.

8. **CONFIDENTIALITY OF INFORMATION**. It is mutually agreed that Advisor shall regard all information received during the performance of services pursuant to this Agreement ("Confidential Information") as confidential and shall not disclose Confidential Information to any other person without prior consent of District. Confidential Information shall not include information that: (i) is, as of the time of its disclosure, or thereafter becomes,

part of the public domain through a source other than Advisor; (ii) was known to Advisor as of the time of its disclosure; (iii) is independently developed by Advisor; or (iv) is subsequently learned from a third party not under a confidentiality obligation to District. In addition, Advisor shall be entitled to disclose Confidential Information to the extent such disclosure is requested by the order of a court of competent jurisdiction, administrative agency, or other governmental body, provided that Advisor shall provide prompt, advance notice thereof to enable District to seek a protective order or otherwise prevent such disclosure. The confidentiality obligations of Advisor shall survive the expiration or termination of this Agreement.

9. **ADDITIONAL MATTERS**.

a. MSRB Rule G-10.

i. Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-10, on Investor and Municipal Advisory Client Education and Protection, Municipal Advisors are required to provide certain written information to their municipal entity and obligated person clients which include the following: Urban Futures, Inc. is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

Within the MSRB website at www.msrb.org, the District may obtain the Municipal Advisory client brochure that is posted on the MSRB website. The brochure describes the protections that may be provided by the MSRB Rules along with how to file a complaint with financial regulatory authorities.

b. MSRB Rule G-42; Duties of Non-Solicitor Municipal Advisors.

i. <u>Conflicts of Interest.</u> Isom Advisors represents that in connection with the issuance of municipal securities, Isom Advisors may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, Isom Advisors hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding Isom Advisors' ability to provide unbiased advice to enter into such transaction.

It should be noted that other forms of compensation (i.e. hourly or fee based) may also present a potential conflict of interest regarding Isom Advisors' ability to provide advice regarding a municipal security transaction. These conflicts of interest (if ever applicable) would not impair Isom Advisors' ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

Isom Advisors serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another Isom Advisors client. For example, Isom Advisors serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to District. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, Isom Advisors could potentially face a conflict of interest arising from these competing client interests. Isom Advisors fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with the District.

If Isom Advisors becomes aware of any additional potential or actual conflict of interest after this disclosure, Isom Advisors will disclose the detailed information in writing to the Issuer in a timely manner.

ii. Legal or Disciplinary Events. Isom Advisors does not have any legal events or disciplinary history on Isom Advisors' Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Issuer may electronically access Isom Advisors' most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html.

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against Isom Advisors, we will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate Isom Advisors, its management and personnel.

c. Governing Law; Jurisdiction. It is expressly understood and agreed that this Agreement and all questions arising hereunder shall be construed according to the laws of the State of California, without giving effect to conflicts of law principles. All actions or proceedings arising directly or indirectly from this Agreement shall be litigated in courts located within Sonoma County, California. The parties consent to the jurisdiction thereof and the parties further agree not to disturb such choice of forum.

d. Independent Contractor: Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners or joint ventures with one another. Neither the Advisors nor the Advisors' employees are employee of the District and are not entitled to any of the rights, benefits, or privileges of the District's employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

Neither the District nor its officers, agents or employees shall have any control over the conduct of the Advisors or any of the Advisors' employees except as herein set forth, and the Advisors expressly agrees not to represent that the Advisors or the Advisors' agents, servants, or employees are in any manner agents, servants or employees of the District, it being understood that the Advisors, its agents, servants, and employees are as to the District wholly independent Advisors and that the Advisors' obligations to the District are solely such as are prescribed by this Agreement.

e. Political Contributions: Isom Advisors may choose of its own free will to contribute time, money, or resources to political campaigns associated with the passage of a bond measure. Prior to signing this agreement, Advisor has not made, considered, or discussed a contribution to any campaign connected with the referenced bonds. This agreement does not obligate Advisor to contribute to any particular campaign or election. Advisor has in no way committed to or indicated a willingness to contribute time, money, or resources to any campaign, or to make any other contribution.

f. Conflicts of Interest: No officer or employee of District shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Advisors warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

g. Successors and Assigns. Except as otherwise provided herein, this Agreement shall not be assignable by either party without the express written consent of the other party hereto. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

h. Attorneys' Fees. In the event of any action to enforce or interpret this Agreement, including without limitation the recovery of damages for its breach, the prevailing party shall be entitled to recover from the other party its reasonable attorneys' fees and costs. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment.

i. Amendments to Agreement. This Agreement may not be modified, amended or supplemented except by written instrument executed by all parties hereto.

j. Notice. All notices to be given by the parties hereto and other communications hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed telex, electronic mail or facsimile if sent during normal business hours of the recipient, if not, then on the next business day; (iii) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt; or (iv) four days after deposit with a United States Post Office, first class postage prepaid and registered. All communications shall be sent as follows:

To Advisor:

Isom Advisors,
a Division of Urban Futures Inc.
1470 Maria Lane, Ste. 315
Walnut Creek, CA 94596
Attn.: Jonathan Isom, Managing Principal
Telephone: (925) 478-7450
E-mail: jon@isomadvisors.com

To District:

Piner-Olivet Union School District
3450 Coffey Lane
Santa Rosa, CA 95403
Attn.: Steve Charbonneau, Superintendent
Telephone: (707) 522-3000
E-mail: scharbonneau@pousd.org

k. Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

l. Entire Agreement. This Agreement (including the Exhibits attached hereto) contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the parties with respect to such subject matter. The Exhibits attached hereto constitute a part hereof as though set forth in full herein.

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

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the dates set forth below.

| | |
|---|---|
| ADVISOR: | DISTRICT: |
| Isom Advisors,<br>A Division of Urban Futures Inc. | Piner-Olivet Union School District |
| By: ______________________________ | By: ______________________________ |
| Name: Jonathan Isom | Name: Steve Charbonneau |
| Title: Managing Principal | Title: Superintendent |
| Dated: __________ ___, 2020 | Dated: __________ ___, 2020 |

**EXHIBIT A**

**FINANCIAL ADVISORY SERVICES**

- Analyze the bond market to determine timing, credit enhancement requirements, structure, bond amount, legal documentation requirements, rating requirements, and method of sale
- Assist District, as needed, to assemble bond finance team members including bond counsel, paying agent, trustee, and underwriter
- Prepare timeline, distribution lists, and term sheets to manage financing
- Manage bond issuance process including the coordination with other finance team members (bond counsel, paying agent, trustee, and underwriter, if needed)
- Define the proposed structure including sizing, call provisions, amortization schedule, and phasing of debt service repayment
- Review legal documents including district and county resolutions, bond purchase agreements, Preliminary Official Statement, and Official Statement
- Prepare rating agency and insurer presentation; negotiate with analysts of same
- Assist in preparation and train District members for rating agency meetings
- Analyze tax base and recommend appropriate tax structure
- For competitive sale, review Notice of Sale and Bid Form, distribute bid documents to qualified underwriters and post bid documents, monitor and verify bids on day of sale, and coordinate award of winning bid
- For negotiated sale, discuss structure and tax rate objectives with underwriter, review proposed structure and scale and make recommendations as appropriate, review fees, and review final pricing
- Review closing documents including tax opinion, arbitrage certificate, and continuing disclosure certificate
- Prepare wrap up presentation booklets to summarize bond sale
- Manage pre-closing and closing
- Attend board meetings as needed to explain bond sale, legal documents, and pricing summary

**EXHIBIT B**

**CONTINUING DISCLOSURE/ANNUAL DEBT TRANSPARENCY REPORT SERVICES**

- Annually review District's Continuing Disclosure requirements
- Submit to Municipal Securities Rulemaking Board the necessary filings and documentation in order to remain compliant with Continuing Disclosure requirements
- Review ongoing District's Annual Debt Transparency Report ("ADTR") requirements.
- Submit to CDIAC the necessary filings and documentation to remain compliant with SB 1029 including the ADTR by Jan 31st of each year.

# Agenda Item Summary

Action Item: **12.4** *Approval of the First Interim Financial Report and Accompanying Budget Updates for the Piner-Olivet Union School District, Olivet Charter School, Schaefer Charter School, Northwest Prep Charter School and the Piner-Olivet Charter School*

| | | |
|---|---|---|
| Regular Meeting of: December 15, 2020 | **Action** Item | Report Format:**Oral** |
| Attachment: Staff Report | | |

**Presented by:** Felicia Koha, CBO

**Background**
Districts and charter schools must submit two interim financial reports each year. They are as of October 31st and January 31st.

**Plan/Discussion/Detail**
This is the first of the two interim financial reports. Key highlights will be reviewed from the attached packet.

**Recommendation**
Approve as presented.

PINER-OLIVET

COLLABARATION + CREATIVITY COMMUNICATION + CRITICAL THINKING

UNION SCHOOL DISTRICT

# 2020-2021
# 1st Interim Financial Report

December 15, 2020


**Felicia Koha**
*Chief Business Official*

**Dr. Steve Charbonneau**
*Superintendent*

# PINER-OLIVET UNION SCHOOL DISTRICT
# 2020-2021
# 1ST INTERIM FINANCIAL REPORT

## TABLE OF CONTENTS

# Piner-Olivet Union School District -- Student Outcomes

*Mastery of the following competencies is the cornerstone of the Piner-Olivet District program. In addition to the knowledge described in the California Content Standards, these competencies are the foundation of our culture and academic goals. We believe that students proficient in these skills and behaviors will be successful on any path they choose.*

## Personal Integrity

Students handle themselves with confidence and act with honesty and courage. They commit to their developing beliefs and are willing to assume roles as inquiring observers, active participants, and dynamic leaders. They demonstrate positive working relationships across diverse groups, accept personal responsibility for their actions, and remain open to learning from the feedback and guidance of others.

## Productive Collaboration

Students develop and use the skills necessary to plan and engage in group projects. They work to resolve social and logistical conflicts and devise solutions to meet diverse needs. They collectively set goals and develop strategies to meet those goals. They evaluate the effectiveness of their approach and constructively adapt to new understandings as they arise.

## Critical and Creative Thinking

Students identify problems and pursue opportunities from multiple perspectives. They locate, organize, analyze, and apply key information in inventive and imaginative ways. They design, evaluate, and employ a variety of strategies, tools, and skills to achieve innovative results. Students are independent, creative, and critical thinkers who question and connect to the world around them from both big picture and focused perspectives.

## Effective Communication

Students understand and practice effective communication using verbal and nonverbal language with intent, awareness, and accuracy. They are empathetic, emotionally intelligent, persuasive, and articulate. They are skillful self-advocates who effectively communicate their needs. Students internalize and present their understandings and ideas with confidence and clarity. Employing a variety of media, they use practical, academic, and artistic abilities to convey meaning in a clear and engaging fashion.

## Reflective Learning

Students excel at making critical observations about their own learning and potential. They formulate meaningful and relevant questions that inspire and encourage further inquiry. Students consistently take charge of their education by reflecting upon and revising their own practices.

## Citizenship and Global Responsibility

Students are engaged and informed citizens. They are empowered to create positive change in themselves, their communities, and the world. They are mindful and principled decision makers who understand the long and short-term effects of their actions on others and the environment. They practice compassionate, ethical, and active citizenship in local, global, and virtual settings. Students strive to achieve balance between their own needs and the needs of others.

## Resiliency and Drive

Students are adept at taking intelligent risks and view mistakes as necessary steps toward learning and growth. They consciously identify their intentions and desires. They possess the tenacity and determination to work individually and collaboratively. They are self-motivated and self-regulated. Piner-Olivet students confront challenges and persevere through adversity.

# BUDGET DEVELOPMENT

Piner-Olivet Union School District

**2020-2021 Budget Development and Operations Calendar**

**Board Adopted:**

**June 3, 2020**

| DATE | ACTIVITY | Whose Responsibility | | PURPOSE |
|---|---|---|---|---|
| | | **Prepares and/or Presents** | **Discusses and/or Approves** | |
| Within 45 days of State Budget Adoption | Budget updates | CBO | School Board adopts | Update of financial status as required by State |
| September meeting | Annual reports from School-Connected Organizations | Site Admin.<br>School-Connected Org | School Board to review and approve requests for recognition as School-Connected Organizations | Comply with Board Policy 1230 |
| September meeting | Approve resolution for Adopting the GANN Limit | CBO | School Board to approve | Comply with California Constitution Article XIIIB (Added by Prop. 4) |
| September meeting | Hold public hearing regarding the sufficiency of instructional materials and publicly post notice 10 days prior to public hearing | Director of Curriculum | School Board to hold public hearing | Comply with Ed Code 60119 |
| September meeting | Review final unaudited actuals from prior year budget | CBO | School Board to review any discrepancies between current year budget and prior year budget | Ending balance is no longer estimated, will know true numbers |
| September meeting | Resolution for Expenditure Plan for the Education Protection Account (EPA) | CBO | School Board | Comply with Proposition 30 requirement |
| September | Review GASB 75 Actuarial Report – must be updated every two years | CBO | CBO to review and have report renewed if needed | Comply with GASB 75 requirement |
| September | Review Asbestos Management Plan – must have re-inspection every three years Due 8/1/2021 | CBO | CBO to review and have inspection completed if needed | Comply with AHERA regulations |
| October meeting | Adopt resolution regarding the sufficiency of instructional materials | N/A | School Board to adopt resolution | Comply with Ed Code 60119 |
| October meeting | Review progress towards goals outlined in LCAPs | Superintendent<br>Site Admin. | School Board<br>Superintendent | Update Board on progress toward LCAP goals |
| October meeting | Review status of prior year summer maintenance/construction projects | CBO | CBO<br>School Board | Review the maintenance/construction projects from the prior summer |
| October | Annual progress report for prior year and updated plan for current year for Title 1, and ELL Programs presented to Site Councils | Superintendent<br>Site Admin | Superintendent or Designee<br>Site Councils | Give information to Site Council to be used in updating Single Plans for Student Achievement |
| November | Report out to LCAP stakeholders – prior year progress made toward LCAP goals<br>Begin LCAP revision process | Superintendent<br>Site Admin<br>LCAP Stakeholders<br>CBO (Budget info to Site Admin only) | Superintendent or Designee | Comply with State laws regarding LCAP |
| November meeting | Review new programs approved by State for current year budget if applicable | Superintendent<br>CBO | Superintendent and CBO to approve expenditure procedures for each new program | Give direction to staff and site councils |
| November | Review Developer Fee Justification Report – must be updated every five years Due July 2023 | CBO | CBO to review and have report renewed if needed | Comply with developer fee regulations |
| December | Continue stakeholder engagement and LCAP revision process | Superintendent<br>Site Admin<br>LCAP Stakeholders | Superintendent or Designee | Comply with State laws regarding LCAP that LCAP revision is an ongoing process |
| December meeting | 1st Interim Financial Report and budget updates for current year budget for District and all charter schools | CBO | School Board to adopt | Update of financial status as required by State and monitor financial status of charter schools |
| January meeting | Audit Report and audit findings corrections reviewed | CBO | School Board to accept audit report and approve audit findings corrections, if any | Comply with law regarding annual audit |
| January & February | Continue stakeholder engagement and LCAP revision process | Superintendent<br>Site Admin/LCAP Stakeholders | Superintendent or Designee<br>LCAP Stakeholders | Comply with State laws regarding LCAP that LCAP revision is an ongoing process |
| January meeting | Begin discussion of summer maintenance/construction projects | CBO | CBO<br>School Board | Begin to determine summer projects, funding for projects, bid |

| | | | | |
|---|---|---|---|---|
| February meeting | Report to Board on LCAP engagement and revision process | Superintendent<br>Site Admin | Superintendent<br>School Board | Continue with LCAP engagement and revision process |
| February meeting | Continue discussion of summer maintenance/construction projects | CBO | CBO<br>School Board | Continue to determine summer projects, funding for projects, bid timelines if needed |
| February meeting | Review and approve School Safety Plans | Principals | School Board | School Safety Plans due by March 1 |
| March meeting | 2nd Interim Financial Report and budget updates for current year budget for District and all charters | CBO | School Board to adopt | Update of financial status as required by State and monitor financial status of charter schools |
| March meeting | Review preliminary budget for next budget year for District and all charters to check for alignment with LCAPs | Superintendent<br>Site Admin<br>CBO | School Board and Stakeholders begin process of aligning budgets to LCAPs | Begin to match budget expenditures to LCAPs and District Areas of Focus |
| April | Finalize LCAP work with stakeholders<br>Respond to LCAP comments in writing | Superintendent<br>Site Admin | Superintendent or Designee<br>Stakeholders | Complete work with LCAP stakeholders so that LCAP can be finalized for public hearing at May meeting<br>Comply with LCAP law regarding responding to comments in writing |
| April meeting | Continue to review preliminary budget for next budget year for District and all charters | Superintendent<br>Site Admin<br>CBO | School Board and Stakeholders continue process of aligning budgets to LCAPs | Continue work aligning budgets to LCAPs and District Areas of Focus |
| April meeting | Finalize discussion of summer maintenance/construction projects | CBO | CBO<br>School Board | Review summer projects, funding for projects, and approve bids if available. |
| April meeting | Approve Budget Development and Operations Calendar for budget year | Superintendent<br>CBO | School Board to approve | Use document to build budget and manage multi-year projects |
| May meeting | Adopt resolution allowing year end budget updates | N/A | School Board | Comply with Ed Code allowing Board resolution authorizing year end budget updates |
| June – 1st meeting | Public Hearing on LCAP and draft budget | Superintendent<br>Site Admin<br>CBO | School Board and stakeholders to review LCAP and draft budget at public hearing | Comply with laws regarding LCAP and budget public hearing – must be held at a meeting prior to the meeting at which the LCAP and budget are adopted |
| June – 1st meeting | Approved the Consolidated Application process for the following budget year | Superintendent | School Board to Approve Process | Consolidated Application process must be approved by June 30th |
| June – 1st meeting | Review report of summer maintenance/construction projects | CBO | CBO<br>School Board | Review summer projects, funding for projects, and approve bids if needed |
| June – 1st meeting | Adopt Resolution for negative cash balances if needed | CBO | School Board to adopt resolution if needed | Resolution must be adopted and submitted to SCOE by mid-June |
| June – 2nd meeting | Adopt LCAP and final budget for next budget year for District and all charters | N/A | School Board to adopt LCAP and final budget | Final LCAP and budget must be adopted by July 1 |
| August | Resolution Designing the District's Agent for Non-State due by August 2021 | | | |
| August | Resolution POUSD, State of California, Adoption a Conflict of Interest Code Due by August 2020 | | | |

# PINER-OLIVET UNION SCHOOL DISTRICT
# STAFFING STANDARDS – K-6 PROGRAM
**EFFECTIVE 07-01-2020**

**The purpose of these staffing standards is to provide Board approved guidelines for administration to make staffing decisions. These staffing decisions make up approximately 80% of the District's budget.**

*INSTRUCTIONAL PERSONNEL – GENERAL EDUCATION*

- Classroom Teachers – K-3 – Maximum of 24 students per class
- Classroom Teachers – 4–6 – Maximum of District-wide average of 1 Teacher per 32 students; Average does not include home study or special education
- Combination Classes – K-6 – 3 Less than the established grade level average
- Home Study Teacher – 1-2 Students – 10%, 3-4 Students – 20%, 5–7 Students – 30%, 8–9 Students – 40%, 10-11 Students – 50%, 12-13 Students – 60%, 14-15 Students – 70%, 16-18 Students – 80%, 19-20 Students – 90%, 21-22 Students – 100%

- Program Assistants – Reading – The number of hours to be based on student need with the total cost to be within the categorical funds available unless unrestricted funding is available to allow increased time as identified in the LCAP
- Lead Program Assistants – 1 per each site that employs 4 or more Program Assistants
- ELD Assistants – The number of hours to be based on student need with the total cost to be within the categorical funds available unless unrestricted funding is available to allow increased time as identified in the LCAP
- Program Assistants – Kindercare – Based on student need

- Support for Classroom Use for Summer School – Upon the request of a teacher whose room will be utilized for summer school, a total of three (3) hours of additional time for an instructional assistant shall be given. These hours will be utilized for both the preparation of said room for summer school use and preparation of it for the following school year upon the conclusion of summer school.

*INSTRUCTIONAL PERSONNEL -- SPECIAL EDUCATION*

- Resource Specialist – Per State Law – currently a maximum of 28 students per 1 FTE specialist
- RSP Specialized Assistant – Based on student need
- Special Day Class Teacher – District will make all reasonable efforts not to exceed 18 students per FTE
- Special Day Class Specialized Assistant – 5.75 to 6 hrs/day per SDC, 12-15 students, add 3-4 hrs/day, 16+ students, add 5-6 hrs/day (to the original 5.75 to 6 hrs/day)
- Full Inclusion Teacher – 1 Teacher per 9 students
- Full Inclusion Temporary Support Assistant – As specified in IEP
- Speech/Language Therapist – Per State and SELPA Guidelines – currently a maximum of 55 students per 1 FTE therapist

*INSTRUCTIONAL PERSONNEL – CLASSROOM EXTENSION*

- Classroom Extension: Certificated or classified personnel, prepares lessons, teaches students and evaluates student progress

- Music Teacher - 1.0 FTE per District
- Motor Perception/PE Technician – 30 min/week – TK-3; 80 min/week – 4-6
- Library/Media Access Program – 6 hours/day per District K-6 Site of Library Technician time

*SUPPORT STAFF – SITE*

- Site Administrator per site (206 Days)
- Site Office Manager per site (229 Days)
- Health Technician – 1.25 Hour/Day/Site – may be increased based on student need
- One yard duty supervisor goal of 80 students (Grades 1 – 6)
- One yard duty supervisor goal of 50 students (Grade K) on the yard
- Traffic/Student Safety Monitors, minimum of 1 for 20 to 30 minutes at each site, morning and afternoon, may be increased at Jack London
- Food Service – Based on need per site
- Outreach Workers – Based on need per site – Formula to determine number of hours per site is 1 hour per week for every 5 EL students

## ***PINER-OLIVET UNION SCHOOL DISTRICT***
## ***STAFFING STANDARDS – DISTRICT-WIDE PROGRAM***
### ***INCLUDES THE K-6 PROGRAM, NORTHWEST PREP AND PINER-OLIVET CHARTER SCHOOL***

*SUPPORT STAFF – DISTRICT*

- District Administrators – 1.0 FTE Superintendent per District (224 Days)<br>1.0 FTE Director of Student Support Services per District<br>.40 FTE Director of Innovative Learning per District (210 Days)
- District Administrators – 1.0 FTE CBO per District (260 Days)
- District Office Classified – 1.0 FTE Executive Secretary per District (260 Days)<br>.25 FTE Receptionist (192 Days)<br>1.0 FTE Account Technician per District (260 Days)<br>1.0 FTE Payroll Account Technician per District (260 Days)<br>1.0 FTE Personnel Technician per District (260 Days)
- Technology Coordinator – 1.0 FTE per District (260 Days)
- Technology Services Technician - .25 FTE per District (260 Days)
- School Nurse – 1.0 FTE per District – may be increased based on student need
- LVN – Based on student need
- Psychologist/Counselor – 1.0 FTE per District
- Behavior Specialist - .2 FTE per District
- Counselor – 1.0 FTE per K-12, .4 7-12, .60 K-6
- Technology Integration Coach – 1.0 FTE per 3 K-6 Campuses
- Teacher on Special Assignment – 1.0 FTE per 3 K-6 Campuses

*SUPPORT STAFF – CUSTODIAL, MAINTENANCE AND GROUNDS*

- Supervisor of Buildings and Grounds - 1.0 FTE District-wide
- Custodial - 7.4 FTE District-wide (Includes time for Village Charter School)
- Grounds – 1.0 FTE District-wide

Approved by Governing Board: 05/13/20
Revised for Board approved reduction of Director of Innovative Learning to 0.40 FTE

## PINER-OLIVET USD ENROLLMENT TO P2 ADA TREND

| School Year<br>CBEDS Date | 2014-15<br>Oct. 2014 | 2015-16<br>Oct. 2015 | 2016-17<br>Oct. 2016 | 2017-18<br>Oct. 2017 | 2018-19<br>Oct. 2018 | 2019-20<br>Oct. 2019 | 2020-21<br>Oct. 2020 | 2021-22<br>Oct. 2021 | 2022-23<br>Oct. 2022 |
|---|---|---|---|---|---|---|---|---|---|
| **Piner-Olivet K-6** | | | | | | | | | |
| Jack London (2003) | 336 | 331 | 345 | 302 | 279 | 278 | 262 | 254 | 244 |
| Olivet (1969) | 332 | 323 | 305 | 317 | 319 | 336 | 320 | 318 | 318 |
| Schaefer (1990) | 444 | 448 | 449 | 430 | 345 | 348 | 350 | 343 | 328 |
| **Total CBEDS (enrollment)** | **1,112** | **1,102** | **1,099** | **1,049** | **943** | **962** | **932** | **915** | **890** |
| **Total P2 ADA** | **1,066.57** | **1,058.54** | **1,045.84** | **1,008.44** | **903.45** | **910.98** | **916.37** | **869.00** | **846.00** |
| **Percentage of ADA to CBEDS** | **0.959** | **0.961** | **0.952** | **0.961** | **0.958** | **0.947** | **0.983** | **0.950** | **0.951** |
| **Jack London K-6** | | | | | | | | | |
| K | 42 | 48 | 47 | 29 | 36 | 33 | 33 | 33 | 33 |
| 1 | 39 | 43 | 48 | 44 | 33 | 35 | 32 | 32 | 32 |
| 2 | 42 | 36 | 48 | 42 | 46 | 35 | 35 | 31 | 31 |
| 3 | 68 | 41 | 35 | 48 | 44 | 46 | 35 | 35 | 31 |
| 4 | 53 | 70 | 41 | 36 | 46 | 44 | 45 | 35 | 37 |
| 5 | 57 | 60 | 69 | 44 | 32 | 49 | 42 | 45 | 34 |
| 6 | 29 | 28 | 52 | 59 | 38 | 33 | 36 | 40 | 43 |
| SDC | Inc | Inc | Inc | Inc | Inc | Inc | Inc | Inc | Inc |
| NPS | 6 | 5 | 5 | 0 | 4 | 3 | 4 | 3 | 3 |
| **Total CBEDS (enrollment)** | **336** | **331** | **345** | **302** | **279** | **278** | **262** | **254** | **244** |
| **Total P2 ADA** | **340.50** | **329.66** | **342.07** | **307.51** | **272.56** | **267.49** | **272.88** | **245.00** | **235.00** |
| **Percentage of ADA to CBEDS** | **1.013** | **0.996** | **0.992** | **1.018** | **0.977** | **0.962** | **1.042** | **0.965** | **0.963** |

| School Year<br>CBEDS Date | 014/2015<br>Oct. 2014 | 015/2016<br>Oct. 2015 | 016/2017<br>Oct. 2016 | 2017-18<br>Oct. 2017 | 2018-19<br>Oct. 2018 | 2019-20<br>Oct. 2019 | 2020-21<br>Oct. 2020 | 2021-22<br>Oct. 2021 | 2022-23<br>Oct. 2022 |
|---|---|---|---|---|---|---|---|---|---|
| **Olivet Charter K-6** | | | | | | | | | |
| K | 73 | 68 | 64 | 60 | 67 | 68 | 62 | 61 | 61 |
| 1 | 39 | 49 | 47 | 48 | 43 | 46 | 46 | 46 | 46 |
| 2 | 23 | 39 | 50 | 47 | 46 | 45 | 46 | 45 | 45 |
| 3 | 55 | 29 | 37 | 48 | 47 | 50 | 46 | 45 | 45 |
| 4 | 32 | 53 | 30 | 38 | 44 | 48 | 42 | 44 | 43 |
| 5 | 54 | 30 | 52 | 30 | 43 | 42 | 45 | 41 | 42 |
| 6 | 47 | 51 | 19 | 46 | 29 | 37 | 33 | 36 | 36 |
| Homestudy | 9 | 4 | 6 | | Inc | Inc | Inc | Inc | Inc |
| **Total CBEDS (enrollment)** | **332** | **323** | **305** | **317** | **319** | **336** | **320** | **318** | **318** |
| **Total P2 ADA** | **301.78** | **299.90** | **286.89** | **300.41** | **303.71** | **316.67** | **316.67** | **301.00** | **301.00** |
| **Percentage of ADA to CBEDS** | **0.909** | **0.928** | **0.941** | **0.948** | **0.952** | **0.942** | **0.990** | **0.947** | **0.947** |
| **Schaefer Charter K-6** | | | | | | | | | |
| K | 65 | 65 | 69 | 50 | 45 | 45 | 43 | 44 | 44 |
| 1 | 65 | 70 | 66 | 65 | 45 | 48 | 44 | 45 | 45 |
| 2 | 69 | 63 | 73 | 67 | 57 | 45 | 47 | 47 | 47 |
| 3 | 71 | 71 | 56 | 73 | 58 | 57 | 45 | 46 | 46 |
| 4 | 62 | 60 | 71 | 58 | 53 | 62 | 60 | 44 | 44 |
| 5 | 60 | 61 | 59 | 66 | 42 | 58 | 58 | 59 | 44 |
| 6 | 52 | 58 | 55 | 51 | 45 | 33 | 53 | 58 | 58 |
| **Total CBEDS (enrollment)** | **444** | **448** | **449** | **430** | **345** | **348** | **350** | **343** | **328** |
| **Total P2 ADA** | **424.29** | **428.98** | **416.88** | **400.52** | **327.18** | **326.82** | **326.82** | **323.00** | **310.00** |
| **Percentage of ADA to CBEDS** | **0.956** | **0.958** | **0.928** | **0.931** | **0.948** | **0.939** | **0.934** | **0.942** | **0.945** |

| School Year | 014/2015 | 015/2016 | 016/2017 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|---|---|---|---|---|
| CBEDS Date | Oct. 2014 | Oct. 2015 | Oct. 2016 | Oct. 2017 | Oct. 2018 | Oct. 2019 | Oct. 2020 | Oct. 2021 | Oct. 2022 |
| **Piner-Olivet Charter (1996)** | | | | | | | | | |
| 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | 109 | 98 | 98 | 106 | 104 | 100 | 100 | 100 | 100 |
| 8 | 102 | 108 | 103 | 100 | 97 | 109 | 101 | 101 | 101 |
| Homestudy | 7 | 12 | 6 | | | | | | |
| **Total CBEDS (enrollment)** | **218** | **218** | **207** | **206** | **201** | **209** | **201** | **201** | **201** |
| **Total P2 ADA** | **209.95** | **210.52** | **203.27** | **187.68** | **193.07** | **200.40** | **200.40** | **193.00** | **193.00** |
| **Percentage of ADA to CBEDS** | **0.963** | **0.966** | **0.982** | **0.911** | **0.961** | **0.959** | **0.997** | **0.960** | **0.960** |
| **Northwest Prep at Piner-Olivet (2004)** | | | | | | | | | |
| 7 | 13 | 16 | 19 | 18 | 28 | 18 | 14 | 14 | 14 |
| 8 | 14 | 13 | 23 | 14 | 19 | 26 | 21 | 18 | 17 |
| 9 | 17 | 23 | 24 | 18 | 16 | 18 | 16 | 20 | 18 |
| 10 | 18 | 16 | 21 | 16 | 18 | 16 | 17 | 15 | 20 |
| 11 | 13 | 12 | 19 | 20 | 19 | 17 | 18 | 15 | 15 |
| 12 | 14 | 15 | 10 | 17 | 17 | 14 | 15 | 17 | 15 |
| **Total CBEDS (enrollment)** | **89** | **95** | **116** | **103** | **117** | **109** | **101** | **99** | **99** |
| **Total P2 ADA** | **69.98** | **94.12** | **105.01** | **100.06** | **107.20** | **102.79** | **102.79** | **94.00** | **94.00** |
| **Percentage of ADA to CBEDS** | **0.786** | **0.991** | **0.905** | **0.971** | **0.916** | **0.943** | **1.018** | **0.949** | **0.949** |
| **Grand Total CBEDS** | **1,419** | **1,415** | **1,422** | **1,358** | **1,261** | **1,280** | **1,234** | **1,215** | **1,190** |
| **Grand Total P2 ADA** | **1,346.50** | **1,363.18** | **1,354.12** | **1,296.18** | **1,203.72** | **1,214.17** | **1,219.56** | **1,156.00** | **1,133.00** |
| Grand Total Enrollment | 1,419 | 1,415 | 1,422 | 1,358 | 1,261 | 1,280 | 1,234 | 1,215 | 1,190 |

**LCFF Calculator Universal Assumptions**

Piner-Olivet Union Elementary (70870) - 12/4/2020

**Summary of Funding**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| **Target Components:** | | | | | | | | |
| *COLA & Augmentation* | | *3.26%* | | *0.00%* | | *0.00%* | | *0.00%* |
| *Base Grant Proration Factor* | | - | | *0.00%* | | *0.00%* | | *0.00%* |
| *Add-on, ERT & MSA Proration Factor* | | - | | *0.00%* | | *0.00%* | | *0.00%* |
| Base Grant | | 2,155,573 | | 2,116,547 | | 2,111,486 | | 1,930,595 |
| Grade Span Adjustment | | 126,198 | | 116,578 | | 118,764 | | 103,529 |
| Supplemental Grant | | 224,253 | | 202,188 | | 193,987 | | 164,927 |
| Concentration Grant | | - | | - | | - | | - |
| Add-ons | | 222,400 | | 222,400 | | 222,400 | | 222,400 |
| Total Target | | 2,728,424 | | 2,657,713 | | 2,646,637 | | 2,421,451 |
| **Transition Components:** | | | | | | | | |
| Target | $ | 2,728,424 | $ | 2,657,713 | $ | 2,646,637 | $ | 2,421,451 |
| Funded Based on Target Formula *(PY P-2)* | | TRUE | | TRUE | | TRUE | | TRUE |
| Floor | | 2,745,285 | | 2,719,018 | | 2,715,969 | | 2,596,979 |
| *Remaining Need after Gap (informational only)* | | - | | - | | - | | - |
| *Gap %* | | *100%* | | *100%* | | *100%* | | *100%* |
| Current Year Gap Funding | | - | | - | | - | | - |
| Miscellaneous Adjustments | | - | | - | | - | | - |
| Economic Recovery Target | | 57,989 | | 57,989 | | 57,989 | | 57,989 |
| Additional State Aid | | - | | - | | - | | 100,918 |
| **Total LCFF Entitlement** | **$** | **2,786,413** | **$** | **2,715,702** | **$** | **2,704,626** | **$** | **2,580,358** |

**Components of LCFF By Object Code**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| 8011 - State Aid | $ | 1,392,287 | $ | 1,347,498 | $ | 1,332,591 | $ | 1,332,591 |
| 8011 - Fair Share | | | | | | | | |
| 8311 & 8590 - Categoricals | | - | | - | | - | | - |
| EPA (for LCFF Calculation purposes) | | 153,815 | | 73,215 | | 54,456 | | 140,236 |
| *Local Revenue Sources:* | | | | | | | | |
| 8021 to 8089 - Property Taxes | | 5,463,194 | | 5,787,572 | | 5,787,572 | | 5,104,001 |
| 8096 - In-Lieu of Property Taxes | | (4,222,883) | | (4,492,583) | | (4,455,819) | | (3,996,468) |
| *Property Taxes net of in-lieu* | | *1,240,311* | | *1,294,989* | | *1,331,753* | | *1,107,533* |
| TOTAL FUNDING | $ | 2,786,413 | $ | 2,715,702 | $ | 2,718,800 | $ | 2,580,360 |
| | | | | | | | | |
| *Basic Aid Status* | | *Non-Basic Aid* | | *Non-Basic Aid* | | *Non-Basic Aid* | | *Non-Basic Aid* |
| *Less: Excess Taxes* | *$* | - | *$* | - | *$* | - | *$* | - |
| *Less: EPA in Excess to LCFF Funding* | *$* | - | *$* | - | *$* | *14,174* | *$* | *2* |
| **Total Phase-In Entitlement** | ***$*** | ***2,786,413*** | ***$*** | ***2,715,702*** | ***$*** | ***2,704,626*** | ***$*** | ***2,580,358*** |

**EPA Details**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| *% of Adjusted Revenue Limit - Annual* | | *16.08698870%* | | *36.47280930%* | | *19.00000000%* | | *19.00000000%* |
| *% of Adjusted Revenue Limit - P-2* | | *16.08698870%* | | *36.47280930%* | | *19.00000000%* | | *19.00000000%* |
| EPA (for LCFF Calculation purposes) | *$* | *153,815* | *$* | *73,215* | *$* | *54,456* | *$* | *140,236* |
| *8012 - EPA, Current Year Receipt* *(P-2 plus Current Year Accrual)* | | *153,815* | | *73,215* | | *54,456* | | *140,236* |
| *8019 - EPA, Prior Year Adjustment* *(P-A less Prior Year Accrual)* | | *(51,968)* | | - | | - | | - |
| *Accrual* (from Assumptions) | | - | | - | | - | | - |

**LCFF Calculator Universal Assumptions**

Piner-Olivet Union Elementary (70870) - 12/4/2020

**Summary of Student Population**

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| **Unduplicated Pupil Population** | | | | |
| Enrollment | 278 | 262 | 254 | 244 |
| COE Enrollment | 7 | 7 | 6 | 4 |
| *Total Enrollment* | *285* | *269* | *260* | *248* |
| Unduplicated Pupil Count | 136 | 105 | 102 | 98 |
| COE Unduplicated Pupil Count | 4 | 4 | 3 | 3 |
| *Total Unduplicated Pupil Count* | *140* | *109* | *105* | *101* |
| Rolling %, Supplemental Grant | 49.1400% | 45.2700% | 43.4900% | 40.5400% |
| Rolling %, Concentration Grant | 49.1400% | 45.2700% | 43.4900% | 40.5400% |
| **FUNDED ADA** | | | | |
| ***Adjusted Base Grant ADA*** | *Prior Year* | *Current Year* | *Prior Year* | *Prior Year* |
| Grades TK-3 | 157.55 | 145.54 | 148.27 | 129.25 |
| Grades 4-6 | 120.27 | 127.11 | 124.01 | 119.61 |
| Grades 7-8 | 0.23 | 0.23 | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Adjusted Base Grant ADA*** | ***278.05*** | ***272.88*** | ***272.28*** | ***248.86*** |
| ***Necessary Small School ADA*** | *Current year* | *Current year* | *Current year* | *Current year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Necessary Small School ADA*** | - | - | - | - |
| **Total Funded ADA** | **278.05** | **272.88** | **272.28** | **248.86** |
| **ACTUAL ADA** ***(Current Year Only)*** | | | | |
| Grades TK-3 | 147.02 | 145.54 | 131.18 | 125.21 |
| Grades 4-6 | 125.69 | 127.11 | 119.61 | 113.66 |
| Grades 7-8 | 0.23 | 0.23 | - | - |
| Grades 9-12 | - | - | - | - |
| **Total Actual ADA** | **272.94** | **272.88** | **250.79** | **238.87** |
| *Funded Difference (Funded ADA less Actual ADA)* | *5.11* | - | *21.49* | *9.99* |

**LCAP Percentage to Increase or Improve Services**

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| Current year estimated supplemental and concen | $ 224,253 | $ 202,188 | $ 193,987 | $ 164,927 |
| Current year Percentage to Increase or Improve S | 9.58% | 8.82% | 8.48% | 7.52% |

**LCFF Calculator Universal Assumptions**

Olivet Elementary Charter (6066344) - 2C 12/4/2020

**Summary of Funding**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| **Target Components:** | | | | | | | | |
| *COLA & Augmentation* | | *3.26%* | | *0.00%* | | *0.00%* | | *0.00%* |
| *Base Grant Proration Factor* | | - | | *0.00%* | | *0.00%* | | *0.00%* |
| *Add-on, ERT & MSA Proration Factor* | | - | | *0.00%* | | *0.00%* | | *0.00%* |
| Base Grant | | 2,452,882 | | 2,452,882 | | 2,331,588 | | 2,331,588 |
| Grade Span Adjustment | | 157,741 | | 157,741 | | 149,362 | | 149,362 |
| Supplemental Grant | | 259,443 | | 223,312 | | 197,682 | | 179,571 |
| Concentration Grant | | - | | - | | - | | - |
| Add-ons | | - | | - | | - | | - |
| Total Target | | 2,870,066 | | 2,833,935 | | 2,678,632 | | 2,660,521 |
| **Transition Components:** | | | | | | | | |
| Target | $ | 2,870,066 | $ | 2,833,935 | $ | 2,678,632 | $ | 2,660,521 |
| Funded Based on Target Formula *(PY P-2)* | | TRUE | | TRUE | | TRUE | | TRUE |
| Floor | | 2,789,676 | | 2,789,676 | | 2,651,632 | | 2,651,632 |
| *Remaining Need after Gap* *(informational only)* | | - | | - | | - | | - |
| *Gap %* | | *100%* | | *100%* | | *100%* | | *100%* |
| Current Year Gap Funding | | - | | - | | - | | - |
| Miscellaneous Adjustments | | - | | - | | - | | - |
| Economic Recovery Target | | - | | - | | - | | - |
| Additional State Aid | | - | | - | | - | | - |
| **Total LCFF Entitlement** | **$** | **2,870,066** | **$** | **2,833,935** | **$** | **2,678,632** | **$** | **2,660,521** |

**Components of LCFF By Object Code**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| 8011 - State Aid | $ | 1,241,074 | $ | 1,204,943 | $ | 1,130,249 | $ | 1,112,138 |
| 8011 - Fair Share | | | | | | | | |
| 8311 & 8590 - Categoricals | | - | | - | | - | | - |
| EPA (for LCFF Calculation purposes) | | 216,413 | | 126,197 | | 76,153 | | 208,810 |
| *Local Revenue Sources:* | | | | | | | | |
| 8021 to 8089 - Property Taxes | | - | | - | | - | | - |
| 8096 - In-Lieu of Property Taxes | | 1,412,579 | | 1,502,795 | | 1,472,230 | | 1,339,573 |
| *Property Taxes net of in-lieu* | | - | | - | | - | | - |
| TOTAL FUNDING | $ | 2,870,066 | $ | 2,833,935 | $ | 2,678,632 | $ | 2,660,521 |
| *Basic Aid Status* | | - | | - | | - | | - |
| *Less: Excess Taxes* | $ | - | $ | - | $ | - | $ | - |
| *Less: EPA in Excess to LCFF Funding* | $ | - | $ | - | $ | - | $ | - |
| **Total Phase-In Entitlement** | ***$*** | ***2,870,066*** | ***$*** | ***2,833,935*** | ***$*** | ***2,678,632*** | ***$*** | ***2,660,521*** |

**EPA Details**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| *% of Adjusted Revenue Limit - Annual* | | *16.08698870%* | | *36.47280930%* | | *19.00000000%* | | *19.00000000%* |
| *% of Adjusted Revenue Limit - P-2* | | *16.08698870%* | | *36.47280930%* | | *19.00000000%* | | *19.00000000%* |
| EPA (for LCFF Calculation purposes) | *$* | *216,413* | *$* | *126,197* | *$* | *76,153* | *$* | *208,810* |
| *8012 - EPA, Current Year Receipt* *(P-2 plus Current Year Accrual)* | | *216,413* | | *126,197* | | *76,153* | | *208,810* |
| *8019 - EPA, Prior Year Adjustment* *(P-A less Prior Year Accrual)* | | *(49,981)* | | - | | - | | - |
| *Accrual* (from Assumptions) | | - | | - | | - | | - |

**LCFF Calculator Universal Assumptions**

Olivet Elementary Charter (6066344) - 2C | 12/4/2020

**Summary of Student Population**

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| **Unduplicated Pupil Population** | | | | |
| Enrollment | 336 | 320 | 318 | 318 |
| COE Enrollment | - | - | - | - |
| *Total Enrollment* | *336* | *320* | *318* | *318* |
| Unduplicated Pupil Count | 157 | 116 | 115 | 115 |
| COE Unduplicated Pupil Count | - | - | - | - |
| *Total Unduplicated Pupil Count* | *157* | *116* | *115* | *115* |
| Rolling %, Supplemental Grant | 49.6900% | 42.7700% | 39.8400% | 36.1900% |
| Rolling %, Concentration Grant | 49.1400% | 42.7700% | 39.8400% | 36.1900% |
| **FUNDED ADA** | | | | |
| ***Adjusted Base Grant ADA*** | *Current Year* | *Current Year* | *Current Year* | *Current Year* |
| Grades TK-3 | 196.93 | 196.93 | 186.47 | 186.47 |
| Grades 4-6 | 119.74 | 119.74 | 114.53 | 114.53 |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Adjusted Base Grant ADA*** | ***316.67*** | ***316.67*** | ***301.00*** | ***301.00*** |
| ***Necessary Small School ADA*** | *Current year* | *Current year* | *Current year* | *Current year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Necessary Small School ADA*** | - | - | - | - |
| **Total Funded ADA** | **316.67** | **316.67** | **301.00** | **301.00** |
| **ACTUAL ADA** ***(Current Year Only)*** | | | | |
| Grades TK-3 | 196.93 | 196.93 | 186.47 | 186.47 |
| Grades 4-6 | 119.74 | 119.74 | 114.53 | 114.53 |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| **Total Actual ADA** | **316.67** | **316.67** | **301.00** | **301.00** |
| *Funded Difference (Funded ADA less Actual ADA)* | - | - | - | - |

**LCAP Percentage to Increase or Improve Services**

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| Current year estimated supplemental and concen | $ 259,443 | $ 223,312 | $ 197,682 | $ 179,571 |
| Current year Percentage to Increase or Improve S | 9.94% | 8.55% | 7.97% | 7.24% |

**LCFF Calculator Universal Assumptions**

Morrice Schaefer Charter (6109144) - 20: 12/4/2020

**Summary of Funding**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| **Target Components:** | | | | | | | | |
| *COLA & Augmentation* | | 3.26% | | 0.00% | | 0.00% | | 0.00% |
| *Base Grant Proration Factor* | | - | | 0.00% | | 0.00% | | 0.00% |
| *Add-on, ERT & MSA Proration Factor* | | - | | 0.00% | | 0.00% | | 0.00% |
| Base Grant | | 2,533,700 | | 2,533,700 | | 2,505,333 | | 2,403,627 |
| Grade Span Adjustment | | 147,624 | | 147,624 | | 137,283 | | 137,780 |
| Supplemental Grant | | 314,197 | | 279,180 | | 267,538 | | 252,921 |
| Concentration Grant | | - | | - | | - | | - |
| Add-ons | | - | | - | | - | | - |
| Total Target | | 2,995,521 | | 2,960,504 | | 2,910,154 | | 2,794,328 |
| **Transition Components:** | | | | | | | | |
| Target | $ | 2,995,521 | $ | 2,960,504 | $ | 2,910,154 | $ | 2,794,328 |
| Funded Based on Target Formula *(PY P-2)* | | TRUE | | TRUE | | TRUE | | TRUE |
| Floor | | 2,910,669 | | 2,910,669 | | 2,876,647 | | 2,760,869 |
| *Remaining Need after Gap (informational only)* | | - | | - | | - | | - |
| *Gap %* | | 100% | | 100% | | 100% | | 100% |
| Current Year Gap Funding | | - | | - | | - | | - |
| Miscellaneous Adjustments | | - | | - | | - | | - |
| Economic Recovery Target | | - | | - | | - | | - |
| Additional State Aid | | - | | - | | - | | - |
| **Total LCFF Entitlement** | **$** | **2,995,521** | **$** | **2,960,504** | **$** | **2,910,154** | **$** | **2,794,328** |

**Components of LCFF By Object Code**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| 8011 - State Aid | $ | 1,315,787 | $ | 1,280,770 | $ | 1,250,054 | $ | 1,201,043 |
| 8011 - Fair Share | | | | | | | | |
| 8311 & 8590 - Categoricals | | - | | - | | - | | - |
| EPA (for LCFF Calculation purposes) | | 221,878 | | 128,770 | | 80,265 | | 213,658 |
| *Local Revenue Sources:* | | | | | | | | |
| 8021 to 8089 - Property Taxes | | - | | - | | - | | - |
| 8096 - In-Lieu of Property Taxes | | 1,457,856 | | 1,550,964 | | 1,579,835 | | 1,379,627 |
| *Property Taxes net of in-lieu* | | - | | - | | - | | - |
| TOTAL FUNDING | $ | 2,995,521 | $ | 2,960,504 | $ | 2,910,154 | $ | 2,794,328 |
| *Basic Aid Status* | | - | | - | | - | | - |
| *Less: Excess Taxes* | $ | - | $ | - | $ | - | $ | - |
| *Less: EPA in Excess to LCFF Funding* | $ | - | $ | - | $ | - | $ | - |
| **Total Phase-In Entitlement** | ***$*** | ***2,995,521*** | ***$*** | ***2,960,504*** | ***$*** | ***2,910,154*** | ***$*** | ***2,794,328*** |

**EPA Details**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| *% of Adjusted Revenue Limit - Annual* | | 16.08698870% | | 36.47280930% | | 19.00000000% | | 19.00000000% |
| *% of Adjusted Revenue Limit - P-2* | | 16.08698870% | | 36.47280930% | | 19.00000000% | | 19.00000000% |
| EPA (for LCFF Calculation purposes) | $ | 221,878 | $ | 128,770 | $ | 80,265 | $ | 213,658 |
| *8012 - EPA, Current Year Receipt* *(P-2 plus Current Year Accrual)* | | 221,878 | | 128,770 | | 80,265 | | 213,658 |
| *8019 - EPA, Prior Year Adjustment* *(P-A less Prior Year Accrual)* | | (53,844) | | - | | - | | - |
| *Accrual* (from Assumptions) | | - | | - | | - | | - |

**LCFF Calculator Universal Assumptions**

Morrice Schaefer Charter (6109144) - 20: 12/4/2020

**Summary of Student Population**

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| **Unduplicated Pupil Population** | | | | |
| Enrollment | 348 | 350 | 343 | 328 |
| COE Enrollment | - | - | - | - |
| *Total Enrollment* | *348* | *350* | *343* | *328* |
| Unduplicated Pupil Count | 182 | 174 | 171 | 163 |
| COE Unduplicated Pupil Count | - | - | - | - |
| *Total Unduplicated Pupil Count* | *182* | *174* | *171* | *163* |
| Rolling %, Supplemental Grant | 58.5900% | 52.0600% | 50.6200% | 49.7600% |
| Rolling %, Concentration Grant | 49.1400% | 45.2700% | 43.4900% | 40.5400% |
| **FUNDED ADA** | | | | |
| ***Adjusted Base Grant ADA*** | *Current Year* | *Current Year* | *Current Year* | *Current Year* |
| Grades TK-3 | 184.30 | 184.30 | 171.39 | 172.01 |
| Grades 4-6 | 142.52 | 142.52 | 151.61 | 137.99 |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Adjusted Base Grant ADA*** | ***326.82*** | ***326.82*** | ***323.00*** | ***310.00*** |
| ***Necessary Small School ADA*** | *Current year* | *Current year* | *Current year* | *Current year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Necessary Small School ADA*** | - | - | - | - |
| **Total Funded ADA** | **326.82** | **326.82** | **323.00** | **310.00** |
| **ACTUAL ADA** ***(Current Year Only)*** | | | | |
| Grades TK-3 | 184.30 | 184.30 | 171.39 | 172.01 |
| Grades 4-6 | 142.52 | 142.52 | 151.61 | 137.99 |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| **Total Actual ADA** | **326.82** | **326.82** | **323.00** | **310.00** |
| *Funded Difference (Funded ADA less Actual ADA)* | - | - | - | - |

| **LCAP Percentage to Increase or Improve Services** | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| Current year estimated supplemental and concen | $ 314,197 | $ 279,180 | $ 267,538 | $ 252,921 |
| Current year Percentage to Increase or Improve S | 11.72% | 10.41% | 10.12% | 9.95% |

**PINER-OLIVET UNION SCHOOL DISTRICT**
**K-6 Program**
**BUDGET ASSUMPTIONS**

## 2020-2021 1st Interim

Based on the 2020-21 State Adopted Budget and BASC LCFF Calculator
District 43 General Funds (01, 04, 05)

| | **Prior Year** | **Budget Year** | **Subsequent Year #1** | **Subsequent Year #2** |
|---|---|---|---|---|
| ***Revenue*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| LCFF Target COLA | 3.26% | 0.00% | 0.00% | 0.00% |
| Basic Aid Supplement | $2,500,000 | $2,400,000 | $2,400,000 | $2,400,000 |
| *ADA (funded from P2)* | *Estimated Funded: 91.57 Estimated Actual: 916.5* | *Estimated Funded: 916.37 Estimated Actual: 916.37* | *Estimated Funded: 896.28 Estimated Actual: 874.79* | *Estimated Funded: 859.86 Estimated Actual: 849.87* |
| Class Size Reduction | K-3 @ 24 | K-3 @ 24 | K-3 @ 24 | K-3 @ 24 |
| *Supplemental Grant %* | | | | |
| Jack London/District - also used for Concentration Grant % for Charter Schools | 49.14% | 45.27% | 43.49% | 40.54% |
| Olivet | 49.69% | 42.77% | 39.84% | 36.19% |
| Schaefer | 58.59% | 52.06% | 50.62% | 49.76% |
| *Other Revenue Changes* | | | | |
| Federal | reduction of revenue after 2019-20 for CSI ($174,545), FY 20-21 has increased revenues and corresponding expendutires increases due to CARES Act (~$645,000). | | | |
| State | reduction of revenue after 2019-20 for special education preschool grant ($225,249), 25% reduction of lottery funding, FY 20-21 has increased revenue and corresponding expenditures increased due to CARES Actu (~$74,000) | | | |
| Local | No Significant Changes | No Significant Changes | No Significant Changes | No Significant Changes |
| ***Expenditures*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| ***Certificated Salaries*** | | | | |
| Staffing: FTE *(includes Admin)* | 53.5 | 52.5 | 52.1 | 52.1 |
| Step & Column | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected |
| Contract Days - POEA | 185 | 185 | 185 | 185 |
| ***Classified Salaries*** | | | | |
| Staffing: FTE *(includes Management & Confidential)* | 44.0 | 36.6 | 36.6 | 36.6 |
| Step & Column | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected |

**PINER-OLIVET UNION SCHOOL DISTRICT**
**K-6 Program**
**BUDGET ASSUMPTIONS**

| ***Expenditures continued*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
|---|---|---|---|---|
| ***Benefits*** | | | | |
| STRS-*Standard Rates* | 17.10% | 16.15% | 16.00% | 18.10% |
| Other Cert | 3.58% | 3.58% | 3.58% | 3.58% |
| PERS-*Standard Rates* | 19.72% | 20.70% | 23.00% | 26.30% |
| Other Classified | 9.78% | 9.78% | 9.78% | 9.78% |
| ***Health/Welfare Benefits*** | | | | |
| Medical | Caps are $800 single, $950 double, $1,100 family beginning 10/1/19 | Caps are $850 single, $1,000 double, $1,200 family beginning 10/1/20 | Caps are $850 single, $1,000 double, $1,200 family | Caps are $850 single, $1,000 double, $1,200 family |
| Dental/Vision/Life | No cap - 5.0% increase reflected | No cap - Actual expected costs are reflected | No cap - 5.0% increase reflected | No cap - 5.0% increase reflected |
| Retiree Health Benefits | $ 54,585 | $ 49,757 | $ 36,491 | $ 19,089 |
| Retirement Incentive | $ 30,000 | $ - | $ - | $ - |
| ***Other Expenditures*** | reduction of 3 library tech positions, 3 PE positions, 3 PA positions in all budget years; reduction of certificated 1.4 FTE in FY 21-22 and 22-23 | | | |
| Books & Supplies | $250,000 curriculum purchased | overall reduction in supplies | No special purchases budgeted, overall reduction in supplies | No special purchases budgeted, overall reduction in supplies |
| Services & Other Operating Expenses | Increases in special eduction expenses; Increases in STRS/PERS | Increases in PERS | Increases in PERS | Increases in STRS/PERS |
| Capital Outlay | None | None | None | None |
| Special Ed Encroachment | $2,072,834 | $1,871,219 | $1,870,082 | $1,906,094 |
| Transfers In | To/From Charters, Cafe $675,000 | To/From Charters, Cafe $675,000 | To/From Charters, Cafe $675,000 | To/From Charters, Cafe $675,000 |
| Transfer Out | To/From Charters, Cafe $727,764 | To/From Charters, Cafe $785,167 | To/From Charters, Cafe $739,667 | To/From Charters, Cafe $739,667 |

# BUDGET SUMMARY

# PINER-OLIVET UNION SCHOOL DISTRICT

To: The Governing Board

From: Felicia Koha, Chief Business Official

Subject: The First Interim Financial Report for 2020-21

The District's budget is a financial plan reflecting the District's Local Control Accountability Plan (LCAP) and Board designated essential services. The budget is not meant to be static. It is a fluid document that is updated several times each year to reflect changes in legislation, personnel, electricity costs, etc. as updated information is received on actual costs and revenues. It is important to remember that a budget is a best estimate at any given time as it was developed with the facts known at that specific point in time. This budget was developed using a technical process that included revenue forecasts, expenditure projections and identification of known carryovers. Reasonable average daily attendance (ADA), and cost of living adjustment (COLA) were used when planning and developing the budget. This process was applied to all district funds.

At original budget adoption for fiscal year 2020-21, the State of California was entering an economic downturn due to the COVID-19 pandemic. The District adopted budget was based on a 7.92% negative COLA for 2020-21 and 0% COLA for the 2021-22 and 2022-23 fiscal years. This resulted in a reduction of state aid revenues of approximately $460,000 for the 2020-21 fiscal year and flat funding for the two subsequent years.

At First Interim, we have new information from the Governor's State Adopted budget. We now have a 0% COLA for the 2020-21 budget year and the subsequent two years; this mitigates the $460,000 revenue reduction from the adopted budget. Additionally, we will be funded on prior year ADA, commonly known as a hold harmless ADA. This hold harmless ADA funding will provide higher revenues for the 2020-21 fiscal year as the district would have received lower revenues due to experiencing some enrollment loss due to the COVID-19 pandemic. The 2021-22 and 2022-23 fiscal years reflect the full effect of enrollment loss on state aid revenues as the hold harmless ADA is not applied during these years.

State Aid apportionment deferrals were incorporated into the original adopted budget and still stand at First Interim. We expect to see a deferral of 53% in February, 82% in March through May, and 100% in June. These deferrals equate to $2,141,338 and are planned to be returned to the District in July through November of the 2021-22 fiscal year. It is important to note that the State may apply additional State Aid apportionment revenue deferrals for the 2021-22 fiscal year depending on economic, federal, and State budget situations and will be applied to the District budget as new information is received.

ADA used to project current and future revenues are conservative in nature as enrollment is trending to smaller counts of Kindergarteners year over year causing each grade cohort to decrease as 6 grade cohorts complete their education in our district as well as the current impact of the COVID-19 pandemic. Increasing costs around salaries, benefits, and pension costs combined with decreasing enrollment and revenues are causing deficit spending in the future projected years which will reduce the General Fund balance. Due to these factors, the district will need to continue looking at ways to reduce spending to be in alignment with the revenues we expect to receive and to maintain sufficient reserves in the General Fund.

## **General Fund** (District 43) (Funds 01, 04 and 05)

***Overall Condition of the District***

The multi-year projection shows an excess of revenue in 2020-2021 and a deficit of revenue in the 2021-22 and 2022-23 fiscal years of $87,884, $(376,318), and $(1,022,837), respectively. The District currently has sufficient reserves to maintain a positive financial status in the 2020-21 and two subsequent fiscal years. The required reserve for economic uncertainty of 4% is met for the 2020-21 and subsequent two fiscal years as well as the Board approved reserve of 11% for cash flow purposes. The ending fund balance in the 2020-2021, 2021-22, and 2022-23 fiscal years is $4,964,994, $4,588,676, and $3,565,839, respectively.

Piner-Olivet receives Basic Aid Supplemental Funding based on the number of students attending District charter schools who would not otherwise be served by the District and based on the amount of property taxes the District must share with the charter schools. This calculation includes students who live outside of the District boundaries and students attending grades 7 – 12. The amount budgeted for 2020-21 and subsequent years is $2,400,000.

Although the District has received this funding for many years, it is still considered one-time revenue as there is no guarantee that the revenue will remain. This revenue is also subject to change as the revenue calculation depends on many variables such as other districts falling into and out of Basic Aid status, changes in ADA projections, and any ADA corrections in subsequent years.

***Enrollment/ADA Trends***
The District receives the majority of its funding based on average daily attendance which is typically 95% of enrollment. The projected enrollment for 2020-2021 is 932 and is budgeted to decline over the subsequent years to 915 and 830. The decline is due to a reduced enrollment from past years, smaller cohorts, and the COVID-19 pandemic impact. Part of the Local Control Funding Formula (LCFF) is based on classes in grades K-3 being at 24 or less; all of Piner-Olivet's K-3 classes have 24 or less students.

***Status of Negotiations***
While negotiations for 2020-21 have not begun yet, negotiations for salaries and benefits were settled during the 2019-20 fiscal year and run through the 2021-22 fiscal year. These settlements have been incorporated into all budget years.

***Retirement Packages***
The retirement packages offered to retirees are specified in the contracts with the bargaining units. Retirees have the dollar amount of the employee-only cost at the time of retirement contributed by the District towards a health premium until the retiree attains the age of 65. At that time, there is no longer any District contribution. The District is projected to have nine (9) retirees on this plan at a cost of $49,757. The District budgets and expends a similar amount each year. The District also offered a retirement incentive program during 2016-2017; this retiree incentive program was fully paid during the 2019-2020 year.

***General Fund Contributions***
Some restricted programs have higher expenditures than revenues. When this occurs, a contribution from the General Fund is needed. There are two programs that require a contribution at this time, Special Education and Cafeteria. The General Fund contribution for special education is estimated to be $1,871,219. The cafeteria program is anticipated to require a contribution this year of $110,167.

***Multiyear Commitments***
The District passed a General Obligation Bond measure in 1995 for $10 million. Approximately half of those bonds were sold in 1995 and the remainder in 1998. The bonds were then refunded in 2003 when interest rates were lower. The bonds are being repaid from property taxes levied for that purpose. The bonds will be fully repaid in 2022. The District passed a second General Obligation Bond measure in 2010 for $20 million. Approximately $8.6 million of those bonds were sold in 2011, leaving approximately $12 million in bonding authority. The bonds will be repaid from property taxes levied for that purpose.

***Other Revenues***
Federal revenue has increased by $575,831 when comparing 2019-20 to 2020-21 due primarily to CARES Act funding due to the COVID-19 pandemic. Other State revenue has decreased by $291,854 in 2020-2021 due to one-time funding that has been spent as well as prior year carryover spent in the 2019-20 year. The School Services of California, Inc. (SSC) Dartboard was used to project lottery revenues for the budget and subsequent years. Local Revenue has decreased by $279,365 due primarily to additional 2019-20 revenue at year end.

***Expenditures***
Salaries and benefits make up the majority of any educational agency's budget. Changes in number of employees, statutory benefit rates and changes in costs for health benefits packages are detailed on the Budget Assumption page. Overall, the expenditures budgeted for 2020-21 are approximately $350,000 more than 2019-20. This is attributed to an increase in salaries for the 2020-21 fiscal year and a reduction of staff time used during 2019-20 resulting from the shut-down late in the school year.

***Fund Balance*** – At this point the budgeted year-end balance $4,964,994. Some portions of this balance are reserved or designated for specific purposes. A breakdown of the projected ending balance is as follows:

| | | |
|---|---|---|
| Revolving Cash | $ | 3,000 |
| Lottery and Restricted Sources | $ | 47,939 |
| Designated for Technology & Special Education | $ | 2,184,408 |
| Designated for Curriculum | $ | 250,000 |
| Designated for Facilities | $ | 350,000 |

| | | |
|---|---|---|
| Designated for Economic Uncertainties (4.00%) | $ | 590,937 |
| Designated for Cash Flow (11.00%) | $ | 1,538,709 |
| Unassigned, Unrestricted | $ | 0 |

***Cash Position***

A cash flow analysis projected through this fiscal year-end has been completed and is attached. We anticipate that the District will have a positive cash position at that time. Current cash flow projections show a positive cash balance for each month of the 2020-21 fiscal year. As a precaution, the District has established a line of credit with the County Treasury to operate in a negative cash balance should that occur. The District is also exploring a tax revenue anticipation note to assist with revenue deferrals during April, May, and June as a precaution.

## Piner-Olivet Charter School Fund (District 44) (Fund 03)

The District sponsors the Piner-Olivet Charter School. The Piner-Olivet Charter School's first year of operation was 1996-97. The school serves students in grades 6 - 8. The Budget for the Piner-Olivet Charter School is included as part of this packet. The budget is based on the State Approved Budget. The budget reflects that the Charter School will have a positive cash flow for 2020-21 and sufficient reserves will be maintained in the 2020-21 and 2021-22 fiscal years. The ending fund balance for 2020-21 and 2021-22 is projected to be $453,330 and $314,268, respectively. During the 2022-23 year, the ending fund balance is projected to be $124,994 as a result of deficit spending during the 2021-22 and 2022-23 budget years. Piner-Olivet Charter School is actively looking for ways to reduce deficit spending and will continue to monitor the budget as new information is received from the State. Piner-Olivet Charter School is subject to the same State Revenue apportionment deferrals that the District is subject to.

## Northwest Prep at Piner-Olivet Fund (District 43) (Fund 09)

The District sponsors the Northwest Prep Charter School. Northwest Prep's first year of operation was 2004-05. The school serves students in grades 7 – 12. It is the only school in the District with a high school population. The Budget for Northwest Prep is included in this packet and is based on the State Approved Budget. The budget reflects projected ending fund balances of $320,576, $149,196, and $(62,857) for the 2020-21, 2021-22, and 2022-23 fiscal years, respectively. The negative ending fund balance in the 2022-23 fiscal year is a result of deficit spending during all budget years. Cash flow is projected to be positive during the 2020-21 year. Northwest Prep Charter School is actively looking for ways to reduce deficit spending and increase enrollment and will continue to monitor the budget as new information is received from the State.

## Cafeteria Fund (Fund 13)

The Cafeteria Fund is utilized for depositing and expending funds related to the Food Service Program. Total revenue budgeted for 2020-21 is $88,000, total expenditures budgeted at $198,167, with a projected contribution from the General Fund of $110,167 to balance the fund. The COVID-19 pandemic has impacted this program as there has been a decrease in meals sold during distance learning. The program is projected to require a contribution subsequent budget years.

## Deferred Maintenance Fund (Fund 14)

The Deferred Maintenance Fund is utilized for maintenance or upgrades in facilities that are twenty years old or older. Until 2008-09, the District would transfer ½ of 1% of the General Fund expenditures to the Deferred Maintenance Fund each year with the State matching that amount most years. The 2009 State Budget Act affected this program by allowing this revenue to be used for any educational purpose for 2008-09 through 2012-13 (extended to 2014-15) as well as allowing districts to not make a contribution. For those years through 2012-13, the District did not make a transfer to the Deferred Maintenance Fund and any revenue received from the State for the Deferred Maintenance Program was used to balance the District's General Fund or was added to the District's Cash Flow Reserve. For 2013-14, the Board took action to transfer $100,000 from the District's General Fund to the Deferred Maintenance Fund. During the 2019-20 year the Board took action to not make the transfer to the Deferred Maintenance fund for the 2020-21 through 2022-23 budget years in order to alleviate the stress on the General Fund balance and address deficit spending. For 2020-2021, the projected fund balance is $268,324.

## Special Reserve Fund (Fund 17)

The Special Reserve Fund was initiated in 2009-10. $300,000 was transferred into this fund from the Deferred Maintenance Fund. Along with transferring these funds, the Board took action to designate these funds to be spent only on deferred maintenance items and only if necessary. The advantages of moving the funds from the Deferred Maintenance Fund to the Special Reserve Funds were that this could only be done in 2009-10 and would not be possible in future years and that the funds could be used in the calculation of the District's Reserve for Economic Uncertainty. Most of the funds have been used for deferred maintenance projects. The fund was almost totally depleted in 2013-14 and will be fully utilized during the 2020-21 fiscal year. For 2020-21, the projected fund balance is $9,821.

## Special Reserve Fund (OPEB) (Fund 20)

Fund 20, Special Reserve Fund for Other Post-Employment Benefits (OPEB), was created in 2014-15. $600,000 was transferred into the fund from the General Fund's unassigned reserve to begin to fund the District's $1.1 million unfunded OPEB liability. The fund balance in 2020-21 is projected at $647,760.

## Bond Fund (Fund 21)

The Bond Fund was re-established in 2010-11. $8,033,000 was initially deposited into this fund from the sale of general obligation bonds. Bond funds may only be spent on items included in the Measure L language that was included on the November, 2010 ballot. Total revenue budgeted for 2020-21 is $0, total expenditures $0 with a projected fund balance of $933. It is projected that there will be no expenses made from this fund during 2020-21.

## Capital Facilities Account Fund (Fund 25)

The Capital Facilities Account Fund is utilized for depositing and expending developer fees. Total revenue budgeted for 2020-21 is $5,000, total expenditures budgeted are $17,697 with a projected fund balance of $765,559. Developer fees are not budgeted until they are received. It is anticipated that there will be developer fees collected and spent during 2020-21 and that the budget would be updated periodically throughout the year to reflect those revenues and expenditures.

PINER-OLIVET UNION SCHOOL DISTRICT

**DISTRICT INCLUDING OLIVET AND SCHAEFER CHARTER SCHOOLS**

MULTI-YEAR PROJECTION FOR BUDGET YEAR 2020-2021 - 1st Interim

BASED ON GOVERNOR'S ADOPTED STATE BUDGET FOR 2020-2021 UPDATED FOR 0% COLA

BASIC AID SUPP FUNDING @ $2,400,000 IN 2020-2021, 2021-2022 AND 2022-2023

| | | Actuals 2019-2020 All K-6 Schls | Budget 2020-2021 Unrestricted | Budget 2020-2021 Restricted | Budget 2020-2021 Total | Difference Between Totals | Budget 2021-2022 Unrestricted | Budget 2021-2022 Restricted | Budget 2021-2022 Total | Difference Between Totals | Budget 2022-2023 Unrestricted | Budget 2022-2023 Restricted | Budget 2022-2023 Total | Difference Between Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **A. REVENUE** | | | | | | | | | | | | | | |
| State Aid Revenue - LCFF | 8000-8089 | 11,322,894 | 10,910,142 | 0 | 10,910,142 | -412,752 | 10,693,412 | 0 | 10,693,412 | -216,730 | 10,435,207 | 0 | 10,435,207 | -258,205 |
| Other State Aid Revenue/Tsf to Charters | 8090-8099 | 77,652 | 0 | 155,304 | 155,304 | 77,652 | | 155,304 | 155,304 | 0 | 0 | 155,304 | 155,304 | 0 |
| Federal Revenue | 8100-8299 | 703,940 | 0 | 1,279,771 | 1,279,771 | 575,831 | 0 | 546,455 | 546,455 | -733,316 | 0 | 546,455 | 546,455 | 0 |
| Other State Revenue | 8300-8599 | 1,065,930 | 157,086 | 616,990 | 774,076 | -291,854 | 153,725 | 542,688 | 696,412 | -77,664 | 147,289 | 540,903 | 688,192 | -8,220 |
| Local Revenue | 8600-8799 | 1,346,390 | 639,742 | 427,282 | 1,067,025 | -279,365 | 639,742 | 426,001 | 1,065,743 | -1,282 | 639,742 | 426,001 | 1,065,743 | 0 |
| Transfers In | 8800-8979 | 578,030 | 675,000 | 0 | 675,000 | 96,970 | 675,000 | 0 | 675,000 | 0 | 675,000 | 0 | 675,000 | 0 |
| **Total Revenue** | | **15,094,836** | **12,381,970** | **2,479,347** | **14,861,318** | **-233,519** | **12,161,878** | **1,670,447** | **13,832,326** | **-1,028,991** | **11,897,238** | **1,668,663** | **13,565,900** | **-266,425** |
| **B. EXPENDITURES** | | | | | | | | | | | | | | |
| Salaries - Certificated | 1000-1999 | 4,875,548 | 4,710,938 | 628,605 | 5,339,542 | 463,995 | 4,795,213 | 516,978 | 5,312,191 | -27,352 | 4,883,134 | 529,282 | 5,412,417 | 100,226 |
| Salaries - Classified | 2000-2999 | 1,912,765 | 1,315,212 | 631,060 | 1,946,272 | 33,506 | 1,415,573 | 491,483 | 1,907,056 | -39,216 | 1,429,264 | 496,953 | 1,926,218 | 19,162 |
| Benefits | 3000-3999 | 3,063,597 | 2,112,158 | 839,781 | 2,951,940 | -111,658 | 2,152,616 | 866,835 | 3,019,451 | 67,512 | 2,347,227 | 899,626 | 3,246,854 | 227,403 |
| Supplies | 4000-4999 | 984,646 | 231,281 | 475,181 | 706,462 | -278,184 | 205,618 | 116,805 | 322,423 | -384,040 | 250,084 | 105,789 | 355,873 | 33,451 |
| Contracted Services | 5000-5999 | 3,126,902 | 968,505 | 2,075,545 | 3,044,051 | -82,852 | 1,091,146 | 1,816,710 | 2,907,856 | -136,194 | 1,091,146 | 1,816,564 | 2,907,710 | -146 |
| Sites, Buildings, Equipment | 6000-6999 | 39,900 | 0 | 0 | 0 | -39,900 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Outgo | 7000-7599 | 0 | -192,674 | 192,674 | 0 | 0 | -193,150 | 193,150 | 0 | 0 | -195,607 | 195,607 | 0 | 0 |
| Transfers Out | 7600-7699 | 684,861 | 675,000 | 110,167 | 785,167 | 100,306 | 675,000 | 64,667 | 739,667 | -45,500 | 675,000 | 64,667 | 739,667 | 0 |
| **Total Expenditures** | | **14,688,219** | **9,820,420** | **4,953,013** | **14,773,434** | **85,214** | **10,142,016** | **4,066,627** | **14,208,643** | **-564,790** | **10,480,249** | **4,108,489** | **14,588,738** | **380,094** |
| **C. Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources and Uses** | | **406,617** | **2,561,550** | **-2,473,666** | **87,884** | | **2,019,862** | **-2,396,180** | **-376,318** | | **1,416,988** | **-2,439,826** | **-1,022,837** | |
| **D. Other Financing Sources and Uses** | | | | | | | | | | | | | | |
| Transfers between Restricted/Unrestricted | 8980-8999 | | -2,403,521 | 2,403,521 | 0 | | -2,396,177 | 2,396,177 | 0 | | -2,439,377 | 2,439,377 | 0 | |
| **D. FUND BALANCE, RESERVES** | | | | | | | | | | | | | | |
| **D1. Beginning Balance** | | **4,470,493** | **4,759,026** | **118,084** | **4,877,110** | **406,617** | **4,917,055** | **47,939** | **4,964,994** | **87,884** | **4,540,740** | **47,937** | **4,588,676** | **-376,318** |
| **D2. Ending Balance** | | **4,877,110** | **4,917,055** | **47,939** | **4,964,994** | **87,884** | **4,540,740** | **47,937** | **4,588,676** | **-376,318** | **3,518,351** | **47,488** | **3,565,839** | **-1,022,837** |
| *Components of Ending Balance* | | | | | | | | | | | | | | |
| Revolving Cash | | 3,000 | 3,000 | | 3,000 | 0 | 3,000 | | 3,000 | 0 | 3,000 | | 3,000 | 0 |
| Reserve for Economic Uncertainties (4%) | | 607,518 | 590,937 | | 590,937 | -16,581 | 568,346 | | 568,346 | -22,592 | 583,550 | | 583,550 | 15,204 |
| Reserves for Cash Flow (11% of 1000-5999) | | 1,531,355 | 1,538,709 | | 1,538,709 | 7,354 | 1,481,587 | | 1,481,587 | -57,122 | 1,523,398 | | 1,523,398 | 41,810 |
| Reserves for Restricted, Lottery, IMF | | 337,102 | 0 | 47,939 | 47,939 | -289,163 | 0 | 47,937 | 47,937 | -3 | 0 | 47,488 | 47,488 | -449 |
| Reserves for Special Education, Technology Curriculum, Facilities | | 2,398,135 | 2,784,408 | | 2,784,408 | 386,273 | 2,487,807 | | 2,487,807 | -296,601 | 1,408,404 | | 1,408,404 | -1,079,403 |
| Unassigned/Unrestricted Reserve | | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 | 0 |

## 2020-2021 CASH FLOW PROJECTION - Piner-Olivet Union School District
(District/Jack London, Olivet Charter, and Schaefer Charter - Funds 01, 04, 05)

| | OBJECT CODE | JULY ACTUAL | AUG ACTUAL | SEPT ACTUAL | OCT ACTUAL | NOV ACTUAL | DEC ESTIMATED | JAN ESTIMATED | FEB ESTIMATED | MAR ESTIMATED | APR ESTIMATED | MAY ESTIMATE | JUNE ESTIMATE | ACCURALS ESTIMATE | TOTALS | BUDGETED AMOUNT |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **A. BEGINNING CASH** | | 4,530,677 | 4,760,861 | 4,027,942 | 4,070,175 | 3,587,241 | 2,991,216 | 5,316,116 | 2,767,901 | 1,918,334 | 891,754 | 2,616,861 | 1,583,213 | | | |
| **B. RECEIPTS** | | | | | | | | | | | | | | | | |
| REVENUE LIMIT | | | | | | | | | | | | | | | | |
| STATE AID | 8010-8019 | 965,862 | -479,664 | 580,266 | 728,293 | 580,266 | 728,293 | 580,266 | 283,133 | 81,820 | 128,737 | 128,737 | 114,046 | 2,141,338 | 6,561,393 | 6,561,393 |
| PROPERTY TAXES | 8020-8079 | | 13,126 | -154 | 20,152 | 390 | 2,850,000 | 350,000 | 32,000 | 50,000 | 2,330,070 | | 173,989 | | 5,819,572 | 5,787,572 |
| IN LIEU TAXES | 8096 | -5,243 | -25,401 | -162,294 | -103,186 | -108,195 | -108,195 | -108,000 | -108,000 | -280,000 | -108,000 | -108,000 | -59,005 | | -1,283,519 | -1,283,519 |
| SPECIAL ED PROPERTY TAXES | | | | | | | | | | 58,300 | | | | 97,004 | 155,304 | 155,304 |
| FEDERAL REVENUES | 8100-8299 | | -213,942 | 417,028 | 22,667 | 28,843 | 15,502 | 345,000 | | | 345,000 | | 135,000 | 184,673 | 1,279,771 | 1,279,771 |
| OTHER STATE APPORTIONMENTS | 8300-8599 | 442 | -64,767 | 73,318 | 41,215 | 19,457 | | 85,000 | | | 85,000 | | 35,641 | 498,770 | 774,076 | 774,076 |
| OTHER LOCAL REVENUES | 8600-8999 | 57,932 | -198,509 | -328,456 | 38,681 | 45,109 | 38,300 | 50,300 | 38,300 | 158,300 | 49,300 | 50,615 | 832,152 | 910,000 | 1,742,025 | 1,742,025 |
| TOTAL RECEIPTS | | 1,018,993 | -969,157 | 579,709 | 747,822 | 565,870 | 3,523,900 | 1,302,566 | 245,433 | 68,420 | 2,830,107 | 71,352 | 1,231,823 | | 15,048,622 | 15,016,622 |
| **C. DISBURSEMENTS** | | | | | | | | | | | | | | | | |
| CERTIFICATED SALARIES | 1000-1999 | 65,151 | 475,855 | 476,003 | 480,720 | 481,515 | 518,000 | 503,000 | 503,000 | 503,000 | 503,000 | 503,000 | 327,298 | | 5,339,542 | 5,339,542 |
| CLASSIFIED SALARIES | 2000-2999 | 99,965 | 147,067 | 157,589 | 159,849 | 155,173 | 176,000 | 176,000 | 176,000 | 176,000 | 176,000 | 176,000 | 170,629 | | 1,946,272 | 1,946,272 |
| EMPLOYEE BENEFITS | 3000-3999 | 65,096 | 215,357 | 220,488 | 229,242 | 228,168 | 230,000 | 230,000 | 230,000 | 230,000 | 230,000 | 230,000 | 131,515 | 482,075 | 2,951,940 | 2,951,940 |
| SUPPLIES | 4000-4999 | 5,622 | 47,826 | 77,792 | 45,872 | 119,137 | 80,000 | 105,920 | 41,000 | 41,000 | 41,000 | 41,000 | 60,293 | | 706,462 | 706,462 |
| SERVICES | 5000-5999 | 68,204 | 52,658 | 134,995 | 268,795 | 194,784 | 195,000 | 1,255,000 | 145,000 | 145,000 | 155,000 | 155,000 | 224,615 | 50,000 | 3,044,051 | 3,044,051 |
| CAPITAL OUTLAY | 6000-6599 | | | 42,249 | | | | | | | | | | | 42,249 | 0 |
| OTHER OUTGO | 7000-7499 | | | | | | | | | | | | | | 0 | 0 |
| INTERFUND TRANSFERS OUT | 7600-7629 | | | -684,861 | | | | 684,861 | | | | | | 785,167 | 785,167 | 785,167 |
| TOTAL DISBURSEMENTS | | 304,038 | 938,763 | 424,254 | 1,184,479 | 1,178,778 | 1,199,000 | 2,954,781 | 1,095,000 | 1,095,000 | 1,105,000 | 1,105,000 | 914,348 | | 14,815,683 | 14,773,434 |
| **D. PRIOR YEAR TRANSACTIONS & CLEARING ACCOUNT TRANSACTIONS** | | | | | | | | | | | | | | | | |
| ACCOUNTS RECEIVABLE | | -2 | 2,089,439 | 747,363.97 | -7.08 | | | | | | | | | 3,831,785 | | |
| ACCOUNTS PAYABLE & CLEARING ACCOUNT TRANSACTIONS | | -484,770 | -914,438 | -860,585 | -46,271 | 16,883 | | -1,146,000 | | | | | | -1,317,242 | | |
| DUE FROM | | | | | | | | 250,000 | | | | | | | | |
| DUE TO | | | | | | | | | | | | | | | | |
| TOTAL PRIOR YEAR & CLEARING ACCOUNTS | | -484,771 | 1,175,001 | -113,222 | -46,278 | 16,883 | 0 | -896,000 | 0 | 0 | 0 | 0 | 0 | | 0 | 0 |
| **E. NET INCREASE/DECREASE** | | 230,183 | -732,919 | 42,234 | -482,935 | -596,025 | 2,324,900 | -2,548,215 | -849,567 | -1,026,580 | 1,725,107 | -1,033,648 | 317,475 | | | |
| **F. ENDING CASH BALANCE** | | 4,760,861 | 4,027,942 | 4,070,175 | 3,587,241 | 2,991,216 | 5,316,116 | 2,767,901 | 1,918,334 | 891,754 | 2,616,861 | 1,583,213 | 1,900,687 | | | |

# NORTHWEST PREP

# 2020-2021
# 1st Interim Report

**NORTHWEST PREP CHARTER SCHOOL**
**BUDGET ASSUMPTIONS**

## 2020-2021 1st Interim

Based on the 2020-21 State Adopted Budget and BASC LCFF Calculator
District 43 Fund 09

| | Prior Year | Budget Year | Subsequent Year #1 | Subsequent Year #2 |
|---|---|---|---|---|
| ***Revenue*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| | | | | |
| LCFF Target COLA | 3.26% | 0.00% | 0.00% | 0.00% |
| *Enrollment/ADA (funded from P2)* | | | | |
| Enrollment | Actual: 109 @ CBEDS | Estimated: 101 | Estimated: 99 | Estimated: 99 |
| ADA | Actual: 102.79 | Estimated: 102.79 | Estimated: 94 | Estimated: 94 |
| *Supplemental Grant % - 3-Year Rolling %* | 51.37% | 41.59% | 36.57% | 30.10% |
| *Concentration Grant % - District's % applies for Charter Schools* | 49.14% | 45.27% | 43.49% | 40.54% |
| *Other Revenue Changes* | | | | |
| Federal | Increase in revenue and expenditures due to CARES Act funding in FY 20-21 (~$118,000) | | | |
| State | Increase in revenue and expenditures due to CARES Act funding in FY 20-21 (~$16,000) | | | |
| Local | No Significant Changes | | | |
| ***Expenditures*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| ***Certificated Salaries*** | | | | |
| Staffing: FTE (*includes Admin)* | 6.1 | 6 | 6 | 6 |
| Step & Column | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected |
| Contract Days - POEA | 185 | 185 | 185 | 185 |
| ***Classified Salaries*** | | | | |
| Staffing: FTE (*includes Management & Confidential)* | 2.62 | 2.41 | 2.41 | 2.41 |
| Step & Column | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected |
| ***Benefits*** | | | | |
| STRS-*Standard Rates* | 17.10% | 16.15% | 16.00% | 18.10% |
| Other Cert | 3.58% | 3.58% | 3.58% | 3.58% |
| PERS-*Standard Rates* | 19.720% | 20.70% | 23.00% | 26.30% |
| Other Classified | 9.78% | 9.78% | 9.78% | 9.78% |
| | | | | |

**NORTHWEST PREP CHARTER SCHOOL**
**BUDGET ASSUMPTIONS**

| *Expenditures continued* | 2019-2020 | 2020-2021 | 2021-2022 | 2022-2023 |
|---|---|---|---|---|
| ***Health/Welfare Benefit*** | | | | |
| Medical | Caps are $800 single, $950 double, $1,100 family beginning 10/1/19 | Caps are $850 single, $1,000 double, $1,200 family | Caps are $850 single, $1,000 double, $1,200 family | Caps are $850 single, $1,000 double, $1,200 family |
| Dental/Vision/Life | No cap - 5.0% increase reflected | No cap - Actual expected costs are reflected | No cap - 5.0% increase reflected | No cap - 5.0% increase reflected |
| Retiree Health Benefits | $ - | $ - | $ - | $ - |
| Retirement Incentive | $ - | $ - | $ - | $ - |
| ***Other Expenditures*** | | reduction of extra duty time | reduction of extra duty time | reduction of extra duty time |
| Books & Supplies | Minimal Changes | Increases due to CARES Act funding | Reductions as CARES Act funding is spent in PY and general budget reductions | Minimal Changes |
| Services & Other Operating Expenses | Repay Rent to POUSD: $11,728 | Repay Rent to POUSD: $10,000 | Repay Rent to POUSD: $10,000 | Repay Rent to POUSD: $10,000 |
| Capital Outlay | $71,712 | None | None | None |
| Special Ed Encroachment | $10,000 | $10,000 | $10,000 | $10,000 |

**LCFF Calculator Universal Assumptions**

Northwest Prep Charter (106344) - 2020- 12/4/2020

**Summary of Funding**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| **Target Components:** | | | | | | | | |
| *COLA & Augmentation* | | 3.26% | | 0.00% | | 0.00% | | 0.00% |
| *Base Grant Proration Factor* | | - | | 0.00% | | 0.00% | | 0.00% |
| *Add-on, ERT & MSA Proration Factor* | | - | | 0.00% | | 0.00% | | 0.00% |
| Base Grant | | 906,540 | | 906,540 | | 838,070 | | 839,286 |
| Grade Span Adjustment | | 15,025 | | 15,025 | | 15,460 | | 15,690 |
| Supplemental Grant | | 94,681 | | 76,656 | | 62,427 | | 51,469 |
| Concentration Grant | | - | | - | | - | | - |
| Add-ons | | - | | - | | - | | - |
| Total Target | | 1,016,246 | | 998,221 | | 915,957 | | 906,445 |
| **Transition Components:** | | | | | | | | |
| Target | $ | 1,016,246 | $ | 998,221 | $ | 915,957 | $ | 906,445 |
| Funded Based on Target Formula *(PY P-2)* | | TRUE | | TRUE | | TRUE | | TRUE |
| Floor | | 981,073 | | 981,073 | | 899,322 | | 899,322 |
| *Remaining Need after Gap (informational only)* | | - | | - | | - | | - |
| *Gap %* | | 100% | | 100% | | 100% | | 100% |
| Current Year Gap Funding | | - | | - | | - | | - |
| Miscellaneous Adjustments | | - | | - | | - | | - |
| Economic Recovery Target | | - | | - | | - | | - |
| Additional State Aid | | - | | - | | - | | - |
| **Total LCFF Entitlement** | **$** | **1,016,246** | **$** | **998,221** | **$** | **915,957** | **$** | **906,445** |

**Components of LCFF By Object Code**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| 8011 - State Aid | $ | 460,164 | $ | 391,745 | $ | 361,343 | $ | 382,729 |
| 8011 - Fair Share | | | | | | | | |
| 8311 & 8590 - Categoricals | | - | | - | | - | | - |
| EPA (for LCFF Calculation purposes) | | 97,564 | | 118,674 | | 94,848 | | 105,377 |
| *Local Revenue Sources:* | | | | | | | | |
| 8021 to 8089 - Property Taxes | | - | | - | | - | | - |
| 8096 - In-Lieu of Property Taxes | | 458,518 | | 487,802 | | 459,766 | | 418,339 |
| *Property Taxes net of in-lieu* | | - | | - | | - | | - |
| TOTAL FUNDING | $ | 1,016,246 | $ | 998,221 | $ | 915,957 | $ | 906,445 |
| *Basic Aid Status* | | - | | - | | - | | - |
| *Less: Excess Taxes* | $ | - | $ | - | $ | - | $ | - |
| *Less: EPA in Excess to LCFF Funding* | $ | - | $ | - | $ | - | $ | - |
| **Total Phase-In Entitlement** | **$** | ***1,016,246*** | **$** | ***998,221*** | **$** | ***915,957*** | **$** | ***906,445*** |

**EPA Details**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| *% of Adjusted Revenue Limit - Annual* | | 16.08698870% | | 36.47280930% | | 19.00000000% | | 19.00000000% |
| *% of Adjusted Revenue Limit - P-2* | | 16.08698870% | | 36.47280930% | | 19.00000000% | | 19.00000000% |
| EPA (for LCFF Calculation purposes) | $ | 97,564 | $ | 118,674 | $ | 94,848 | $ | 105,377 |
| *8012 - EPA, Current Year Receipt* *(P-2 plus Current Year Accrual)* | | 97,564 | | 118,674 | | 94,848 | | 105,377 |
| *8019 - EPA, Prior Year Adjustment* *(P-A less Prior Year Accrual)* | | (14,994) | | - | | - | | - |
| *Accrual* (from Assumptions) | | - | | - | | - | | - |

**LCFF Calculator Universal Assumptions**

Northwest Prep Charter (106344) - 2020- 12/4/2020

**Summary of Student Population**

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| **Unduplicated Pupil Population** | | | | |
| Enrollment | 109 | 101 | 99 | 99 |
| COE Enrollment | - | - | - | - |
| *Total Enrollment* | *109* | *101* | *99* | *99* |
| Unduplicated Pupil Count | 53 | 30 | 30 | 30 |
| COE Unduplicated Pupil Count | - | - | - | - |
| *Total Unduplicated Pupil Count* | *53* | *30* | *30* | *30* |
| Rolling %, Supplemental Grant | 51.3700% | 41.5900% | 36.5700% | 30.1000% |
| Rolling %, Concentration Grant | 49.1400% | 41.5900% | 36.5700% | 30.1000% |
| **FUNDED ADA** | | | | |
| ***Adjusted Base Grant ADA*** | *Current Year* | *Current Year* | *Current Year* | *Current Year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | 40.96 | 40.96 | 30.38 | 29.43 |
| Grades 9-12 | 61.83 | 61.83 | 63.62 | 64.57 |
| ***Total Adjusted Base Grant ADA*** | ***102.79*** | ***102.79*** | ***94.00*** | ***94.00*** |
| ***Necessary Small School ADA*** | *Current year* | *Current year* | *Current year* | *Current year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Necessary Small School ADA*** | - | - | - | - |
| **Total Funded ADA** | **102.79** | **102.79** | **94.00** | **94.00** |
| **ACTUAL ADA** ***(Current Year Only)*** | | | | |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | 40.96 | 40.96 | 30.38 | 29.43 |
| Grades 9-12 | 61.83 | 61.83 | 63.62 | 64.57 |
| **Total Actual ADA** | **102.79** | **102.79** | **94.00** | **94.00** |
| *Funded Difference (Funded ADA less Actual ADA)* | - | - | - | - |

| **LCAP Percentage to Increase or Improve Services** | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| Current year estimated supplemental and concen | $ 94,681 | $ 76,656 | $ 62,427 | $ 51,469 |
| Current year Percentage to Increase or Improve S | 10.27% | 8.32% | 7.31% | 6.02% |

**NORTHWEST PREP CHARTER SCHOOL**
MULTI-YEAR PROJECTION FOR BUDGET YEAR 2020-2021 - 1st Interim
BASED ON GOVERNOR'S ADOPTED STATE BUDGET AND BASC LCFF CALCULATOR

| | Account Codes | Actuals 2019-2020 | Budget 2020-2021 | Difference | Budget 2021-2022 | Difference | Budget 2022-2023 | Difference |
|---|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | | |
| General State Aid - LCFF | 8000-8099 | 1,011,262 | 998,221 | (13,041) | 915,957 | (82,264) | 906,445 | (9,512) |
| Federal Revenue | 8100-8299 | 36,492 | 55,625 | 19,133 | 31,785 | (23,840) | 31,785 | - |
| Other State Revenue | 8300-8599 | 87,303 | 62,864 | (24,439) | 52,358 | (10,506) | 52,387 | 29 |
| Local Revenue | 8600-8799 | 8,568 | 8,500 | (68) | 8,500 | - | 8,500 | - |
| **Total Revenue** | | **1,143,625** | **1,125,210** | **(18,415)** | **1,008,600** | **(116,610)** | **999,117** | **(9,483)** |
| **EXPENDITURES** | | | | | | | | |
| Salaries - Certificated | 1000-1999 | 475,884 | 501,880 | 25,996 | 528,676 | 26,796 | 538,555 | 9,879 |
| Salaries - Classified | 2000-2999 | 96,513 | 95,454 | (1,059) | 103,647 | 8,193 | 106,528 | 2,881 |
| Benefits | 3000-3999 | 267,478 | 249,169 | (18,309) | 265,509 | 16,340 | 283,596 | 18,087 |
| Supplies | 4000-4999 | 26,484 | 53,059 | 26,575 | 27,269 | (25,790) | 27,835 | 566 |
| Contracted Services | 5000-5999 | 257,166 | 242,341 | (14,825) | 244,879 | 2,538 | 244,656 | (223) |
| Sites, Buildings, Equipment | 6000-6999 | 71,712 | - | (71,712) | - | - | - | - |
| Other Outgo (Includes Transfers Out) | 7000-7999 | 10,000 | 10,000 | - | 10,000 | - | 10,000 | - |
| **Total Expenditures** | | **1,205,237** | **1,151,903** | **(53,334)** | **1,179,980** | **28,077** | **1,211,170** | **31,190** |
| **Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources and Uses** | | **(61,613)** | **(26,693)** | | **(171,380)** | | **(212,053)** | |
| **FUND BALANCE, RESERVES** | | | | | | | | |
| **Beginning Balance** | | **408,882** | **347,269** | **(61,613)** | **320,576** | **(26,693)** | **149,196** | **(171,380)** |
| **Ending Balance** | | **347,269** | **320,576** | **(26,694)** | **149,196** | **(171,380)** | **(62,857)** | **(212,053)** |
| *Components of Ending Balance* | | | | | | | | |
| Revolving Cash | 9711 | 3,000 | 3,000 | - | 3,000 | - | 3,000 | - |
| Reserve for Economic Uncertainties | 9789 | 50,469 | 46,076 | (4,393) | 47,199 | 1,123 | 17,562 | (29,637) |
| Reserve for Cash Flow | 978x | 124,210 | 125,609 | 1,399 | 98,997 | (26,612) | | (98,997) |
| Reserve for Safety Grant | 978x | - | - | - | - | - | - | - |
| Reserve for Restricted Accounts | 978x | | | - | | - | | - |
| Undesignated/Unrestricted Reserve | 9790 | 169,590 | 145,891 | (23,699) | 0 | (145,891) | (83,419) | (83,419) |

## 2020-2021 CASH FLOW PROJECTION - NORTHWEST PREP

| | OBJECT CODE | BEGINNING BALANCE | JULY ACTUALS | AUG ACTUALS | SEPT ACTUALS | OCT ACTUALS | NOV ACTUALS | DEC ESTIMATE | JAN ESTIMATE | FEB ESTIMATE | MAR ESTIMATE | APR ESTIMATE | MAY ESTIMATE | JUNE ESTIMATE | ACCURALS ESTIMATE | TOTALS | BUDGETED AMOUNT |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **A. BEGINNING CASH** | | | 461,256.71 | 555,782.68 | 510,681.31 | 542,094.87 | 577,048.64 | 559,831.00 | 380,877.71 | 392,137.71 | 354,393.71 | 372,173.71 | 358,279.71 | 316,885.71 | | | |
| **B. RECEIPTS** | | | | | | | | | | | | | | | | | |
| REVENUE LIMIT | | | | | | | | | | | | | | | | - | |
| STATE AID | 8010-8019 | 62034 | 82,523 | (22,725) | 36,879 | 73,869 | 36,879 | 73,869 | 36,879 | 11,875 | 17,252 | 2,225 | 2,225 | 25,905 | 132,764 | 510,419 | 510,419 |
| IN LIEU TAXES | 8096 | | 34,788 | (26,097) | 55,022 | 36,681 | 36,681 | 36,681 | 36,681 | 36,681 | 83,328 | 36,681 | 36,681 | 83,994 | | 487,802 | 487,802 |
| FEDERAL REVENUES | 8100-8299 | | | | 11,251 | | | | 18,000 | | | 18,000 | | 8,374 | | 55,625 | 55,625 |
| OTHER STATE APPORTIONMENTS | 8300-8599 | | 53 | (5,431) | 8,661 | 4,831 | 3,589 | | 9,000 | | | 8,000 | | 4,003 | 30,158 | 62,864 | 62,864 |
| OTHER LOCAL REVENUES | 8600-8999 | | | | | | 1,509 | | 2,500 | | | 2,000 | | 2,491 | | 8,500 | 8,500 |
| TOTAL RECEIPTS | | | 117,364 | (54,253) | 111,813 | 115,381 | 78,658 | 110,550 | 103,060 | 48,556 | 100,580 | 66,906 | 38,906 | 124,767 | | 1,125,210 | 1,125,210 |
| **C. DISBURSEMENTS** | | | | | | | | | | | | | | | | | |
| CERTIFICATED SALARIES | 1000-1999 | | 6,342 | 45,441 | 45,441 | 45,441 | 45,441 | 45,500 | 45,500 | 45,500 | 45,500 | 45,500 | 45,500 | 40,774 | | 501,880 | 501,880 |
| CLASSIFIED SALARIES | 2000-2999 | | 5,853 | 9,373 | 9,700 | 9,092 | 9,156 | 8,300 | 8,300 | 8,300 | 8,300 | 8,300 | 8,300 | 2,480 | | 95,454 | 95,454 |
| EMPLOYEE BENEFITS | 3000-3999 | | 5,724 | 18,894 | 19,434 | 20,688 | 20,696 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 13,575 | 30,158 | 249,169 | 249,169 |
| SUPPLIES | 4000-4999 | | | 11,877 | 4,097 | 2,348 | 10,146 | 2,500 | 8,000 | 5,000 | 3,000 | 2,500 | 2,000 | 1,591 | | 53,059 | 53,059 |
| SERVICES | 5000-5999 | | 2,445 | 2,237 | 1,728 | 2,858 | 10,437 | 2,500 | 10,000 | 7,500 | 6,000 | 4,500 | 4,500 | 187,636 | | 242,341 | 242,341 |
| CAPITAL OUTLAY | 6000-6599 | | | | | | | | | | | | | | | - | - |
| OTHER OUTGO | 7000/7499 | | | | | | | | | | | | | 10,000 | | 10,000 | 10,000 |
| TOTAL DISBURSEMENTS | | | 20,364 | 87,823 | 80,399 | 80,427 | 95,876 | 78,800 | 91,800 | 86,300 | 82,800 | 80,800 | 80,300 | 256,056 | | 1,151,903 | 1,151,903 |
| **D. PRIOR YEAR TRANSACTIONS & CLEARING ACCOUNT TRANSACTIONS** | | | | | | | | | | | | | | | | | |
| ACCOUNTS RECEIVABLE | | | | 142,041 | | | | 2,229 | | | | | | | 162,922 | | |
| ACCOUNTS PAYABLE & CLEARING ACCOUNT TRANSACTIONS | | 239,474 | (2,474) | (45,067) | | | | (212,933) | | | | | | | (30,158) | | |
| TOTAL PRIOR YEAR & CLEARING ACCOUNTS | | | (2,474) | 96,974 | - | - | - | (210,703) | - | - | - | - | - | - | | - | - |
| **E. NET INCREASE/DECREASE** | | | 94,526 | (45,101) | 31,414 | 34,954 | (17,218) | (178,953) | 11,260 | (37,744) | 17,780 | (13,894) | (41,394) | (131,289) | | | |
| **F. ENDING CASH BALANCE** | | | 555,783 | 510,681 | 542,095 | 577,049 | 559,831 | 380,878 | 392,138 | 354,394 | 372,174 | 358,280 | 316,886 | 185,597 | | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| **A. REVENUES** | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 931,388.00 | 998,221.00 | 270,940.00 | 998,221.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 33,498.00 | 55,625.00 | 11,251.00 | 55,625.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 49,625.00 | 62,864.00 | 8,113.90 | 62,864.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 8,500.00 | 8,500.00 | 0.00 | 8,500.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 1,023,011.00 | 1,125,210.00 | 290,304.90 | 1,125,210.00 | | |
| **B. EXPENDITURES** | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 482,497.00 | 501,880.00 | 142,665.41 | 501,880.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 94,906.00 | 95,454.00 | 34,017.84 | 95,454.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 247,000.00 | 249,169.00 | 64,740.03 | 249,169.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 40,879.00 | 53,059.00 | 18,321.94 | 53,059.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 232,018.00 | 242,341.00 | 9,268.23 | 242,341.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 1,097,300.00 | 1,141,903.00 | 269,013.45 | 1,141,903.00 | | |
| **C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)** | | | (74,289.00) | (16,693.00) | 21,291.45 | (16,693.00) | | |
| **D. OTHER FINANCING SOURCES/USES** | | | | | | | | |
| 1) Interfund Transfers | | | | | | | | |
| a) Transfers In | | 8900-8929 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 10,000.00 | 10,000.00 | 0.00 | 10,000.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses | | | | | | | | |
| a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | (10,000.00) | (10,000.00) | 0.00 | (10,000.00) | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4) | | | (84,289.00) | (26,693.00) | 21,291.45 | (26,693.00) | | |
| F. FUND BALANCE, RESERVES | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 260,882.00 | 347,269.00 | | 347,269.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 260,882.00 | 347,269.00 | | 347,269.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 260,882.00 | 347,269.00 | | 347,269.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 176,593.00 | 320,576.00 | | 320,576.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 3,000.00 | 3,000.00 | | 3,000.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 3,475.00 | 57,241.00 | | 57,241.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 170,118.00 | 260,335.00 | | 260,335.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

# PINER-OLIVET CHARTER SCHOOL

# 2020-2021
# 1st Interim Report

Charter Number: 98

To the chartering authority and the county superintendent of schools (or only to the county superintendent of schools if the county board of education is the chartering authority):

2020-21 CHARTER SCHOOL INTERIM REPORT: This report is hereby filed by the charter school pursuant to Education Code Section 47604.33(a).

Signed: ______________________ Date: ______________________
Charter School Official
(Original signature required)

Printed Name: Kirsten Sanft Title: Principal

For additional information on the interim report, please contact:

Charter School Contact:

Felicia Koha
Name

CBO
Title

707-522-3008
Telephone

fkoha@pousd.org
E-mail Address

**PINER-OLIVET CHARTER SCHOOL**
**BUDGET ASSUMPTIONS**

# 2020-2021 1st Interim

Based on the 2020-21 State Adopted Budget and BASC LCFF Calculator
District 44 Fund 03

| | **Prior Year** | **Budget Year** | **Subsequent Year #1** | **Subsequent Year #2** |
|---|---|---|---|---|
| ***Revenue*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| | | | | |
| LCFF Target COLA | 3.26% | 0.00% | 0.00% | 0.00% |
| *Enrollment/ADA (funded from P2)* | | | | |
| Enrollment | Actual: 209 | Estimated: 201 | Estimated: 201 | Estimated: 201 |
| ADA | Actual: 200.40 | Estimated: 200.40 | Estimated: 193 | Estimated: 193 |
| *Supplemental Grant % - 3-Year Rolling %* | 49.03% | 41.24% | 36.50% | 33.33% |
| *Concentration Grant % - District's % applies for Charter Schools* | 49.14% | 45.27% | 43.49% | 40.54% |
| *Other Revenue Changes* | | | | |
| Federal | Increase in revenue and expenditures due to CARES Act funding in FY 20-21 (~$118,000) | | | |
| State | Increase in revenue and expenditures due to CARES Act funding in FY 20-21 (~$16,000) | | | |
| Local | No Significant Changes | | | |
| ***Expenditures*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
| ***Certificated Salaries*** | | | | |
| Staffing: FTE *(includes Admin)* | 9.50 | 9.00 | 9.00 | 9.00 |
| Step & Column | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected |
| Contract Days - POEA | 185 | 185 | 185 | 185 |
| ***Classified Salaries*** | | | | |
| Staffing: FTE *(includes Management & Confidential)* | 5.91 | 5.01 | 3.83 | 3.83 |
| Step & Column | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected | Actual expected costs are reflected |
| ***Benefits*** | | | | |
| STRS-*Standard Rates* | 16.28% | 16.15% | 16.00% | 18.10% |
| Other Cert | 2.72% | 2.79% | 2.79% | 2.79% |
| PERS-*Standard Rates* | 18.062% | 20.70% | 23.00% | 26.30% |
| Other Classified | 8.92% | 8.99% | 8.99% | 8.99% |
| | | | | |

# PINER-OLIVET CHARTER SCHOOL
# BUDGET ASSUMPTIONS

| ***Expenditures continued*** | **2019-2020** | **2020-2021** | **2021-2022** | **2022-2023** |
|---|---|---|---|---|
| ***Health/Welfare Benefits*** | | | | |
| Medical | Caps are $800 single, $950 double, $1,100 family beginning 10/1/19 | Caps are $850 single, $1,000 double, $1,200 family beginning 10/1/20 | Caps are $850 single, $1,000 double, $1,200 family | Caps are $850 single, $1,000 double, $1,200 family |
| Dental/Vision/Life | No cap - 5.0% increase reflected | No cap - Actual expected costs are reflected | No cap - 5.0% increase reflected | No cap - 5.0% increase reflected |
| Retiree Health Benefits | $ 13,469 | $ 14,534 | $ 14,295 | $ 13,230 |
| Retirement Incentive | $ - | $ - | $ - | $ - |
| ***Other Expenditures*** | vacancy in PE technician in all budget years, reduction of PA time in year 2 and year 3, certificated vacancy of .5 FTE in all years, reduction of extra duty time and sports activities | | | |
| Books & Supplies | Increase in spending restricted LPSBG | Increases due to CARES Act funding | Reductions as CARES Act funding is spent in PY and general budget reductions | Minimal Changes |
| Services & Other Operating Expenses | Minimal Changes | Increases due to CARES Act funding | Reductions as CARES Act funding is spent in PY and general budget reductions | Minimal Changes |
| Capital Outlay | Prop 39 | None | None | None |
| Special Ed Encroachment | $20,000 | $30,000 | $30,000 | $30,000 |

**LCFF Calculator Universal Assumptions**

Piner-Olivet Charter (6113492) - 2020-21 — 12/4/2020

**Summary of Funding**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| **Target Components:** | | | | | | | | |
| *COLA & Augmentation* | | *3.26%* | | *0.00%* | | *0.00%* | | *0.00%* |
| *Base Grant Proration Factor* | | - | | *0.00%* | | *0.00%* | | *0.00%* |
| *Add-on, ERT & MSA Proration Factor* | | - | | *0.00%* | | *0.00%* | | *0.00%* |
| Base Grant | | 1,613,220 | | 1,613,220 | | 1,553,650 | | 1,553,650 |
| Grade Span Adjustment | | - | | - | | - | | - |
| Supplemental Grant | | 158,192 | | 133,058 | | 113,416 | | 103,566 |
| Concentration Grant | | - | | - | | - | | - |
| Add-ons | | - | | - | | - | | - |
| Total Target | | 1,771,412 | | 1,746,278 | | 1,667,066 | | 1,657,216 |
| **Transition Components:** | | | | | | | | |
| Target | $ | 1,771,412 | $ | 1,746,278 | $ | 1,667,066 | $ | 1,657,216 |
| Funded Based on Target Formula *(PY P-2)* | | TRUE | | TRUE | | TRUE | | TRUE |
| Floor | | 1,709,811 | | 1,709,811 | | 1,647,241 | | 1,647,241 |
| *Remaining Need after Gap (informational only)* | | - | | - | | - | | - |
| *Gap %* | | *100%* | | *100%* | | *100%* | | *100%* |
| Current Year Gap Funding | | - | | - | | - | | - |
| Miscellaneous Adjustments | | - | | - | | - | | - |
| Economic Recovery Target | | - | | - | | - | | - |
| Additional State Aid | | - | | - | | - | | - |
| **Total LCFF Entitlement** | **$** | **1,771,412** | **$** | **1,746,278** | **$** | **1,667,066** | **$** | **1,657,216** |

**Components of LCFF By Object Code**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| 8011 - State Aid | $ | 705,233 | $ | 675,541 | $ | 635,867 | $ | 626,017 |
| 8011 - Fair Share | | | | | | | | |
| 8311 & 8590 - Categoricals | | - | | - | | - | | - |
| EPA (for LCFF Calculation purposes) | | 172,249 | | 119,715 | | 87,211 | | 172,270 |
| *Local Revenue Sources:* | | | | | | | | |
| 8021 to 8089 - Property Taxes | | - | | - | | - | | - |
| 8096 - In-Lieu of Property Taxes | | 893,930 | | 951,022 | | 943,988 | | 858,929 |
| *Property Taxes net of in-lieu* | | - | | - | | - | | - |
| TOTAL FUNDING | $ | 1,771,412 | $ | 1,746,278 | $ | 1,667,066 | $ | 1,657,216 |
| *Basic Aid Status* | | - | | - | | - | | - |
| *Less: Excess Taxes* | $ | - | $ | - | $ | - | $ | - |
| *Less: EPA in Excess to LCFF Funding* | $ | - | $ | - | $ | - | $ | - |
| **Total Phase-In Entitlement** | **$** | ***1,771,412*** | **$** | ***1,746,278*** | **$** | ***1,667,066*** | **$** | ***1,657,216*** |

**EPA Details**

| | | 2019-20 | | 2020-21 | | 2021-22 | | 2022-23 |
|---|---|---|---|---|---|---|---|---|
| *% of Adjusted Revenue Limit - Annual* | | *16.08698870%* | | *36.47280930%* | | *19.00000000%* | | *19.00000000%* |
| *% of Adjusted Revenue Limit - P-2* | | *16.08698870%* | | *36.47280930%* | | *19.00000000%* | | *19.00000000%* |
| EPA (for LCFF Calculation purposes) | $ | *172,249* | $ | *119,715* | $ | *87,211* | $ | *172,270* |
| *8012 - EPA, Current Year Receipt* *(P-2 plus Current Year Accrual)* | | *172,249* | | *119,715* | | *87,211* | | *172,270* |
| *8019 - EPA, Prior Year Adjustment* *(P-A less Prior Year Accrual)* | | *(31,774)* | | - | | - | | - |
| *Accrual* (from Assumptions) | | - | | - | | - | | - |

| LCFF Calculator Universal Assumptions | | | | |
|---|---|---|---|---|
| Piner-Olivet Charter (6113492) - 2020-21 | | | | 12/4/2020 |
| **Summary of Student Population** | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
| **Unduplicated Pupil Population** | | | | |
| Enrollment | 209 | 201 | 201 | 201 |
| COE Enrollment | - | - | - | - |
| *Total Enrollment* | *209* | *201* | *201* | *201* |
| Unduplicated Pupil Count | 89 | 67 | 67 | 67 |
| COE Unduplicated Pupil Count | - | - | - | - |
| *Total Unduplicated Pupil Count* | *89* | *67* | *67* | *67* |
| Rolling %, Supplemental Grant | 49.0300% | 41.2400% | 36.5000% | 33.3300% |
| Rolling %, Concentration Grant | 49.0300% | 41.2400% | 36.5000% | 33.3300% |
| **FUNDED ADA** | | | | |
| ***Adjusted Base Grant ADA*** | *Current Year* | *Current Year* | *Current Year* | *Current Year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | 200.40 | 200.40 | 193.00 | 193.00 |
| Grades 9-12 | - | - | - | - |
| ***Total Adjusted Base Grant ADA*** | ***200.40*** | ***200.40*** | ***193.00*** | ***193.00*** |
| ***Necessary Small School ADA*** | *Current year* | *Current year* | *Current year* | *Current year* |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | - | - | - | - |
| Grades 9-12 | - | - | - | - |
| ***Total Necessary Small School ADA*** | - | - | - | - |
| **Total Funded ADA** | **200.40** | **200.40** | **193.00** | **193.00** |
| **ACTUAL ADA** ***(Current Year Only)*** | | | | |
| Grades TK-3 | - | - | - | - |
| Grades 4-6 | - | - | - | - |
| Grades 7-8 | 200.40 | 200.40 | 193.00 | 193.00 |
| Grades 9-12 | - | - | - | - |
| **Total Actual ADA** | **200.40** | **200.40** | **193.00** | **193.00** |
| *Funded Difference (Funded ADA less Actual ADA)* | - | - | - | - |

| LCAP Percentage to Increase or Improve Services | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|
| Current year estimated supplemental and concen | $ 158,192 | $ 133,058 | $ 113,416 | $ 103,566 |
| Current year Percentage to Increase or Improve S | 9.81% | 8.25% | 7.30% | 6.67% |

**PINER-OLIVET CHARTER SCHOOL**

MULTI-YEAR PROJECTION FOR BUDGET YEAR 2020-2021 - 1st Interim

BASED ON GOVERNOR'S ADOPTED STATE BUDGET AND BASC LCFF CALCULATOR

| | Account Codes | Actuals 2019-2020 | Budget 2020-2021 | Difference | Budget 2021-2022 | Difference | Budget 2022-2023 | Difference |
|---|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | | |
| General State Aid - LCFF | 8000-8099 | 1,798,772 | 1,746,278 | (52,494) | 1,667,066 | (79,212) | 1,657,216 | (9,850) |
| Federal Revenue | 8100-8299 | 55,733 | 168,456 | 112,723 | 47,778 | (120,678) | 47,778 | - |
| Other State Revenue | 8300-8599 | 156,556 | 140,412 | (16,144) | 123,717 | (16,695) | 123,717 | (0) |
| Local Revenue | 8600-8799 | 41,354 | 10,786 | (30,568) | 10,786 | - | 10,786 | - |
| **Total Revenue** | | **2,052,416** | **2,065,932** | **13,516** | **1,849,347** | **(216,585)** | **1,839,497** | **(9,850)** |
| **EXPENDITURES** | | | | | | | | |
| Salaries - Certificated | 1000-1999 | 846,446 | 899,529 | 53,083 | 949,990 | 50,461 | 948,921 | (1,069) |
| Salaries - Classified | 2000-2999 | 229,423 | 218,507 | (10,916) | 185,955 | (32,552) | 186,416 | 461 |
| Benefits | 3000-3999 | 497,589 | 472,699 | (24,890) | 478,554 | 5,855 | 509,524 | 30,970 |
| Supplies | 4000-4999 | 58,214 | 97,820 | 39,606 | 52,614 | (45,206) | 62,614 | 10,000 |
| Contracted Services | 5000-5999 | 326,559 | 369,244 | 42,685 | 321,296 | (47,948) | 321,296 | - |
| Sites, Buildings, Equipment | 6000-6999 | - | - | - | - | - | - | - |
| Other Outgo (Includes Transfers Out) | 7000-7999 | - | - | - | - | - | - | - |
| **Total Expenditures** | | **1,958,230** | **2,057,799** | **99,569** | **1,988,409** | **(69,390)** | **2,028,770** | **40,361** |
| **Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources and Uses** | | **94,186** | **8,133** | | **(139,062)** | | **(189,273)** | |
| **FUND BALANCE, RESERVES** | | | | | | | | |
| **Beginning Balance** | | **351,011** | **445,197** | **94,186** | **453,330** | **8,133** | **314,268** | **(139,062)** |
| **Ending Balance** | | **445,197** | **453,330** | **8,133** | **314,268** | **(139,062)** | **124,994** | **(189,273)** |
| *Components of Ending Balance* | | | | | | | | |
| Revolving Cash | 9711 | 3,000 | 3,000 | - | 3,000 | - | 3,000 | - |
| Reserve for Economic Uncertainties | 9789 | 78,329 | 82,312 | 3,983 | 79,536 | (2,776) | 81,151 | 1,614 |
| Reserve for Cash Flow | 978x | 181,506 | 185,741 | 4,235 | 183,382 | (2,359) | 40,844 | (142,538) |
| Reserve for Lottery | 978x | - | - | - | - | - | - | - |
| Reserve for Restricted Accounts | 978x | - | - | - | - | - | - | - |
| Undesignated/Unrestricted Reserve | 9790 | 182,361 | 182,277 | (85) | 48,349 | (133,928) | (0) | (48,349) |

## 2020-2021 CASH FLOW PROJECTION - PINER-OLIVET CHARTER SCHOOL

| | OBJECT CODE | BEGINNING BALANCE | JULY ACTUALS | AUG ACTUALS | SEPT ACTUALS | OCT ACTUALS | NOV ACTUALS | DEC ESTIMATE | JAN ESTIMATE | FEB ESTIMATE | MAR ESTIMATE | APR ESTIMATE | MAY ESTIMATE | JUNE ESTIMATE | ACCURALS ESTIMATE | TOTALS | BUDGETED AMOUNT |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| A. BEGINNING CASH | | | 716,661 | 843,580 | 786,132 | 933,412 | 976,968 | 987,916 | 539,573 | 545,148 | 462,599 | 473,457 | 449,387 | 352,508 | | | |
| B. RECEIPTS | | | | | | | | | | | | | | | | | |
| REVENUE LIMIT | | | | | | | | | | | | | | | | - | |
| STATE AID | 8010-8019 | 67,077 | 102,111 | 4,649 | 63,061 | 107,263 | 63,061 | 107,263 | 63,061 | 19,938 | 4,491 | 3,108 | 3,108 | 22,588 | 231,556 | 795,256 | 795,256 |
| IN LIEU TAXES | 8096 | | 65,761 | (48,817) | 107,272 | 71,514 | 71,514 | 71,514 | 71,514 | 71,514 | 183,367 | 71,514 | 71,514 | 142,841 | | 951,022 | 951,022 |
| FEDERAL REVENUES | 8100-8299 | | | (18,406) | 87,556 | | | (15,502) | 58,000 | | | 56,808 | | | | 168,456 | 168,456 |
| OTHER STATE APPORTIONMENTS | 8300-8599 | | 96 | (10,581) | 15,097 | 8,791 | 3,379 | | 14,000 | | | 14,000 | | 13,574 | 82,056 | 140,412 | 140,412 |
| OTHER LOCAL REVENUES | 8600-8999 | | | | 305 | | 2,375 | | 2,000 | | | 2,000 | | 4,105 | | 10,786 | 10,786 |
| TOTAL RECEIPTS | | | 167,968 | (73,155) | 273,291 | 187,568 | 140,329 | 163,275 | 208,575 | 91,452 | 187,858 | 147,430 | 74,622 | 183,107 | | 2,065,932 | 2,065,932 |
| C. DISBURSEMENTS | | | | | | | | | | | | | | | | | |
| CERTIFICATED SALARIES | 1000-1999 | | 11,542 | 84,826 | 84,826 | 85,015 | 86,113 | 85,600 | 85,600 | 85,600 | 85,600 | 85,600 | 85,600 | 33,606 | | 899,529 | 899,529 |
| CLASSIFIED SALARIES | 2000-2999 | | 4,536 | 19,356 | 16,772 | 15,548 | 15,548 | 20,400 | 20,400 | 20,400 | 20,400 | 20,400 | 20,400 | 24,348 | | 218,507 | 218,507 |
| EMPLOYEE BENEFITS | 3000-3999 | | 5,580 | 36,072 | 15,314 | 35,389 | 35,601 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 39,000 | 28,686 | 82,056 | 472,699 | 472,699 |
| SUPPLIES | 4000-4999 | | - | 5,974 | 6,693 | 13,725 | 3,045 | 14,000 | 18,000 | 6,000 | 6,000 | 5,500 | 5,500 | 13,383 | | 97,820 | 97,820 |
| SERVICES | 5000-5999 | | - | (172,101) | (19,344) | 7,392 | 8,936 | 215,000 | 40,000 | 23,000 | 26,000 | 21,000 | 21,000 | 198,361 | | 369,244 | 369,244 |
| CAPITAL OUTLAY | 6000-6599 | | | | | | | | | | | | | | | - | - |
| OTHER OUTGO | 7000/7499 | | | | | | | | | | | | | | | - | - |
| TOTAL DISBURSEMENTS | | | 21,658 | (25,872) | 104,261 | 157,068 | 149,243 | 374,000 | 203,000 | 174,000 | 177,000 | 171,500 | 171,500 | 298,384 | | 2,057,799 | 2,057,799 |
| D. PRIOR YEAR TRANSACTIONS & CLEARING ACCOUNT TRANSACTIONS | | | | | | | | | | | | | | | | | |
| ACCOUNTS RECEIVABLE | | | | 212,596 | | | | | | | | | | | 313,612 | | |
| ACCOUNTS PAYABLE & CLEARING ACCOUNT TRANSACTIONS | | | (19,390) | (222,761) | (21,750.17) | 13,055.33 | 19,862.28 | (237,618) | | | | | | | (82,056) | | |
| TOTAL PRIOR YEAR & CLEARING ACCOUNTS | | | (19,390) | (10,165) | (21,750) | 13,055 | 19,862 | (237,618) | - | - | - | - | - | - | | - | - |
| E. NET INCREASE/DECREASE | | | 126,919 | (57,448) | 147,280 | 43,556 | 10,948 | (448,343) | 5,575 | (82,548) | 10,858 | (24,070) | (96,878) | (115,277) | | | |
| F. ENDING CASH BALANCE | | | 843,580 | 786,132 | 933,412 | 976,968 | 987,916 | 539,573 | 545,148 | 462,599 | 473,457 | 449,387 | 352,508 | 237,231 | | | |

| Description | ESTIMATED FUNDED ADA Original Budget (A) | ESTIMATED FUNDED ADA Board Approved Operating Budget (B) | ESTIMATED P-2 REPORT ADA Projected Year Totals (C) | ESTIMATED FUNDED ADA Projected Year Totals (D) | DIFFERENCE (Col. D - B) (E) | PERCENTAGE DIFFERENCE (Col. E / B) (F) |
|---|---|---|---|---|---|---|
| **C. CHARTER SCHOOL ADA** | | | | | | |
| Authorizing LEAs reporting charter school SACS financial data in their Fund 01, 09, or 62 use this worksheet to report ADA for those charter schools. Charter schools reporting SACS financial data separately from their authorizing LEAs in Fund 01 or Fund 62 use this worksheet to report their ADA. | | | | | | |
| **FUND 01: Charter School ADA corresponding to SACS financial data reported in Fund 01.** | | | | | | |
| **1. Total Charter School Regular ADA** | 201.00 | 200.40 | 200.40 | 200.40 | 0.00 | 0% |
| **2. Charter School County Program Alternative Education ADA** | | | | | | |
| a. County Group Home and Institution Pupils | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Juvenile Halls, Homes, and Camps | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Probation Referred, On Probation or Parole, Expelled per EC 48915(a) or (c) [EC 2574(c)(4)(A)] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **d. Total, Charter School County Program Alternative Education ADA (Sum of Lines C2a through C2c)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **3. Charter School Funded County Program ADA** | | | | | | |
| a. County Community Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Special Education-Special Day Class | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Special Education-NPS/LCI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| d. Special Education Extended Year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **f. Total, Charter School Funded County Program ADA (Sum of Lines C3a through C3e)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **4. TOTAL CHARTER SCHOOL ADA (Sum of Lines C1, C2d, and C3f)** | 201.00 | 200.40 | 200.40 | 200.40 | 0.00 | 0% |
| **FUND 09 or 62: Charter School ADA corresponding to SACS financial data reported in Fund 09 or Fund 62.** | | | | | | |
| **5. Total Charter School Regular ADA** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **6. Charter School County Program Alternative Education ADA** | | | | | | |
| a. County Group Home and Institution Pupils | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Juvenile Halls, Homes, and Camps | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Probation Referred, On Probation or Parole, Expelled per EC 48915(a) or (c) [EC 2574(c)(4)(A)] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **d. Total, Charter School County Program Alternative Education ADA (Sum of Lines C6a through C6c)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **7. Charter School Funded County Program ADA** | | | | | | |
| a. County Community Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Special Education-Special Day Class | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Special Education-NPS/LCI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| d. Special Education Extended Year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **f. Total, Charter School Funded County Program ADA (Sum of Lines C7a through C7e)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **8. TOTAL CHARTER SCHOOL ADA (Sum of Lines C5, C6d, and C7f)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **9. TOTAL CHARTER SCHOOL ADA Reported in Fund 01, 09, or 62 (Sum of Lines C4 and C8)** | 201.00 | 200.40 | 200.40 | 200.40 | 0.00 | 0% |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff (E/B) (F) |
|---|---|---|---|---|---|---|---|---|
| **A. REVENUES** | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 1,631,106.00 | 1,746,278.00 | 472,814.00 | 1,746,278.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 55,812.00 | 168,456.00 | 69,149.76 | 168,456.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 114,294.00 | 140,412.00 | 13,403.39 | 140,412.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 10,786.00 | 10,786.00 | 305.45 | 10,786.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 1,811,998.00 | 2,065,932.00 | 555,672.60 | 2,065,932.00 | | |
| **B. EXPENDITURES** | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 878,089.00 | 899,529.00 | 266,209.66 | 899,529.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 191,303.00 | 218,507.00 | 56,211.62 | 218,507.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 468,257.00 | 472,699.00 | 92,355.42 | 472,699.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 63,359.00 | 97,820.00 | 26,391.81 | 97,820.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 238,662.00 | 369,244.00 | (184,053.35) | 369,244.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299<br>7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 1,839,670.00 | 2,057,799.00 | 257,115.16 | 2,057,799.00 | | |
| **C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)** | | | (27,672.00) | 8,133.00 | 298,557.44 | 8,133.00 | | |
| **D. OTHER FINANCING SOURCES/USES** | | | | | | | | |
| 1) Interfund Transfers | | | | | | | | |
| a) Transfers In | | 8900-8929 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses | | | | | | | | |
| a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff (E/B) (F) |
|---|---|---|---|---|---|---|---|---|
| **E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)** | | | (27,672.00) | 8,133.00 | 298,557.44 | 8,133.00 | | |
| **F. FUND BALANCE, RESERVES** | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 392,679.00 | 445,197.00 | | 445,197.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 392,679.00 | 445,197.00 | | 445,197.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 392,679.00 | 445,197.00 | | 445,197.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 365,007.00 | 453,330.00 | | 453,330.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 18,616.00 | 46,408.00 | | 46,408.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 0.00 | 0.00 | | 0.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 346,391.00 | 406,922.00 | | 406,922.00 | | |

SACS2020ALL Financial Reporting Software - 2020.2.0
12/10/2020 1:03:58 PM

49-70870-6113492

First Interim
2020-21 Projected Totals
Technical Review Checks

Piner-Olivet Charter
Piner-Olivet Union Elementary

Sonoma County

Following is a chart of the various types of technical review checks and related requirements:

F - Fatal (Data must be corrected; an explanation is not allowed)
W/WC - Warning/Warning with Calculation (If data are not correct, correct the data; if data are correct an explanation is required)
O - Informational (If data are not correct, correct the data; if data are correct an explanation is optional, but encouraged)

## IMPORT CHECKS

## GENERAL LEDGER CHECKS

## SUPPLEMENTAL CHECKS

## EXPORT CHECKS

Checks Completed.

# DISTRICT K-6 PROGRAM SACS REPORTS

NOTICE OF CRITERIA AND STANDARDS REVIEW. This interim report was based upon and reviewed using the state-adopted Criteria and Standards. (Pursuant to Education Code (EC) sections 33129 and 42130)

Signed: ______________________ Date: ______________________
District Superintendent or Designee

NOTICE OF INTERIM REVIEW. All action shall be taken on this report during a regular or authorized special meeting of the governing board.

To the County Superintendent of Schools:
This interim report and certification of financial condition are hereby filed by the governing board of the school district. (Pursuant to EC Section 42131)

Meeting Date: December 15, 2020 Signed: ______________________
President of the Governing Board

CERTIFICATION OF FINANCIAL CONDITION

_X_ POSITIVE CERTIFICATION
As President of the Governing Board of this school district, I certify that based upon current projections this district will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

___ QUALIFIED CERTIFICATION
As President of the Governing Board of this school district, I certify that based upon current projections this district may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

___ NEGATIVE CERTIFICATION
As President of the Governing Board of this school district, I certify that based upon current projections this district will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.

Contact person for additional information on the interim report:

Name: Felicia Koha Telephone: 707-522-3008

Title: CBO E-mail: fkoha@pousd.org

## Criteria and Standards Review Summary

The following summary is automatically completed based on data provided in the Criteria and Standards Review form (Form 01CSI). Criteria and standards that are "Not Met," and supplemental information and additional fiscal indicators that are "Yes," may indicate areas of potential concern, which could affect the interim report certification, and should be carefully reviewed.

| CRITERIA AND STANDARDS | | | Met | Not Met |
|---|---|---|---|---|
| 1 | Average Daily Attendance | Funded ADA for any of the current or two subsequent fiscal years has not changed by more than two percent since budget adoption. | | X |

| CRITERIA AND STANDARDS (continued) | | | Met | Not Met |
|---|---|---|---|---|
| 2 | Enrollment | Projected enrollment for any of the current or two subsequent fiscal years has not changed by more than two percent since budget adoption. | | X |
| 3 | ADA to Enrollment | Projected second period (P-2) ADA to enrollment ratio for the current and two subsequent fiscal years is consistent with historical ratios. | | X |
| 4 | Local Control Funding Formula (LCFF) Revenue | Projected LCFF revenue for any of the current or two subsequent fiscal years has not changed by more than two percent since budget adoption. | | X |
| 5 | Salaries and Benefits | Projected ratio of total unrestricted salaries and benefits to total unrestricted general fund expenditures has not changed by more than the standard for the current and two subsequent fiscal years. | | X |
| 6a | Other Revenues | Projected operating revenues (federal, other state, other local) for the current and two subsequent fiscal years have not changed by more than five percent since budget adoption. | | X |
| 6b | Other Expenditures | Projected operating expenditures (books and supplies, services and other expenditures) for the current and two subsequent fiscal years have not changed by more than five percent since budget adoption. | | X |
| 7 | Ongoing and Major Maintenance Account | If applicable, changes occurring since budget adoption meet the required contribution to the ongoing and major maintenance account (i.e., restricted maintenance account). | X | |
| 8 | Deficit Spending | Unrestricted deficit spending, if any, has not exceeded the standard in any of the current or two subsequent fiscal years. | | X |
| 9a | Fund Balance | Projected general fund balance will be positive at the end of the current and two subsequent fiscal years. | X | |
| 9b | Cash Balance | Projected general fund cash balance will be positive at the end of the current fiscal year. | X | |
| 10 | Reserves | Available reserves (e.g., reserve for economic uncertainties, unassigned/unappropriated amounts) meet minimum requirements for the current and two subsequent fiscal years. | | X |

| SUPPLEMENTAL INFORMATION | | | No | Yes |
|---|---|---|---|---|
| S1 | Contingent Liabilities | Have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) occurred since budget adoption that may impact the budget? | X | |
| S2 | Using One-time Revenues to Fund Ongoing Expenditures | Are there ongoing general fund expenditures funded with one-time revenues that have changed since budget adoption by more than five percent? | X | |
| S3 | Temporary Interfund Borrowings | Are there projected temporary borrowings between funds? | X | |
| S4 | Contingent Revenues | Are any projected revenues for any of the current or two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)? | X | |
| S5 | Contributions | Have contributions from unrestricted to restricted resources, or transfers to or from the general fund to cover operating deficits, changed since budget adoption by more than $20,000 and more than 5% for any of the current or two subsequent fiscal years? | | X |

| SUPPLEMENTAL INFORMATION (continued) | | | No | Yes |
|---|---|---|---|---|
| S6 | Long-term Commitments | Does the district have long-term (multiyear) commitments or debt agreements? | | X |
| | | • If yes, have annual payments for the current or two subsequent fiscal years increased over prior year's (2019-20) annual payment? | X | |
| | | • If yes, will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources? | X | |
| S7a | Postemployment Benefits Other than Pensions | Does the district provide postemployment benefits other than pensions (OPEB)? | | X |
| | | • If yes, have there been changes since budget adoption in OPEB liabilities? | X | |
| S7b | Other Self-insurance Benefits | Does the district operate any self-insurance programs (e.g., workers' compensation)? | X | |
| | | • If yes, have there been changes since budget adoption in self-insurance liabilities? | n/a | |
| S8 | Status of Labor Agreements | As of first interim projections, are salary and benefit negotiations still unsettled for: | | |
| | | • Certificated? (Section S8A, Line 1b) | X | |
| | | • Classified? (Section S8B, Line 1b) | X | |
| | | • Management/supervisor/confidential? (Section S8C, Line 1b) | X | |
| S8 | Labor Agreement Budget Revisions | For negotiations settled since budget adoption, per Government Code Section 3547.5(c), are budget revisions still needed to meet the costs of the collective bargaining agreement(s) for: | | |
| | | • Certificated? (Section S8A, Line 3) | X | |
| | | • Classified? (Section S8B, Line 3) | X | |
| S9 | Status of Other Funds | Are any funds other than the general fund projected to have a negative fund balance at the end of the current fiscal year? | X | |

| ADDITIONAL FISCAL INDICATORS | | | No | Yes |
|---|---|---|---|---|
| A1 | Negative Cash Flow | Do cash flow projections show that the district will end the current fiscal year with a negative cash balance in the general fund? | X | |
| A2 | Independent Position Control | Is personnel position control independent from the payroll system? | X | |
| A3 | Declining Enrollment | Is enrollment decreasing in both the prior and current fiscal years? | | X |
| A4 | New Charter Schools Impacting District Enrollment | Are any new charter schools operating in district boundaries that are impacting the district's enrollment, either in the prior or current fiscal year? | X | |
| A5 | Salary Increases Exceed COLA | Has the district entered into a bargaining agreement where any of the current or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment? | | X |
| A6 | Uncapped Health Benefits | Does the district provide uncapped (100% employer paid) health benefits for current or retired employees? | X | |
| A7 | Independent Financial System | Is the district's financial system independent from the county office system? | X | |
| A8 | Fiscal Distress Reports | Does the district have any reports that indicate fiscal distress? If yes, provide copies to the COE, pursuant to EC 42127.6(a). | X | |
| A9 | Change of CBO or Superintendent | Have there been personnel changes in the superintendent or chief business official (CBO) positions within the last 12 months? | | X |

| Description | ESTIMATED FUNDED ADA Original Budget (A) | ESTIMATED FUNDED ADA Board Approved Operating Budget (B) | ESTIMATED P-2 REPORT ADA Projected Year Totals (C) | ESTIMATED FUNDED ADA Projected Year Totals (D) | DIFFERENCE (Col. D - B) (E) | PERCENTAGE DIFFERENCE (Col. E / B) (F) |
|---|---|---|---|---|---|---|
| **A. DISTRICT** | | | | | | |
| **1. Total District Regular ADA** Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (includes Necessary Small School ADA) | 263.05 | 263.60 | 263.60 | 263.60 | 0.00 | 0% |
| **2. Total Basic Aid Choice/Court Ordered Voluntary Pupil Transfer Regular ADA** Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (ADA not included in Line A1 above) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **3. Total Basic Aid Open Enrollment Regular ADA** Includes Opportunity Classes, Home & Hospital, Special Day Class, Continuation Education, Special Education NPS/LCI and Extended Year, and Community Day School (ADA not included in Line A1 above) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **4. Total, District Regular ADA (Sum of Lines A1 through A3)** | 263.05 | 263.60 | 263.60 | 263.60 | 0.00 | 0% |
| **5. District Funded County Program ADA** | | | | | | |
| a. County Community Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Special Education-Special Day Class | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Special Education-NPS/LCI | 3.88 | 3.89 | 3.89 | 3.89 | 0.00 | 0% |
| d. Special Education Extended Year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools | 4.65 | 5.39 | 5.39 | 5.39 | 0.00 | 0% |
| f. County School Tuition Fund (Out of State Tuition) [EC 2000 and 46380] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **g. Total, District Funded County Program ADA (Sum of Lines A5a through A5f)** | 8.53 | 9.28 | 9.28 | 9.28 | 0.00 | 0% |
| **6. TOTAL DISTRICT ADA (Sum of Line A4 and Line A5g)** | 271.58 | 272.88 | 272.88 | 272.88 | 0.00 | 0% |
| **7. Adults in Correctional Facilities** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **8. Charter School ADA (Enter Charter School ADA using Tab C. Charter School ADA)** | | | | | | |

| Description | ESTIMATED FUNDED ADA Original Budget (A) | ESTIMATED FUNDED ADA Board Approved Operating Budget (B) | ESTIMATED P-2 REPORT ADA Projected Year Totals (C) | ESTIMATED FUNDED ADA Projected Year Totals (D) | DIFFERENCE (Col. D - B) (E) | PERCENTAGE DIFFERENCE (Col. E / B) (F) |
|---|---|---|---|---|---|---|
| **C. CHARTER SCHOOL ADA** | | | | | | |
| Authorizing LEAs reporting charter school SACS financial data in their Fund 01, 09, or 62 use this worksheet to report ADA for those charter schools. Charter schools reporting SACS financial data separately from their authorizing LEAs in Fund 01 or Fund 62 use this worksheet to report their ADA. | | | | | | |
| **FUND 01: Charter School ADA corresponding to SACS financial data reported in Fund 01.** | | | | | | |
| **1. Total Charter School Regular ADA** | 644.00 | 643.49 | 643.49 | 643.49 | 0.00 | 0% |
| **2. Charter School County Program Alternative Education ADA** | | | | | | |
| a. County Group Home and Institution Pupils | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Juvenile Halls, Homes, and Camps | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Probation Referred, On Probation or Parole, Expelled per EC 48915(a) or (c) [EC 2574(c)(4)(A)] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **d. Total, Charter School County Program Alternative Education ADA (Sum of Lines C2a through C2c)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **3. Charter School Funded County Program ADA** | | | | | | |
| a. County Community Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Special Education-Special Day Class | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Special Education-NPS/LCI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| d. Special Education Extended Year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **f. Total, Charter School Funded County Program ADA (Sum of Lines C3a through C3e)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **4. TOTAL CHARTER SCHOOL ADA (Sum of Lines C1, C2d, and C3f)** | 644.00 | 643.49 | 643.49 | 643.49 | 0.00 | 0% |
| **FUND 09 or 62: Charter School ADA corresponding to SACS financial data reported in Fund 09 or Fund 62.** | | | | | | |
| **5. Total Charter School Regular ADA** | 102.00 | 102.79 | 102.79 | 102.79 | 0.00 | 0% |
| **6. Charter School County Program Alternative Education ADA** | | | | | | |
| a. County Group Home and Institution Pupils | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Juvenile Halls, Homes, and Camps | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Probation Referred, On Probation or Parole, Expelled per EC 48915(a) or (c) [EC 2574(c)(4)(A)] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **d. Total, Charter School County Program Alternative Education ADA (Sum of Lines C6a through C6c)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **7. Charter School Funded County Program ADA** | | | | | | |
| a. County Community Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| b. Special Education-Special Day Class | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| c. Special Education-NPS/LCI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| d. Special Education Extended Year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| e. Other County Operated Programs: Opportunity Schools and Full Day Opportunity Classes, Specialized Secondary Schools | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **f. Total, Charter School Funded County Program ADA (Sum of Lines C7a through C7e)** | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0% |
| **8. TOTAL CHARTER SCHOOL ADA (Sum of Lines C5, C6d, and C7f)** | 102.00 | 102.79 | 102.79 | 102.79 | 0.00 | 0% |
| **9. TOTAL CHARTER SCHOOL ADA Reported in Fund 01, 09, or 62 (Sum of Lines C4 and C8)** | 746.00 | 746.28 | 746.28 | 746.28 | 0.00 | 0% |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff (E/B) (F) |
|---|---|---|---|---|---|---|---|---|
| **A. REVENUES** | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 10,355,730.00 | 11,065,446.00 | 1,531,756.85 | 11,065,446.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 573,234.00 | 1,279,771.00 | 225,753.06 | 1,279,771.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 652,483.00 | 774,076.00 | 50,208.08 | 774,076.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 883,143.00 | 1,067,025.00 | 147,679.18 | 1,067,025.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 12,464,590.00 | 14,186,318.00 | 1,955,397.17 | 14,186,318.00 | | |
| **B. EXPENDITURES** | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 5,053,328.00 | 5,339,542.00 | 1,497,728.81 | 5,339,542.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 1,756,112.00 | 1,946,272.00 | 564,470.28 | 1,946,272.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 2,909,131.00 | 2,951,940.00 | 730,182.89 | 2,951,940.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 385,433.00 | 706,462.00 | 177,111.85 | 706,462.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 2,921,992.00 | 3,044,051.00 | 524,652.08 | 3,044,051.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 42,248.53 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299<br>7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 13,025,996.00 | 13,988,267.00 | 3,536,394.44 | 13,988,267.00 | | |
| **C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)** | | | (561,406.00) | 198,051.00 | (1,580,997.27) | 198,051.00 | | |
| **D. OTHER FINANCING SOURCES/USES** | | | | | | | | |
| 1) Interfund Transfers | | | | | | | | |
| a) Transfers In | | 8900-8929 | 675,000.00 | 675,000.00 | (578,030.29) | 675,000.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 739,667.00 | 785,167.00 | (684,860.74) | 785,167.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses | | | | | | | | |
| a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | (64,667.00) | (110,167.00) | 106,830.45 | (110,167.00) | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff (E/B) (F) |
|---|---|---|---|---|---|---|---|---|
| **E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)** | | | (626,073.00) | 87,884.00 | (1,474,166.82) | 87,884.00 | | |
| **F. FUND BALANCE, RESERVES** | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 3,770,286.00 | 4,877,110.00 | | 4,877,110.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 3,770,286.00 | 4,877,110.00 | | 4,877,110.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 3,770,286.00 | 4,877,110.00 | | 4,877,110.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 3,144,213.00 | 4,964,994.00 | | 4,964,994.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 3,000.00 | 3,000.00 | | 3,000.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 97,421.00 | 83,694.00 | | 83,694.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 1,432,860.00 | 1,538,709.00 | | 1,538,709.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 1,060,305.00 | 2,748,654.00 | | 2,748,654.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 550,627.00 | 590,937.00 | | 590,937.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| A. REVENUES | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 230,000.00 | 70,000.00 | (38,040.29) | 70,000.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 18,000.00 | 18,000.00 | (2,878.07) | 18,000.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 66,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 314,000.00 | 88,000.00 | (40,918.36) | 88,000.00 | | |
| B. EXPENDITURES | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 84,994.00 | 84,994.00 | 12,258.06 | 84,994.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 29,973.00 | 29,973.00 | 4,157.94 | 29,973.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 257,500.00 | 79,000.00 | 1,988.00 | 79,000.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 6,200.00 | 4,200.00 | 4,554.00 | 4,200.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 378,667.00 | 198,167.00 | 22,958.00 | 198,167.00 | | |
| C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9) | | | (64,667.00) | (110,167.00) | (63,876.36) | (110,167.00) | | |
| D. OTHER FINANCING SOURCES/USES | | | | | | | | |
| 1) Interfund Transfers a) Transfers In | | 8900-8929 | 64,667.00 | 110,167.00 | (106,830.45) | 110,167.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 64,667.00 | 110,167.00 | (106,830.45) | 110,167.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4) | | | 0.00 | 0.00 | (170,706.81) | 0.00 | | |
| F. FUND BALANCE, RESERVES | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 2,590.00 | 2,590.00 | | 2,590.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 2,590.00 | 2,590.00 | | 2,590.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 2,590.00 | 2,590.00 | | 2,590.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 2,590.00 | 2,590.00 | | 2,590.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 2,590.00 | 2,590.00 | | 2,590.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 0.00 | 0.00 | | 0.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| **A. REVENUES** | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 0.00 | 917.00 | 0.00 | 917.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 0.00 | 917.00 | 0.00 | 917.00 | | |
| **B. EXPENDITURES** | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 0.00 | 23,500.00 | 23,500.00 | 23,500.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 36,693.00 | 0.00 | 36,693.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 0.00 | 60,193.00 | 23,500.00 | 60,193.00 | | |
| **C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)** | | | 0.00 | (59,276.00) | (23,500.00) | (59,276.00) | | |
| **D. OTHER FINANCING SOURCES/USES** | | | | | | | | |
| 1) Interfund Transfers | | | | | | | | |
| a) Transfers In | | 8900-8929 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses | | | | | | | | |
| a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4) | | | 0.00 | (59,276.00) | (23,500.00) | (59,276.00) | | |
| F. FUND BALANCE, RESERVES | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 322,930.00 | 327,600.00 | | 327,600.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 322,930.00 | 327,600.00 | | 327,600.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 322,930.00 | 327,600.00 | | 327,600.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 322,930.00 | 268,324.00 | | 268,324.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 0.00 | 0.00 | | 0.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 322,930.00 | 268,324.00 | | 268,324.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| **A. REVENUES** | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **B. EXPENDITURES** | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)** | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **D. OTHER FINANCING SOURCES/USES** | | | | | | | | |
| 1) Interfund Transfers | | | | | | | | |
| a) Transfers In | | 8900-8929 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses | | | | | | | | |
| a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| **E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)** | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **F. FUND BALANCE, RESERVES** | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 9,627.00 | 9,821.00 | | 9,821.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 9,627.00 | 9,821.00 | | 9,821.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 9,627.00 | 9,821.00 | | 9,821.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 9,627.00 | 9,821.00 | | 9,821.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 0.00 | 0.00 | | 0.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 9,627.00 | 9,821.00 | | 9,821.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| A. REVENUES | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 0.00 | 1,858.00 | 0.00 | 1,858.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 0.00 | 1,858.00 | 0.00 | 1,858.00 | | |
| B. EXPENDITURES | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9) | | | 0.00 | 1,858.00 | 0.00 | 1,858.00 | | |
| D. OTHER FINANCING SOURCES/USES | | | | | | | | |
| 1) Interfund Transfers<br>a) Transfers In | | 8900-8929 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses<br>a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4) | | | 0.00 | 1,858.00 | 0.00 | 1,858.00 | | |
| F. FUND BALANCE, RESERVES | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 639,999.00 | 645,902.00 | | 645,902.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 639,999.00 | 645,902.00 | | 645,902.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 639,999.00 | 645,902.00 | | 645,902.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 639,999.00 | 647,760.00 | | 647,760.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Restricted | | 9740 | 0.00 | 0.00 | | 0.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 639,999.00 | 647,760.00 | | 647,760.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| **A. REVENUES** | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **B. EXPENDITURES** | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)** | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| **D. OTHER FINANCING SOURCES/USES** | | | | | | | | |
| 1) Interfund Transfers | | | | | | | | |
| a) Transfers In | | 8900-8929 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses | | | | | | | | |
| a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 0.00 | 0.00 | 0.00 | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4) | | | 0.00 | 0.00 | 0.00 | 0.00 | | |
| F. FUND BALANCE, RESERVES | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 915.00 | 933.00 | | 933.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 915.00 | 933.00 | | 933.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 915.00 | 933.00 | | 933.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 915.00 | 933.00 | | 933.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Legally Restricted Balance | | 9740 | 0.00 | 0.00 | | 0.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 915.00 | 933.00 | | 933.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| A. REVENUES | | | | | | | | |
| 1) LCFF Sources | | 8010-8099 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Federal Revenue | | 8100-8299 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Other State Revenue | | 8300-8599 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) Other Local Revenue | | 8600-8799 | 5,000.00 | 5,000.00 | 21,668.68 | 5,000.00 | 0.00 | 0.0% |
| 5) TOTAL, REVENUES | | | 5,000.00 | 5,000.00 | 21,668.68 | 5,000.00 | | |
| B. EXPENDITURES | | | | | | | | |
| 1) Certificated Salaries | | 1000-1999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Classified Salaries | | 2000-2999 | 12,658.00 | 12,658.00 | 4,279.44 | 12,658.00 | 0.00 | 0.0% |
| 3) Employee Benefits | | 3000-3999 | 5,039.00 | 5,039.00 | 1,672.76 | 5,039.00 | 0.00 | 0.0% |
| 4) Books and Supplies | | 4000-4999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 5) Services and Other Operating Expenditures | | 5000-5999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 6) Capital Outlay | | 6000-6999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 7) Other Outgo (excluding Transfers of Indirect Costs) | | 7100-7299, 7400-7499 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 8) Other Outgo - Transfers of Indirect Costs | | 7300-7399 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 9) TOTAL, EXPENDITURES | | | 17,697.00 | 17,697.00 | 5,952.20 | 17,697.00 | | |
| C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9) | | | (12,697.00) | (12,697.00) | 15,716.48 | (12,697.00) | | |
| D. OTHER FINANCING SOURCES/USES | | | | | | | | |
| 1) Interfund Transfers a) Transfers In | | 8900-8929 | 10,000.00 | 10,000.00 | 0.00 | 10,000.00 | 0.00 | 0.0% |
| b) Transfers Out | | 7600-7629 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 2) Other Sources/Uses a) Sources | | 8930-8979 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| b) Uses | | 7630-7699 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 3) Contributions | | 8980-8999 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.0% |
| 4) TOTAL, OTHER FINANCING SOURCES/USES | | | 10,000.00 | 10,000.00 | 0.00 | 10,000.00 | | |

| Description | Resource Codes | Object Codes | Original Budget (A) | Board Approved Operating Budget (B) | Actuals To Date (C) | Projected Year Totals (D) | Difference (Col B & D) (E) | % Diff Column B & D (F) |
|---|---|---|---|---|---|---|---|---|
| E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4) | | | (2,697.00) | (2,697.00) | 15,716.48 | (2,697.00) | | |
| F. FUND BALANCE, RESERVES | | | | | | | | |
| 1) Beginning Fund Balance | | | | | | | | |
| a) As of July 1 - Unaudited | | 9791 | 730,922.00 | 768,256.00 | | 768,256.00 | 0.00 | 0.0% |
| b) Audit Adjustments | | 9793 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| c) As of July 1 - Audited (F1a + F1b) | | | 730,922.00 | 768,256.00 | | 768,256.00 | | |
| d) Other Restatements | | 9795 | 0.00 | 0.00 | | 0.00 | 0.00 | 0.0% |
| e) Adjusted Beginning Balance (F1c + F1d) | | | 730,922.00 | 768,256.00 | | 768,256.00 | | |
| 2) Ending Balance, June 30 (E + F1e) | | | 728,225.00 | 765,559.00 | | 765,559.00 | | |
| Components of Ending Fund Balance | | | | | | | | |
| a) Nonspendable | | | | | | | | |
| Revolving Cash | | 9711 | 0.00 | 0.00 | | 0.00 | | |
| Stores | | 9712 | 0.00 | 0.00 | | 0.00 | | |
| Prepaid Items | | 9713 | 0.00 | 0.00 | | 0.00 | | |
| All Others | | 9719 | 0.00 | 0.00 | | 0.00 | | |
| b) Legally Restricted Balance | | 9740 | 723,225.00 | 765,559.00 | | 765,559.00 | | |
| c) Committed | | | | | | | | |
| Stabilization Arrangements | | 9750 | 0.00 | 0.00 | | 0.00 | | |
| Other Commitments | | 9760 | 0.00 | 0.00 | | 0.00 | | |
| d) Assigned | | | | | | | | |
| Other Assignments | | 9780 | 5,000.00 | 0.00 | | 0.00 | | |
| e) Unassigned/Unappropriated | | | | | | | | |
| Reserve for Economic Uncertainties | | 9789 | 0.00 | 0.00 | | 0.00 | | |
| Unassigned/Unappropriated Amount | | 9790 | 0.00 | 0.00 | | 0.00 | | |

Provide methodology and assumptions used to estimate ADA, enrollment, revenues, expenditures, reserves and fund balance, and multiyear commitments (including cost-of-living adjustments).

Deviations from the standards must be explained and may affect the interim certification.

## CRITERIA AND STANDARDS

### 1. CRITERION: Average Daily Attendance

STANDARD: Funded average daily attendance (ADA) for any of the current fiscal year or two subsequent fiscal years has not changed by more than two percent since budget adoption.

**District's ADA Standard Percentage Range:** **-2.0% to +2.0%**

### 1A. Calculating the District's ADA Variances

DATA ENTRY: Budget Adoption data that exist for the current year will be extracted; otherwise, enter data into the first column for all fiscal years. First Interim Projected Year Totals data that exist for the current year will be extracted; otherwise, enter data for all fiscal years. Enter district regular ADA and charter school ADA corresponding to financial data reported in the General Fund, only, for all fiscal years.

| | Estimated Funded ADA | | | |
|---|---|---|---|---|
| Fiscal Year | Budget Adoption Budget (Form 01CS, Item 1A) | First Interim Projected Year Totals (Form AI, Lines A4 and C4) | Percent Change | Status |
| Current Year (2020-21) | | | | |
| District Regular | 263.00 | 263.60 | | |
| Charter School | 644.00 | 643.49 | | |
| **Total ADA** | **907.00** | **907.09** | **0.0%** | **Met** |
| 1st Subsequent Year (2021-22) | | | | |
| District Regular | 256.67 | 245.00 | | |
| Charter School | 644.00 | 624.00 | | |
| **Total ADA** | **900.67** | **869.00** | **-3.5%** | **Not Met** |
| 2nd Subsequent Year (2022-23) | | | | |
| District Regular | 234.11 | 235.00 | | |
| Charter School | 640.00 | 611.00 | | |
| **Total ADA** | **874.11** | **846.00** | **-3.2%** | **Not Met** |

### 1B. Comparison of District ADA to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - The projected change since budget adoption for funded ADA exceeds two percent in any of the current year or two subsequent fiscal years. Provide reasons why the change(s) exceed the standard, a description of the methods and assumptions used in projecting funded ADA, and what changes will be made to improve the accuracy of projections in this area.

**Explanation:**
(required if NOT met)

At Budget Adoption enrollment numbers were unknown. At First Interim, CALPADS data was used to project enrollment based on current enrolllment. The COVID-19 pandemic has impacted our enrollment, the full effect of the impact was unknown during Budget Adoption.

## 2. CRITERION: Enrollment

STANDARD: Projected enrollment for any of the current fiscal year or two subsequent fiscal years has not changed by more than two percent since budget adoption.

**District's Enrollment Standard Percentage Range:** **-2.0% to +2.0%**

### 2A. Calculating the District's Enrollment Variances

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column for all fiscal years. Enter data in the second column for all fiscal years. Enter district regular enrollment and charter school enrollment corresponding to financial data reported in the General Fund, only, for all fiscal years.

| Fiscal Year | Enrollment<br>Budget Adoption<br>(Form 01CS, Item 3B) | Enrollment<br>First Interim<br>CBEDS/Projected | Percent Change | Status |
|---|---|---|---|---|
| Current Year (2020-21) | | | | |
| District Regular | 261 | 262 | | |
| Charter School | 1,004 | 670 | | |
| **Total Enrollment** | **1,265** | **932** | **-26.3%** | **Not Met** |
| 1st Subsequent Year (2021-22) | | | | |
| District Regular | 239 | 254 | | |
| Charter School | 999 | 661 | | |
| **Total Enrollment** | **1,238** | **915** | **-26.1%** | **Not Met** |
| 2nd Subsequent Year (2022-23) | | | | |
| District Regular | 217 | 244 | | |
| Charter School | 999 | 646 | | |
| **Total Enrollment** | **1,216** | **890** | **-26.8%** | **Not Met** |

### 2B. Comparison of District Enrollment to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - Enrollment projections have changed since budget adoption by more than two percent in any of the current year or two subsequent fiscal years. Provide reasons why the change(s) exceed the standard, a description of the methods and assumptions used in projecting enrollment, and what changes will be made to improve the accuracy of projections in this area.

**Explanation:**
(required if NOT met)

Prior years entries have included charter enrollment numbers that do not roll up into the General Fund. The First Interim enrollment numbers now included only charters that roll up into the General Fund.

## 3. CRITERION: ADA to Enrollment

STANDARD: Projected second period (P-2) average daily attendance (ADA) to enrollment ratio for any of the current fiscal year or two subsequent fiscal years has not increased from the historical average ratio from the three prior fiscal years by more than one half of one percent (0.5%).

### 3A. Calculating the District's ADA to Enrollment Standard

DATA ENTRY: Unaudited Actuals data that exist will be extracted into the P-2 ADA column for the First Prior Year; otherwise, enter First Prior Year data. P-2 ADA for the second and third prior years are preloaded. Budget Adoption data that exist will be extracted into the Enrollment column; otherwise, enter Enrollment data for all fiscal years. Data should reflect district regular and charter school ADA/enrollment corresponding to financial data reported in the General Fund, only, for all fiscal years.

| Fiscal Year | P-2 ADA Unaudited Actuals (Form A, Lines A4 and C4) | Enrollment CBEDS Actual (Form 01CS, Item 2A) | Historical Ratio of ADA to Enrollment |
|---|---|---|---|
| Third Prior Year (2017-18) | | | |
| District Regular | 307 | 1,358 | |
| Charter School | 667 | | |
| **Total ADA/Enrollment** | **974** | **1,358** | **71.7%** |
| Second Prior Year (2018-19) | | | |
| District Regular | 272 | 1,261 | |
| Charter School | 631 | | |
| **Total ADA/Enrollment** | **903** | **1,261** | **71.6%** |
| First Prior Year (2019-20) | | | |
| District Regular | 268 | 1,280 | |
| Charter School | 643 | | |
| **Total ADA/Enrollment** | **911** | **1,280** | **71.2%** |
| | | Historical Average Ratio: | 71.5% |

**District's ADA to Enrollment Standard (historical average ratio plus 0.5%):** **72.0%**

### 3B. Calculating the District's Projected Ratio of ADA to Enrollment

DATA ENTRY: Estimated P-2 ADA will be extracted into the first column for the Current Year; enter data in the first column for the subsequent fiscal years. Data should reflect district regular and charter school ADA/enrollment corresponding to financial data reported in the General Fund, only, for all fiscal years. All other data are extracted.

| Fiscal Year | Estimated P-2 ADA (Form AI, Lines A4 and C4) | Enrollment CBEDS/Projected (Criterion 2, Item 2A) | Ratio of ADA to Enrollment | Status |
|---|---|---|---|---|
| Current Year (2020-21) | | | | |
| District Regular | 264 | 262 | | |
| Charter School | 643 | 670 | | |
| **Total ADA/Enrollment** | **907** | **932** | **97.3%** | **Not Met** |
| 1st Subsequent Year (2021-22) | | | | |
| District Regular | 245 | 254 | | |
| Charter School | 624 | 661 | | |
| **Total ADA/Enrollment** | **869** | **915** | **95.0%** | **Not Met** |
| 2nd Subsequent Year (2022-23) | | | | |
| District Regular | 235 | 244 | | |
| Charter School | 611 | 646 | | |
| **Total ADA/Enrollment** | **846** | **890** | **95.1%** | **Not Met** |

### 3C. Comparison of District ADA to Enrollment Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - Projected P-2 ADA to enrollment ratio exceeds the standard in any of the current year or two subsequent fiscal years. Provide reasons why the projected ratio exceeds the district's historical average ratio by more than 0.5%.

**Explanation:**
(required if NOT met)

For the 2020-21 year, hold harmless ADA is used for funding. While our enrollment has decreased in the current year, the hold harmless ADA is higher than the actual ADA we would have received; this is causing an increase in our ratio.

## 4. CRITERION: LCFF Revenue

STANDARD: Projected LCFF revenue for any of the current fiscal year or two subsequent fiscal years has not changed by more than two percent since budget adoption.

**District's LCFF Revenue Standard Percentage Range:** -2.0% to +2.0%

### 4A. Calculating the District's Projected Change in LCFF Revenue

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. In the First Interim column, Current Year data are extracted; enter data for the two subsequent years.

| Fiscal Year | LCFF Revenue (Fund 01, Objects 8011, 8012, 8020-8089) Budget Adoption (Form 01CS, Item 4B) | First Interim Projected Year Totals | Percent Change | Status |
|---|---|---|---|---|
| Current Year (2020-21) | 11,404,733.00 | 12,348,965.00 | 8.3% | Not Met |
| 1st Subsequent Year (2021-22) | 11,295,860.00 | 12,097,166.00 | 7.1% | Not Met |
| 2nd Subsequent Year (2022-23) | 11,364,838.00 | 11,712,475.00 | 3.1% | Not Met |

### 4B. Comparison of District LCFF Revenue to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - Projected LCFF revenue has changed since budget adoption by more than two percent in any of the current year or two subsequent fiscal years. Provide reasons why the change(s) exceed the standard and a description of the methods and assumptions used in projecting LCFF revenue.

**Explanation:**
(required if NOT met)

Revenue projected at Budget Adoption did not include hold harmless ADA. The inclusion of hold harmless ADA at First Interim has resulted in an increase to our LCFF Revenues. Budget Adoption also included a deficit COLA, lowering LCFF revenues while First Interim is based on a 0% COLA and contributes to the increased revenue projections.

## 5. CRITERION: Salaries and Benefits

STANDARD: Projected ratio of total unrestricted salaries and benefits to total unrestricted general fund expenditures for any of the current fiscal year or two subsequent fiscal years has not changed from the historical average ratio from the three prior fiscal years by more than the greater of three percent or the district's required reserves percentage.

### 5A. Calculating the District's Historical Average Ratio of Unrestricted Salaries and Benefits to Total Unrestricted General Fund Expenditures

DATA ENTRY: Unaudited Actuals data that exist for the First Prior Year will be extracted; otherwise, enter data for the First Prior Year. Unaudited Actuals data for the second and third prior years are preloaded.

| Fiscal Year | Unaudited Actuals - Unrestricted (Resources 0000-1999) Salaries and Benefits (Form 01, Objects 1000-3999) | Total Expenditures (Form 01, Objects 1000-7499) | Ratio of Unrestricted Salaries and Benefits to Total Unrestricted Expenditures |
|---|---|---|---|
| Third Prior Year (2017-18) | 8,092,150.44 | 9,799,889.76 | 82.6% |
| Second Prior Year (2018-19) | 8,176,855.71 | 9,604,118.70 | 85.1% |
| First Prior Year (2019-20) | 8,003,507.99 | 9,568,595.78 | 83.6% |
| | | Historical Average Ratio: | 83.8% |

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| District's Reserve Standard Percentage (Criterion 10B, Line 4) | 4.0% | 4.0% | 4.0% |
| **District's Salaries and Benefits Standard (historical average ratio, plus/minus the greater of 3% or the district's reserve standard percentage):** | **79.8% to 87.8%** | **79.8% to 87.8%** | **79.8% to 87.8%** |

### 5B. Calculating the District's Projected Ratio of Unrestricted Salaries and Benefits to Total Unrestricted General Fund Expenditures

DATA ENTRY: If Form MYPI exists, Projected Year Totals data for the two subsequent years will be extracted; if not, enter Projected Year Totals data. Projected Year Totals data for Current Year are extracted.

| Fiscal Year | Projected Year Totals - Unrestricted (Resources 0000-1999) Salaries and Benefits (Form 01I, Objects 1000-3999) (Form MYPI, Lines B1-B3) | Total Expenditures (Form 01I, Objects 1000-7499) (Form MYPI, Lines B1-B8, B10) | Ratio of Unrestricted Salaries and Benefits to Total Unrestricted Expenditures | Status |
|---|---|---|---|---|
| Current Year (2020-21) | 8,138,299.00 | 9,145,421.00 | 89.0% | Not Met |
| 1st Subsequent Year (2021-22) | 8,363,402.00 | 9,467,016.00 | 88.3% | Not Met |
| 2nd Subsequent Year (2022-23) | 8,659,626.00 | 9,805,249.00 | 88.3% | Not Met |

### 5C. Comparison of District Salaries and Benefits Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - Projected ratio of unrestricted salary and benefit costs to total unrestricted expenditures has changed by more than the standard in any of the current year or two subsequent fiscal years. Provide reasons why the change(s) exceed the standard and a description of the methods and assumptions used in projecting salaries and benefits.

**Explanation:**
(required if NOT met)

Budget reductions for services and supplies due to decreased usage as staff and students are in distance learning has increased this ratio for the 2020-21 fiscal year.

## 6. CRITERION: Other Revenues and Expenditures

STANDARD: Projected operating revenues (including federal, other state and other local) or expenditures (including books and supplies, and services and other operating), for any of the current fiscal year or two subsequent fiscal years, have not changed by more than five percent since budget adoption.

Changes that exceed five percent in any major object category must be explained.

| | |
|---|---|
| **District's Other Revenues and Expenditures Standard Percentage Range:** | **-5.0% to +5.0%** |
| **District's Other Revenues and Expenditures Explanation Percentage Range:** | **-5.0% to +5.0%** |

### 6A. Calculating the District's Change by Major Object Category and Comparison to the Explanation Percentage Range

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. First Interim data for the Current Year are extracted. If First Interim Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years into the second column.

Explanations must be entered for each category if the percent change for any year exceeds the district's explanation percentage range.

| Object Range / Fiscal Year | Budget Adoption Budget (Form 01CS, Item 6B) | First Interim Projected Year Totals (Fund 01) (Form MYPI) | Percent Change | Change Is Outside Explanation Range |
|---|---|---|---|---|
| **Federal Revenue (Fund 01, Objects 8100-8299) (Form MYPI, Line A2)** | | | | |
| Current Year (2020-21) | 573,234.00 | 1,279,771.00 | 123.3% | Yes |
| 1st Subsequent Year (2021-22) | 573,234.00 | 546,455.00 | -4.7% | No |
| 2nd Subsequent Year (2022-23) | 573,234.00 | 546,455.00 | -4.7% | No |

**Explanation:**
(required if Yes)

Budget Adoption did not include the CARES funding, First Interim fully budgeted this funding.

| Object Range / Fiscal Year | Budget Adoption Budget | First Interim Projected Year Totals | Percent Change | Change Is Outside Explanation Range |
|---|---|---|---|---|
| **Other State Revenue (Fund 01, Objects 8300-8599) (Form MYPI, Line A3)** | | | | |
| Current Year (2020-21) | 652,483.00 | 774,076.00 | 18.6% | Yes |
| 1st Subsequent Year (2021-22) | 691,054.00 | 696,412.00 | 0.8% | No |
| 2nd Subsequent Year (2022-23) | 685,658.00 | 688,192.00 | 0.4% | No |

**Explanation:**
(required if Yes)

Budget Adoption did not include the CARES funding, First Interim fully budgeted this funding.

| Object Range / Fiscal Year | Budget Adoption Budget | First Interim Projected Year Totals | Percent Change | Change Is Outside Explanation Range |
|---|---|---|---|---|
| **Other Local Revenue (Fund 01, Objects 8600-8799) (Form MYPI, Line A4)** | | | | |
| Current Year (2020-21) | 883,143.00 | 1,067,025.00 | 20.8% | Yes |
| 1st Subsequent Year (2021-22) | 881,861.00 | 1,065,025.00 | 20.8% | Yes |
| 2nd Subsequent Year (2022-23) | 881,861.00 | 1,065,743.00 | 20.9% | Yes |

**Explanation:**
(required if Yes)

Increases in Special Education revenues was unknown at Budget Adoption. These increases were incorporated into the First Interim and future projections.

| Object Range / Fiscal Year | Budget Adoption Budget | First Interim Projected Year Totals | Percent Change | Change Is Outside Explanation Range |
|---|---|---|---|---|
| **Books and Supplies (Fund 01, Objects 4000-4999) (Form MYPI, Line B4)** | | | | |
| Current Year (2020-21) | 385,433.00 | 706,462.00 | 83.3% | Yes |
| 1st Subsequent Year (2021-22) | 380,766.00 | 322,423.00 | -15.3% | Yes |
| 2nd Subsequent Year (2022-23) | 367,828.00 | 355,873.00 | -3.3% | No |

**Explanation:**
(required if Yes)

Increases in books and supplies result from increases in CARES revenues for the 2020-21 fiscal year. The 2021-22 fiscal year was reduced for supplies that are no longer anticipated for that year.

| Object Range / Fiscal Year | Budget Adoption Budget | First Interim Projected Year Totals | Percent Change | Change Is Outside Explanation Range |
|---|---|---|---|---|
| **Services and Other Operating Expenditures (Fund 01, Objects 5000-5999) (Form MYPI, Line B5)** | | | | |
| Current Year (2020-21) | 2,921,992.00 | 3,044,051.00 | 4.2% | No |
| 1st Subsequent Year (2021-22) | 2,834,286.00 | 2,907,856.00 | 2.6% | No |
| 2nd Subsequent Year (2022-23) | 2,834,146.00 | 2,907,710.00 | 2.6% | No |

**Explanation:**
(required if Yes)

## 6B. Calculating the District's Change in Total Operating Revenues and Expenditures

DATA ENTRY: All data are extracted or calculated.

| Object Range / Fiscal Year | Budget Adoption Budget | First Interim Projected Year Totals | Percent Change | Status |
|---|---|---|---|---|
| **Total Federal, Other State, and Other Local Revenue (Section 6A)** | | | | |
| Current Year (2020-21) | 2,108,860.00 | 3,120,872.00 | 48.0% | Not Met |
| 1st Subsequent Year (2021-22) | 2,146,149.00 | 2,307,892.00 | 7.5% | Not Met |
| 2nd Subsequent Year (2022-23) | 2,140,753.00 | 2,300,390.00 | 7.5% | Not Met |
| **Total Books and Supplies, and Services and Other Operating Expenditures (Section 6A)** | | | | |
| Current Year (2020-21) | 3,307,425.00 | 3,750,513.00 | 13.4% | Not Met |
| 1st Subsequent Year (2021-22) | 3,215,052.00 | 3,230,279.00 | 0.5% | Met |
| 2nd Subsequent Year (2022-23) | 3,201,974.00 | 3,263,583.00 | 1.9% | Met |

## 6C. Comparison of District Total Operating Revenues and Expenditures to the Standard Percentage Range

DATA ENTRY: Explanations are linked from Section 6A if the status in Section 6B is Not Met; no entry is allowed below.

1a. STANDARD NOT MET - One or more projected operating revenue have changed since budget adoption by more than the standard in one or more of the current year or two subsequent fiscal years. Reasons for the projected change, descriptions of the methods and assumptions used in the projections, and what changes, if any, will be made to bring the projected operating revenues within the standard must be entered in Section 6A above and will also display in the explanation box below.

| | |
|---|---|
| **Explanation:** Federal Revenue (linked from 6A if NOT met) | Budget Adoption did not include the CARES funding, First Interim fully budgeted this funding. |
| **Explanation:** Other State Revenue (linked from 6A if NOT met) | Budget Adoption did not include the CARES funding, First Interim fully budgeted this funding. |
| **Explanation:** Other Local Revenue (linked from 6A if NOT met) | Increases in Special Education revenues was unknown at Budget Adoption. These increases were incorporated into the First Interim and future projections. |

1b. STANDARD NOT MET - One or more total operating expenditures have changed since budget adoption by more than the standard in one or more of the current year or two subsequent fiscal years. Reasons for the projected change, descriptions of the methods and assumptions used in the projections, and what changes, if any, will be made to bring the projected operating revenues within the standard must be entered in Section 6A above and will also display in the explanation box below.

| | |
|---|---|
| **Explanation:** Books and Supplies (linked from 6A if NOT met) | Increases in books and supplies result from increases in CARES revenues for the 2020-21 fiscal year. The 2021-22 fiscal year was reduced for supplies that are no longer anticipated for that year. |
| **Explanation:** Services and Other Exps (linked from 6A if NOT met) | |

## 7. CRITERION: Facilities Maintenance

STANDARD: Identify changes that have occurred since budget adoption in the projected contributions for facilities maintenance funding as required pursuant to Education Code Section 17070.75, or in how the district is providing adequately to preserve the functionality of its facilities for their normal life in accordance with Education Code sections 52060(d)(1) and 17002(d)(1).

### Determining the District's Compliance with the Contribution Requirement for EC Section 17070.75 - Ongoing and Major Maintenance/Restricted Maintenance Account (OMMA/RMA)

**NOTE:** EC Section 17070.75 requires the district to deposit into the account a minimum amount equal to or greater than three percent of the total general fund expenditures and other financing uses for that fiscal year.

DATA ENTRY: Enter the Required Minimum Contribution if Budget data does not exist. Budget data that exist will be extracted; otherwise, enter budget data into lines 1, if applicable, and 2. All other data are extracted.

| | Required Minimum Contribution | First Interim Contribution Projected Year Totals (Fund 01, Resource 8150, Objects 8900-8999) | Status |
|---|---|---|---|
| 1. OMMA/RMA Contribution | 412,969.89 | 422,135.00 | Met |
| 2. Budget Adoption Contribution (information only) (Form 01CS, Criterion 7) | | 421,321.00 | |

If status is not met, enter an X in the box that best describes why the minimum required contribution was not made:

| | |
|---|---|
| | Not applicable (district does not participate in the Leroy F. Greene School Facilities Act of 1998) |
| | Exempt (due to district's small size [EC Section 17070.75 (b)(2)(E)]) |
| | Other (explanation must be provided) |

**Explanation:**
(required if NOT met and Other is marked)

## 8. CRITERION: Deficit Spending

STANDARD: Unrestricted deficit spending (total unrestricted expenditures and other financing uses is greater than total unrestricted revenues and other financing sources) as a percentage of total unrestricted expenditures and other financing uses, has not exceeded one-third of the district's available reserves[1] as a percentage of total expenditures and other financing uses[2] in any of the current fiscal year or two subsequent fiscal years.

[1]Available reserves are the unrestricted amounts in the Stabilization Arrangements, Reserve for Economic Uncertainties, and Unassigned/Unappropriated accounts in the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

[2]A school district that is the Administrative Unit of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

### 8A. Calculating the District's Deficit Spending Standard Percentage Levels

DATA ENTRY: All data are extracted or calculated.

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| District's Available Reserve Percentages (Criterion 10C, Line 9) | 4.0% | 4.0% | 4.0% |
| **District's Deficit Spending Standard Percentage Levels (one-third of available reserve percentage):** | **1.3%** | **1.3%** | **1.3%** |

### 8B. Calculating the District's Deficit Spending Percentages

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years into the first and second columns.

| Fiscal Year | Projected Year Totals<br>Net Change in Unrestricted Fund Balance (Form 01I, Section E) (Form MYPI, Line C) | Total Unrestricted Expenditures and Other Financing Uses (Form 01I, Objects 1000-7999) (Form MYPI, Line B11) | Deficit Spending Level (If Net Change in Unrestricted Fund Balance is negative, else N/A) | Status |
|---|---|---|---|---|
| Current Year (2020-21) | 158,028.00 | 9,820,421.00 | N/A | Met |
| 1st Subsequent Year (2021-22) | (376,315.00) | 10,142,016.00 | 3.7% | Not Met |
| 2nd Subsequent Year (2022-23) | (1,022,389.00) | 10,480,249.00 | 9.8% | Not Met |

### 8C. Comparison of District Deficit Spending to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - Unrestricted deficit spending has exceeded the standard percentage level in any of the current year or two subsequent fiscal years. Provide reasons for the deficit spending, a description of the methods and assumptions used in balancing the unrestricted budget, and what changes will be made to ensure that the budget deficits are eliminated or are balanced within the standard.

**Explanation:** (required if NOT met)

Decreasing enrollment and has generated a decrease in unrestricted revenues while the cost of salaries, benefits, and pension costs are increasing. The District is reviewing funding, expenditures, and enrollment projections to identify reductions for future years.

## 9. CRITERION: Fund and Cash Balances

A. FUND BALANCE STANDARD: Projected general fund balance will be positive at the end of the current fiscal year and two subsequent fiscal years.

### 9A-1. Determining if the District's General Fund Ending Balance is Positive

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years.

| Fiscal Year | Ending Fund Balance General Fund Projected Year Totals (Form 01I, Line F2 ) (Form MYPI, Line D2) | Status |
|---|---|---|
| Current Year (2020-21) | 4,964,994.00 | Met |
| 1st Subsequent Year (2021-22) | 4,588,675.00 | Met |
| 2nd Subsequent Year (2022-23) | 3,565,838.00 | Met |

### 9A-2. Comparison of the District's Ending Fund Balance to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Projected general fund ending balance is positive for the current fiscal year and two subsequent fiscal years.

**Explanation:**
(required if NOT met)

B. CASH BALANCE STANDARD: Projected general fund cash balance will be positive at the end of the current fiscal year.

### 9B-1. Determining if the District's Ending Cash Balance is Positive

DATA ENTRY: If Form CASH exists, data will be extracted; if not, data must be entered below.

| Fiscal Year | Ending Cash Balance General Fund (Form CASH, Line F, June Column) | Status |
|---|---|---|
| Current Year (2020-21) | 1,650,687.00 | Met |

### 9B-2. Comparison of the District's Ending Cash Balance to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Projected general fund cash balance will be positive at the end of the current fiscal year.

**Explanation:**
(required if NOT met)

## 10. CRITERION: Reserves

STANDARD: Available reserves[1] for any of the current fiscal year or two subsequent fiscal years are not less than the following percentages or amounts[2] as applied to total expenditures and other financing uses[3]:

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, 1st and 2nd Subsequent Year data will be extracted. If not, enter district regular ADA and charter school ADA corresponding to financial data reported in the General Fund, only, for the two subsequent years.

| Percentage Level | District ADA | | |
|---|---|---|---|
| 5% or $71,000 (greater of) | 0 | to | 300 |
| 4% or $71,000 (greater of) | 301 | to | 1,000 |
| 3% | 1,001 | to | 30,000 |
| 2% | 30,001 | to | 400,000 |
| 1% | 400,001 | and | over |

[1] Available reserves are the unrestricted amounts in the Stabilization Arrangements, Reserve for Economic Uncertainties, and Unassigned/Unappropriated accounts in the General Fund and Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

[2] Dollar amounts to be adjusted annually by the prior year statutory cost-of-living adjustment (Education Code Section 42238), rounded to the nearest thousand.

[3] A school district that is the Administrative Unit (AU) of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| District Estimated P-2 ADA (Current Year, Form AI, Lines A4 and C4. Subsequent Years, Form MYPI, Line F2, if available.) | 907 | 869 | 846 |
| **District's Reserve Standard Percentage Level:** | 4% | 4% | 4% |

### 10A. Calculating the District's Special Education Pass-through Exclusions (only for districts that serve as the AU of a SELPA)

DATA ENTRY: For SELPA AUs, if Form MYPI exists, all data will be extracted including the Yes/No button selection. If not, click the appropriate Yes or No button for item 1 and, if Yes, enter data for item 2a and for the two subsequent years in item 2b; Current Year data are extracted.

For districts that serve as the AU of a SELPA (Form MYPI, Lines F1a, F1b1, and F1b2):

1. Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members? Yes
2. If you are the SELPA AU and are excluding special education pass-through funds:
   a. Enter the name(s) of the SELPA(s): ____________________

| | Current Year Projected Year Totals (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| b. Special Education Pass-through Funds (Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223) | 0.00 | | |

### 10B. Calculating the District's Reserve Standard

DATA ENTRY: If Form MYPI exists, all data will be extracted or calculated. If not, enter data for line 1 for the two subsequent years; Current Year data are extracted.

| | Current Year Projected Year Totals (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Expenditures and Other Financing Uses (Form 01I, objects 1000-7999) (Form MYPI, Line B11) | 14,773,434.00 | 14,208,643.00 | 14,588,738.00 |
| 2. Plus: Special Education Pass-through (Criterion 10A, Line 2b, if Criterion 10A, Line 1 is No) | | | |
| 3. Total Expenditures and Other Financing Uses (Line B1 plus Line B2) | 14,773,434.00 | 14,208,643.00 | 14,588,738.00 |
| 4. Reserve Standard Percentage Level | 4% | 4% | 4% |
| 5. Reserve Standard - by Percent (Line B3 times Line B4) | 590,937.36 | 568,345.72 | 583,549.52 |
| 6. Reserve Standard - by Amount ($71,000 for districts with less than 1,001 ADA, else 0) | 71,000.00 | 71,000.00 | 71,000.00 |
| 7. **District's Reserve Standard (Greater of Line B5 or Line B6)** | **590,937.36** | **568,345.72** | **583,549.52** |

## 10C. Calculating the District's Available Reserve Amount

DATA ENTRY: All data are extracted from fund data and Form MYPI. If Form MYPI does not exist, enter data for the two subsequent years.

| Reserve Amounts (Unrestricted resources 0000-1999 except Line 4) | Current Year Projected Year Totals (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. General Fund - Stabilization Arrangements (Fund 01, Object 9750) (Form MYPI, Line E1a) | 0.00 | 0.00 | 0.00 |
| 2. General Fund - Reserve for Economic Uncertainties (Fund 01, Object 9789) (Form MYPI, Line E1b) | 590,937.00 | 568,346.00 | 583,550.00 |
| 3. General Fund - Unassigned/Unappropriated Amount (Fund 01, Object 9790) (Form MYPI, Line E1c) | 0.00 | 0.00 | 0.00 |
| 4. General Fund - Negative Ending Balances in Restricted Resources (Fund 01, Object 979Z, if negative, for each of resources 2000-9999) (Form MYPI, Line E1d) | 0.00 | | |
| 5. Special Reserve Fund - Stabilization Arrangements (Fund 17, Object 9750) (Form MYPI, Line E2a) | 0.00 | | |
| 6. Special Reserve Fund - Reserve for Economic Uncertainties (Fund 17, Object 9789) (Form MYPI, Line E2b) | 0.00 | | |
| 7. Special Reserve Fund - Unassigned/Unappropriated Amount (Fund 17, Object 9790) (Form MYPI, Line E2c) | 0.00 | | |
| 8. District's Available Reserve Amount (Lines C1 thru C7) | 590,937.00 | 568,346.00 | 583,550.00 |
| 9. District's Available Reserve Percentage (Information only) (Line 8 divided by Section 10B, Line 3) | 4.00% | 4.00% | 4.00% |
| **District's Reserve Standard (Section 10B, Line 7):** | **590,937.36** | **568,345.72** | **583,549.52** |
| Status: | Not Met | Met | Met |

## 10D. Comparison of District Reserve Amount to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD NOT MET - Available reserves are below the standard in one or more of the current year or two subsequent fiscal years. Provide reasons for reserves falling below the standard and what plans and actions are anticipated to increase reserves to, or above, the standard.

**Explanation:**
(required if NOT met)

The 2020-21 fiscal year is budgeted to meet the required 4% reserve. This form is not rounding down the $0.36 and is causing a "not met" status.

## SUPPLEMENTAL INFORMATION

DATA ENTRY: Click the appropriate Yes or No button for items S1 through S4. Enter an explanation for each Yes answer.

### S1. Contingent Liabilities

1a. Does your district have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) that have occurred since budget adoption that may impact the budget? **No**

1b. If Yes, identify the liabilities and how they may impact the budget:

### S2. Use of One-time Revenues for Ongoing Expenditures

1a. Does your district have ongoing general fund expenditures funded with one-time revenues that have changed since budget adoption by more than five percent? **No**

1b. If Yes, identify the expenditures and explain how the one-time resources will be replaced to continue funding the ongoing expenditures in the following fiscal years:

### S3. Temporary Interfund Borrowings

1a. Does your district have projected temporary borrowings between funds? (Refer to Education Code Section 42603) **No**

1b. If Yes, identify the interfund borrowings:

### S4. Contingent Revenues

1a. Does your district have projected revenues for the current fiscal year or either of the two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)? **No**

1b. If Yes, identify any of these revenues that are dedicated for ongoing expenses and explain how the revenues will be replaced or expenditures reduced:

## S5. Contributions

Identify projected contributions from unrestricted resources in the general fund to restricted resources in the general fund for the current fiscal year and two subsequent fiscal years. Provide an explanation if contributions have changed by more than $20,000 and more than five percent since budget adoption.

Identify projected transfers to or from the general fund to cover operating deficits in either the general fund or any other fund for the current fiscal year and two subsequent fiscal years. Provide an explanation if transfers have changed by more than $20,000 and more than five percent since budget adoption.

Identify capital project cost overruns that have occurred since budget adoption that may impact the general fund budget.

**District's Contributions and Transfers Standard:** **-5.0% to +5.0% or -$20,000 to +$20,000**

### S5A. Identification of the District's Projected Contributions, Transfers, and Capital Projects that may Impact the General Fund

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. For Contributions, the First Interim's Current Year data will be extracted. Enter First Interim Contributions for the 1st and 2nd Subsequent Years. For Transfers In and Transfers Out, the First Interim's Current Year data will be extracted. If Form MYPI exists, the data will be extracted into the First Interim column for the 1st and 2nd Subsequent Years. If Form MYPI does not exist, enter data for 1st and 2nd Subsequent Years. Click on the appropriate button for Item 1d; all other data will be calculated.

| Description / Fiscal Year | Budget Adoption (Form 01CS, Item S5A) | First Interim Projected Year Totals | Percent Change | Amount of Change | Status |
|---|---|---|---|---|---|
| **1a. Contributions, Unrestricted General Fund (Fund 01, Resources 0000-1999, Object 8980)** | | | | | |
| Current Year (2020-21) | (2,489,013.00) | (2,403,521.00) | -3.4% | (85,492.00) | Met |
| 1st Subsequent Year (2021-22) | (2,532,846.00) | (2,396,177.00) | -5.4% | (136,669.00) | Not Met |
| 2nd Subsequent Year (2022-23) | (2,575,117.00) | (2,439,377.00) | -5.3% | (135,740.00) | Not Met |
| **1b. Transfers In, General Fund *** | | | | | |
| Current Year (2020-21) | 675,000.00 | 675,000.00 | 0.0% | 0.00 | Met |
| 1st Subsequent Year (2021-22) | 675,000.00 | 675,000.00 | 0.0% | 0.00 | Met |
| 2nd Subsequent Year (2022-23) | 675,000.00 | 675,000.00 | 0.0% | 0.00 | Met |
| **1c. Transfers Out, General Fund *** | | | | | |
| Current Year (2020-21) | 739,667.00 | 785,167.00 | 6.2% | 45,500.00 | Not Met |
| 1st Subsequent Year (2021-22) | 739,667.00 | 739,667.00 | 0.0% | 0.00 | Met |
| 2nd Subsequent Year (2022-23) | 739,667.00 | 739,667.00 | 0.0% | 0.00 | Met |

1d. **Capital Project Cost Overruns**

Have capital project cost overruns occurred since budget adoption that may impact the general fund operational budget? No

* Include transfers used to cover operating deficits in either the general fund or any other fund.

### S5B. Status of the District's Projected Contributions, Transfers, and Capital Projects

DATA ENTRY: Enter an explanation if Not Met for items 1a-1c or if Yes for Item 1d.

1a. NOT MET - The projected contributions from the unrestricted general fund to restricted general fund programs have changed since budget adoption by more than the standard for any of the current year or subsequent two fiscal years. Identify restricted programs and contribution amount for each program and whether contributions are ongoing or one-time in nature. Explain the district's plan, with timeframes, for reducing or eliminating the contribution.

**Explanation:** (required if NOT met)

Increases in special eduation revenues combined with reductions in special education costs have resulted in a decrease in contributions to unrestricted resources.

1b. MET - Projected transfers in have not changed since budget adoption by more than the standard for the current year and two subsequent fiscal years.

**Explanation:** (required if NOT met)

1c. NOT MET - The projected transfers out of the general fund have changed since budget adoption by more than the standard for any of the current year or subsequent two fiscal years. Identify the amounts transferred, by fund, and whether transfers are ongoing or one-time in nature. If ongoing, explain the district's plan, with timeframes, for reducing or eliminating the transfers.

**Explanation:**
(required if NOT met)

An increase in transfers out to Fund 13 for the 2020-21 fiscal year was required as there was a reduction in revenues resulting from the pandemic that was unknown at Budget Adoption.

1d. NO - There have been no capital project cost overruns occurring since budget adoption that may impact the general fund operational budget.

**Project Information:**
(required if YES)

## S6. Long-term Commitments

Identify all existing and new multiyear commitments[1] and their annual required payment for the current fiscal year and two subsequent fiscal years.

Explain how any increase in annual payments will be funded. Also, explain how any decrease to funding sources used to pay long-term commitments will be replaced.

[1] Include multiyear commitments, multiyear debt agreements, and new programs or contracts that result in long-term obligations.

### S6A. Identification of the District's Long-term Commitments

DATA ENTRY: If Budget Adoption data exist (Form 01CS, Item S6A), long-term commitment data will be extracted and it will only be necessary to click the appropriate button for Item 1b. Extracted data may be overwritten to update long-term commitment data in Item 2, as applicable. If no Budget Adoption data exist, click the appropriate buttons for items 1a and 1b, and enter all other data, as applicable.

1. a. Does your district have long-term (multiyear) commitments? (If No, skip items 1b and 2 and sections S6B and S6C) — **Yes**

   b. If Yes to Item 1a, have new long-term (multiyear) commitments been incurred since budget adoption? — **No**

2. If Yes to Item 1a, list (or update) all new and existing multiyear commitments and required annual debt service amounts. Do not include long-term commitments for postemployment benefits other than pensions (OPEB); OPEB is disclosed in Item S7A.

| Type of Commitment | # of Years Remaining | SACS Fund and Object Codes Used For: Funding Sources (Revenues) | Debt Service (Expenditures) | Principal Balance as of July 1, 2020 |
|---|---|---|---|---|
| Capital Leases | | | | |
| Certificates of Participation | | | | |
| General Obligation Bonds | 16 | 50-8000 | 50-7400 | 15,865,034 |
| Supp Early Retirement Program | | | | |
| State School Building Loans | | | | |
| Compensated Absences | | | | |
| Other Long-term Commitments (do not include OPEB): | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL: | | | | 15,865,034 |

| Type of Commitment (continued) | Prior Year (2019-20) Annual Payment (P & I) | Current Year (2020-21) Annual Payment (P & I) | 1st Subsequent Year (2021-22) Annual Payment (P & I) | 2nd Subsequent Year (2022-23) Annual Payment (P & I) |
|---|---|---|---|---|
| Capital Leases | | | | |
| Certificates of Participation | | | | |
| General Obligation Bonds | 503,150 | 503,150 | 503,150 | 503,150 |
| Supp Early Retirement Program | 30,000 | | | |
| State School Building Loans | | | | |
| Compensated Absences | | | | |
| Other Long-term Commitments (continued): | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total Annual Payments: | 533,150 | 503,150 | 503,150 | 503,150 |
| **Has total annual payment increased over prior year (2019-20)?** | | No | No | No |

## S6B. Comparison of the District's Annual Payments to Prior Year Annual Payment

DATA ENTRY: Enter an explanation if Yes.

1a. No - Annual payments for long-term commitments have not increased in one or more of the current and two subsequent fiscal years.

**Explanation:**
(Required if Yes
to increase in total
annual payments)

## S6C. Identification of Decreases to Funding Sources Used to Pay Long-term Commitments

DATA ENTRY: Click the appropriate Yes or No button in Item 1; if Yes, an explanation is required in Item 2.

1. Will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?

   No

2. No - Funding sources will not decrease or expire prior to the end of the commitment period, and one-time funds are not being used for long-term commitment.

**Explanation:**
(Required if Yes)

## S7. Unfunded Liabilities

Identify any changes in estimates for unfunded liabilities since budget adoption, and indicate whether the changes are the result of a new actuarial valuation.

### S7A. Identification of the District's Estimated Unfunded Liability for Postemployment Benefits Other Than Pensions (OPEB)

DATA ENTRY: Click the appropriate button(s) for items 1a-1c, as applicable. Budget Adoption data that exist (Form 01CS, Item S7A) will be extracted; otherwise, enter Budget Adoption and First Interim data in items 2-4.

1. a. Does your district provide postemployment benefits other than pensions (OPEB)? (If No, skip items 1b-4) — Yes

   b. If Yes to Item 1a, have there been changes since budget adoption in OPEB liabilities? — No

   c. If Yes to Item 1a, have there been changes since budget adoption in OPEB contributions? — No

2. OPEB Liabilities

| | Budget Adoption (Form 01CS, Item S7A) | First Interim |
|---|---|---|
| a. Total OPEB liability | 1,128,558.00 | 1,128,558.00 |
| b. OPEB plan(s) fiduciary net position (if applicable) | 0.00 | 0.00 |
| c. Total/Net OPEB liability (Line 2a minus Line 2b) | 1,128,558.00 | 1,128,558.00 |
| d. Is total OPEB liability based on the district's estimate or an actuarial valuation? | Actuarial | Actuarial |
| e. If based on an actuarial valuation, indicate the measurement date of the OPEB valuation. | Nov 21, 2019 | Nov 21, 2019 |

3. OPEB Contributions

| | Budget Adoption (Form 01CS, Item S7A) | First Interim |
|---|---|---|
| a. OPEB actuarially determined contribution (ADC) if available, per actuarial valuation or Alternative Measurement Method | | |
| Current Year (2020-21) | 100,696.00 | 100,696.00 |
| 1st Subsequent Year (2021-22) | 100,696.00 | 100,696.00 |
| 2nd Subsequent Year (2022-23) | 100,696.00 | 100,696.00 |
| b. OPEB amount contributed (for this purpose, include premiums paid to a self-insurance fund) (Funds 01-70, objects 3701-3752) | | |
| Current Year (2020-21) | 49,756.00 | 49,756.00 |
| 1st Subsequent Year (2021-22) | 54,854.00 | 54,854.00 |
| 2nd Subsequent Year (2022-23) | 54,854.00 | 54,854.00 |
| c. Cost of OPEB benefits (equivalent of "pay-as-you-go" amount) | | |
| Current Year (2020-21) | 103,567.00 | 103,567.00 |
| 1st Subsequent Year (2021-22) | 103,567.00 | 103,567.00 |
| 2nd Subsequent Year (2022-23) | 103,567.00 | 103,567.00 |
| d. Number of retirees receiving OPEB benefits | | |
| Current Year (2020-21) | 7 | 7 |
| 1st Subsequent Year (2021-22) | 6 | 6 |
| 2nd Subsequent Year (2022-23) | 6 | 6 |

4. Comments:

## S7B. Identification of the District's Unfunded Liability for Self-insurance Programs

DATA ENTRY: Click the appropriate button(s) for items 1a-1c, as applicable. Budget Adoption data that exist (Form 01CS, Item S7B) will be extracted; otherwise, enter Budget Adoption and First Interim data in items 2-4.

1. a. Does your district operate any self-insurance programs such as workers' compensation, employee health and welfare, or property and liability? (Do not include OPEB; which is covered in Section S7A) (If No, skip items 1b-4) — No

   b. If Yes to item 1a, have there been changes since budget adoption in self-insurance liabilities? — n/a

   c. If Yes to item 1a, have there been changes since budget adoption in self-insurance contributions? — n/a

2. Self-Insurance Liabilities

| | Budget Adoption (Form 01CS, Item S7B) | First Interim |
|---|---|---|
| a. Accrued liability for self-insurance programs | | |
| b. Unfunded liability for self-insurance programs | | |

3. Self-Insurance Contributions

| | Budget Adoption (Form 01CS, Item S7B) | First Interim |
|---|---|---|
| a. Required contribution (funding) for self-insurance programs | | |
| Current Year (2020-21) | | |
| 1st Subsequent Year (2021-22) | | |
| 2nd Subsequent Year (2022-23) | | |
| b. Amount contributed (funded) for self-insurance programs | | |
| Current Year (2020-21) | | |
| 1st Subsequent Year (2021-22) | | |
| 2nd Subsequent Year (2022-23) | | |

4. Comments:

## S8. Status of Labor Agreements

Analyze the status of all employee labor agreements. Identify new labor agreements that have been ratified since budget adoption, as well as new commitments provided as part of previously ratified multiyear agreements; and include all contracts, including all administrator contracts (and including all compensation). For new agreements, indicate the date of the required board meeting. Compare the increase in new commitments to the projected increase in ongoing revenues and explain how these commitments will be funded in future fiscal years.

**If salary and benefit negotiations are not finalized, upon settlement with certificated or classified staff:**

The school district must determine the cost of the settlement, including salaries, benefits, and any other agreements that change costs, and provide the county office of education (COE) with an analysis of the cost of the settlement and its impact on the operating budget.

The county superintendent shall review the analysis relative to the criteria and standards and may provide written comments to the president of the district governing board and superintendent.

### S8A. Cost Analysis of District's Labor Agreements - Certificated (Non-management) Employees

DATA ENTRY: Click the appropriate Yes or No button for "Status of Certificated Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

**Status of Certificated Labor Agreements as of the Previous Reporting Period**
Were all certificated labor negotiations settled as of budget adoption? No

If Yes, complete number of FTEs, then skip to section S8B.
If No, continue with section S8A.

**Certificated (Non-management) Salary and Benefit Negotiations**

| | Prior Year (2nd Interim) (2019-20) | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|---|
| Number of certificated (non-management) full-time-equivalent (FTE) positions | 49.0 | 48.0 | 47.1 | 47.1 |

1a. Have any salary and benefit negotiations been settled since budget adoption? Yes

If Yes, and the corresponding public disclosure documents have been filed with the COE, complete questions 2 and 3.
If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-5.
If No, complete questions 6 and 7.

1b. Are any salary and benefit negotiations still unsettled? No

If Yes, complete questions 6 and 7.

Negotiations Settled Since Budget Adoption

2a. Per Government Code Section 3547.5(a), date of public disclosure board meeting: Apr 08, 2020

2b. Per Government Code Section 3547.5(b), was the collective bargaining agreement certified by the district superintendent and chief business official? Yes

If Yes, date of Superintendent and CBO certification: Apr 03, 2020

3. Per Government Code Section 3547.5(c), was a budget revision adopted to meet the costs of the collective bargaining agreement? Yes

If Yes, date of budget revision board adoption: May 21, 2020

4. Period covered by the agreement: Begin Date: End Date:

5. Salary settlement:

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| Is the cost of salary settlement included in the interim and multiyear projections (MYPs)? | | | |
| **One Year Agreement** | | | |
| Total cost of salary settlement | | | |
| % change in salary schedule from prior year | | | |
| or | | | |
| **Multiyear Agreement** | | | |
| Total cost of salary settlement | | | |
| % change in salary schedule from prior year (may enter text, such as "Reopener") | | | |

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

6. Cost of a one percent increase in salary and statutory benefits

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 7. Amount included for any tentative salary schedule increases | | | |

**Certificated (Non-management) Health and Welfare (H&W) Benefits**

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are costs of H&W benefit changes included in the interim and MYPs? | | | |
| 2. Total cost of H&W benefits | | | |
| 3. Percent of H&W cost paid by employer | | | |
| 4. Percent projected change in H&W cost over prior year | | | |

**Certificated (Non-management) Prior Year Settlements Negotiated Since Budget Adoption**

Are any new costs negotiated since budget adoption for prior year settlements included in the interim?

If Yes, amount of new costs included in the interim and MYPs

If Yes, explain the nature of the new costs:

**Certificated (Non-management) Step and Column Adjustments**

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are step & column adjustments included in the interim and MYPs? | | | |
| 2. Cost of step & column adjustments | | | |
| 3. Percent change in step & column over prior year | | | |

**Certificated (Non-management) Attrition (layoffs and retirements)**

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are savings from attrition included in the interim and MYPs? | | | |
| 2. Are additional H&W benefits for those laid-off or retired employees included in the interim and MYPs? | | | |

**Certificated (Non-management) - Other**

List other significant contract changes that have occurred since budget adoption and the cost impact of each change (i.e., class size, hours of employment, leave of absence, bonuses, etc.):

## S8B. Cost Analysis of District's Labor Agreements - Classified (Non-management) Employees

DATA ENTRY: Click the appropriate Yes or No button for "Status of Classified Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

**Status of Classified Labor Agreements as of the Previous Reporting Period**

Were all classified labor negotiations settled as of budget adoption?
If Yes, complete number of FTEs, then skip to section S8C. — No
If No, continue with section S8B.

**Classified (Non-management) Salary and Benefit Negotiations**

| | Prior Year (2nd Interim) (2019-20) | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|---|
| Number of classified (non-management) FTE positions | 40.0 | 32.6 | 32.6 | 32.6 |

1a. Have any salary and benefit negotiations been settled since budget adoption? — Yes
If Yes, and the corresponding public disclosure documents have been filed with the COE, complete questions 2 and 3.
If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-5.
If No, complete questions 6 and 7.

1b. Are any salary and benefit negotiations still unsettled? — No
If Yes, complete questions 6 and 7.

Negotiations Settled Since Budget Adoption

2a. Per Government Code Section 3547.5(a), date of public disclosure board meeting: — Apr 08, 2020

2b. Per Government Code Section 3547.5(b), was the collective bargaining agreement certified by the district superintendent and chief business official? — Yes
If Yes, date of Superintendent and CBO certification: — Apr 03, 2020

3. Per Government Code Section 3547.5(c), was a budget revision adopted to meet the costs of the collective bargaining agreement? — Yes
If Yes, date of budget revision board adoption: — May 21, 2020

4. Period covered by the agreement: Begin Date: End Date:

5. Salary settlement:

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| Is the cost of salary settlement included in the interim and multiyear projections (MYPs)? | | | |
| **One Year Agreement** | | | |
| Total cost of salary settlement | | | |
| % change in salary schedule from prior year | | | |
| or | | | |
| **Multiyear Agreement** | | | |
| Total cost of salary settlement | | | |
| % change in salary schedule from prior year (may enter text, such as "Reopener") | | | |

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

6. Cost of a one percent increase in salary and statutory benefits

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 7. Amount included for any tentative salary schedule increases | | | |

**Classified (Non-management) Health and Welfare (H&W) Benefits**

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are costs of H&W benefit changes included in the interim and MYPs? | | | |
| 2. Total cost of H&W benefits | | | |
| 3. Percent of H&W cost paid by employer | | | |
| 4. Percent projected change in H&W cost over prior year | | | |

**Classified (Non-management) Prior Year Settlements Negotiated Since Budget Adoption**

| | | | |
|---|---|---|---|
| Are any new costs negotiated since budget adoption for prior year settlements included in the interim? | | | |
| If Yes, amount of new costs included in the interim and MYPs | | | |

If Yes, explain the nature of the new costs:

**Classified (Non-management) Step and Column Adjustments**

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are step & column adjustments included in the interim and MYPs? | | | |
| 2. Cost of step & column adjustments | | | |
| 3. Percent change in step & column over prior year | | | |

**Classified (Non-management) Attrition (layoffs and retirements)**

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are savings from attrition included in the interim and MYPs? | | | |
| 2. Are additional H&W benefits for those laid-off or retired employees included in the interim and MYPs? | | | |

**Classified (Non-management) - Other**

List other significant contract changes that have occurred since budget adoption and the cost impact of each (i.e., hours of employment, leave of absence, bonuses, etc.):

## S8C. Cost Analysis of District's Labor Agreements - Management/Supervisor/Confidential Employees

DATA ENTRY: Click the appropriate Yes or No button for "Status of Management/Supervisor/Confidential Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

**Status of Management/Supervisor/Confidential Labor Agreements as of the Previous Reporting Period**

Were all managerial/confidential labor negotiations settled as of budget adoption? **Yes**

If Yes or n/a, complete number of FTEs, then skip to S9.
If No, continue with section S8C.

**Management/Supervisor/Confidential Salary and Benefit Negotiations**

| | Prior Year (2nd Interim) (2019-20) | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|---|
| Number of management, supervisor, and confidential FTE positions | 9.5 | 9.0 | 9.0 | 9.0 |

1a. Have any salary and benefit negotiations been settled since budget adoption? **n/a**
If Yes, complete question 2.
If No, complete questions 3 and 4.

1b. Are any salary and benefit negotiations still unsettled? **No**
If Yes, complete questions 3 and 4.

Negotiations Settled Since Budget Adoption

2. Salary settlement:

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| Is the cost of salary settlement included in the interim and multiyear projections (MYPs)? | | | |
| Total cost of salary settlement | | | |
| Change in salary schedule from prior year (may enter text, such as "Reopener") | | | |

Negotiations Not Settled

3. Cost of a one percent increase in salary and statutory benefits

| | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 4. Amount included for any tentative salary schedule increases | | | |

| Management/Supervisor/Confidential Health and Welfare (H&W) Benefits | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are costs of H&W benefit changes included in the interim and MYPs? | | | |
| 2. Total cost of H&W benefits | | | |
| 3. Percent of H&W cost paid by employer | | | |
| 4. Percent projected change in H&W cost over prior year | | | |

| Management/Supervisor/Confidential Step and Column Adjustments | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are step & column adjustments included in the interim and MYPs? | | | |
| 2. Cost of step & column adjustments | | | |
| 3. Percent change in step and column over prior year | | | |

| Management/Supervisor/Confidential Other Benefits (mileage, bonuses, etc.) | Current Year (2020-21) | 1st Subsequent Year (2021-22) | 2nd Subsequent Year (2022-23) |
|---|---|---|---|
| 1. Are costs of other benefits included in the interim and MYPs? | | | |
| 2. Total cost of other benefits | | | |
| 3. Percent change in cost of other benefits over prior year | | | |

## S9. Status of Other Funds

Analyze the status of other funds that may have negative fund balances at the end of the current fiscal year. If any other fund has a projected negative fund balance, prepare an interim report and multiyear projection for that fund. Explain plans for how and when the negative fund balance will be addressed.

### S9A. Identification of Other Funds with Negative Ending Fund Balances

DATA ENTRY: Click the appropriate button in Item 1. If Yes, enter data in Item 2 and provide the reports referenced in Item 1.

1. Are any funds other than the general fund projected to have a negative fund balance at the end of the current fiscal year? No

   If Yes, prepare and submit to the reviewing agency a report of revenues, expenditures, and changes in fund balance (e.g., an interim fund report) and a multiyear projection report for each fund.

2. If Yes, identify each fund, by name and number, that is projected to have a negative ending fund balance for the current fiscal year. Provide reasons for the negative balance(s) and explain the plan for how and when the problem(s) will be corrected.

## ADDITIONAL FISCAL INDICATORS

The following fiscal indicators are designed to provide additional data for reviewing agencies. A "Yes" answer to any single indicator does not necessarily suggest a cause for concern, but may alert the reviewing agency to the need for additional review.

DATA ENTRY: Click the appropriate Yes or No button for items A2 through A9; Item A1 is automatically completed based on data from Criterion 9.

| | | |
|---|---|---|
| A1. | Do cash flow projections show that the district will end the current fiscal year with a negative cash balance in the general fund? (Data from Criterion 9B-1, Cash Balance, are used to determine Yes or No) | No |
| A2. | Is the system of personnel position control independent from the payroll system? | No |
| A3. | Is enrollment decreasing in both the prior and current fiscal years? | Yes |
| A4. | Are new charter schools operating in district boundaries that impact the district's enrollment, either in the prior or current fiscal year? | No |
| A5. | Has the district entered into a bargaining agreement where any of the current or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment? | Yes |
| A6. | Does the district provide uncapped (100% employer paid) health benefits for current or retired employees? | No |
| A7. | Is the district's financial system independent of the county office system? | No |
| A8. | Does the district have any reports that indicate fiscal distress pursuant to Education Code Section 42127.6(a)? (If Yes, provide copies to the county office of education.) | No |
| A9. | Have there been personnel changes in the superintendent or chief business official positions within the last 12 months? | Yes |

When providing comments for additional fiscal indicators, please include the item number applicable to each comment.

**Comments:** (optional)

A3 - enrollment has decreased due to COVID-19 pandemic. A5 - bargained salary increases exceed the COLA as the COLA has been set to 0%.

## End of School District First Interim Criteria and Standards Review

SACS2020ALL Financial Reporting Software - 2020.2.0
12/10/2020 1:19:11 PM
49-70870-0000000

First Interim
2020-21 Projected Totals
Technical Review Checks

Piner-Olivet Union Elementary
Sonoma County

Following is a chart of the various types of technical review checks and related requirements:

- F - Fatal (Data must be corrected; an explanation is not allowed)
- W/WC - Warning/Warning with Calculation (If data are not correct, correct the data; if data are correct an explanation is required)
- O - Informational (If data are not correct, correct the data; if data are correct an explanation is optional, but encouraged)

## IMPORT CHECKS

CHK-RESOURCExOBJECTB - (O) - The following combinations for RESOURCE and OBJECT (objects 9791, 9793, and 9795) are invalid: EXCEPTION

| ACCOUNT FD - RS - PY - GO - FN - OB | RESOURCE | OBJECT | VALUE |
|---|---|---|---|
| 01-3220-0-0000-0000-9791 | 3220 | 9791 | -1,689.00 |

Explanation:CDE has allowed the use of these funds in the prior year and the resulting beginning balance.

## GENERAL LEDGER CHECKS

## SUPPLEMENTAL CHECKS

## EXPORT CHECKS

CASHFLOW-PROVIDE - (W) - A Cashflow Worksheet (Form CASH) must be provided with your Interim reports. (Note: LEAs may use a cashflow worksheet other than Form CASH, as long as it provides a monthly cashflow projected through the end of the fiscal year.) EXCEPTION

Explanation:The District will provide it's own cashflow.

MYP-PROVIDE - (W) - A Multiyear Projection Worksheet must be provided with your Interim. (Note: LEAs may use a multiyear projection worksheet other than Form MYP, with approval of their reviewing agency, as long as it provides current year and at least two subsequent fiscal years, and separately projects unrestricted resources, restricted resources, and combined total resources.) EXCEPTION

Explanation:The District will provide it's own Multiyear Projection Worksheet.

Checks Completed.

## Acronyms

AB ........................ Assembly Bill
ACA ...................... Assembly Concurrent Amendment
ACR ...................... Assembly Concurrent Resolution
ACSA .................. Association of California School Administrators
ADA ..................... Average Daily Attendance
AFSCME ............. American Federation of State, County, and Municipal Employees
AMO ..................... Annual Measurable Objective
AP ........................ Advanced Placement
API ....................... Academic Performance Index
ARRA .................. American Recovery and Reinvestment Act
ASES .................... After School Education and Safety Program
AU ........................ Administrative Unit of a SELPA
AYP ...................... Adequate Yearly Progress
BCLAD ................ Bilingual, Crosscultural, Language, and Academic Development
BRL ...................... Base Revenue Limit
BTSA .................... Beginning Teacher Support and Assessment
CAHSEE .............. California High School Exit Examination
CALPADS ........... California Longitudinal Pupil Achievement Data System
CalTIDES ............ California Longitudinal Teacher Integrated Data Education System
CalWORKs .......... California Work Opportunity and Responsibility to Kids
CAPA .................. California Alternate Performance Assessment
CASBO ................ California Association of School Business Officials
CASH .................. Coalition for Adequate School Housing
CAT/6 .................. California Achievement Tests, Sixth Edition Survey
CBEDS ................ California Basic Educational Data System
CBEST ................ California Basic Education Skills Test
CCSESA .............. California County Superintendents Educational Services Association
CDE ...................... California Department of Education
CELDT ................. California English Language Development Test
CFT ....................... California Federation of Teachers
CLAD ................... Crosscultural, Language, and Academic Development
CMIS ..................... Compliance Monitoring, Interventions, and Sanctions
CNIPS .................. Child Nutrition Information Payment System
COE ...................... County Office of Education

COLA .................. Cost-of-Living Adjustment
CPI ....................... Consumer Price Index
CPR..................... California Performance Review
CSAM.................. California School Accounting Manual
CSBA .................. California School Boards Association
CSEA................... California School Employees Association
CSET................... California Subject Examination for Teachers
CSIS .................... California School Information Studies
CSR..................... Class-Size Reduction or Comprehensive School Reform
CST ..................... California Standards Test
CSTP................... California Standards for the Teaching Profession
CTA ..................... California Teachers Association
CTC ..................... Commission on Teacher Credentialing
DAIT .................... District Assistance and Intervention Team
DOF ..................... Department of Finance
DSA..................... Division of the State Architect
EAAP................... Education Audit Appeals Panel
EIA ...................... Economic Impact Aid
EL........................ English Learner (replaces ELL, LEP)
ELA ..................... English Language Arts
ELAP................... English Language Acquisition Program
ERAF................... Education Revenue Augmentation Fund
ESEA................... Elementary and Secondary Education Act
ESL...................... English as a Second Language
FCMAT................ Fiscal Crisis and Management Assistance Team
F/RPM ................. Free/Reduced-Price Meals
FTE...................... Full-Time Equivalent
GAAP .................. Generally Accepted Accounting Principles
GASB .................. Governmental Accounting Standards Board
GATE................... Gifted and Talented Education
GO....................... General Obligation (Bond)
GPA..................... Governor's Performance Award Program
HOUSSE ............. High Objective Uniform State Standard of Evaluation
HPSGP................ High Priority Schools Grant Program
HQT..................... Highly Qualified Teacher
HRA..................... Health Reimbursement Arrangement

HSA .................... Health Savings Account
IASA .................... Improving America's Schools Act
IDEA .................... Individuals with Disabilities Education Act
IEP .................... Individualized Education Program
II/USP .................... Immediate Intervention/Underperforming Schools Program
IMFRP .................... Instructional Materials Funding Realignment Program
JPA .................... Joint Powers Agreement or Joint Powers Authority
LAIF .................... Local Agency Investment Fund
LAO .................... Legislative Analyst's Office
LCI .................... Licensed Children's Institution (often used as a generic term to also encompass foster family homes and residential medical facilities)
LEA .................... Local Educational Agency
LEP .................... Limited English Proficient
MEP .................... Migrant Education Program
MTYRE .................... Multi-Track Year-Round Education
NAEP .................... National Assessment of Educational Progress
NCES .................... National Center for Education Statistics
NCLB .................... No Child Left Behind
NPS/A .................... Nonpublic School/Agency
OMB .................... Office of Management and Budget
OPEB .................... Other Postemployment Benefits
OPSC .................... Office of Public School Construction
OSE .................... Office of the Secretary for Education
P-1 .................... First Principal (Apportionment)
P-2 .................... Second Principal (Apportionment)
PAR .................... Peer Assistance and Review
PERB .................... Public Employment Relations Board
PERS .................... Public Employees Retirement System
PI .................... Program Improvement
PL .................... Public Law (federal law)
PMIA .................... Pooled Money Investment Account
PMIB .................... Pooled Money Investment Board
PSAA .................... Public Schools Accountability Act
PTA .................... Parent Teachers Association
QEIA .................... Quality Education Investment Act
QZAB .................... Quality Zone Academy Bond
RDA .................... Redevelopment Agency

ROC/P ................ Regional Occupational Center/Program
RTTT .................. Race to the Top
S4 ........................ Statewide System of School Support
SAB ..................... State Allocation Board
SACS .................. Standardized Account Code Structure
SAIT .................... School Assistance and Intervention Team
SARB .................. School Attendance Review Board
SARC .................. School Accountability Report Card
SAT-9 .................. Stanford Achievement Test, Ninth Edition, Form T
SB ....................... Senate Bill
SBE ..................... State Board of Education
SCA ..................... Senate Constitutional Amendment
SCO ..................... State Controller's Office
SCR ..................... Senate Constitutional Resolution
SEA ..................... State Education Agency
SED ..................... Severely Emotionally Disturbed
SEIU .................... Service Employees International Union
SELPA ................. Special Education Local Plan Area
SES ..................... Socioeconomic Status
SFID .................... School Facility Improvement District
SFSD ................... School Fiscal Services Division of CDE
SFSF ................... State Fiscal Stabilization Fund
SIG ...................... School Improvement Grant
SIP ....................... School Improvement Program
SLIBG .................. School and Library Improvement Block Grant
SPI ....................... Superintendent of Public Instruction
SSI/SSP ............... Supplement Security Income/State Supplementary Payment
STAR ................... Standardized Testing and Reporting
STRS ................... State Teachers Retirement System
SWP .................... Schoolwide Program
TANF ................... Temporary Assistance for Needy Families
TAP ..................... Teaching as a Priority
TAS ..................... Targeted Assistance School
TRANs ................. Tax and Revenue Anticipation Notes

# Agenda Item Summary

## Action Item: **12.5** ***Approval of the 2020-2021 Budget Overview for Parents***

| | | |
|---|---|---|
| Regular Meeting of: December 15, 2020 | **Action** Item | Report Format:**Oral** |
| Attachment: 2020-21 Budget Overview for Parents for the District, Olivet Charter, Schaefer Charter, Piner-Olivet Charter, and Northwest Prep Charter | | |

**Presented by:** Felicia Koha, CBO

**Background**
The Budget Overview for Parents is typically presented and approved in June along with the annual Local Control and Accountability Plan (LCAP). Due to the COVID-19 pandemic, the LCAP was replaced with the Learning Continuity and Attendance Plan (LCP), a plan created to document efforts to serve students' educational needs in the COVID-19 context. The LCP for the District, Olivet Charter, Schaefer Charter, Piner-Olivet Charter, and Northwest Prep Charter was adopted by the Board in September of 2020.

The Budget Overview for Parents is still a required document to be reviewed and approved by the board and was granted an extended due date from June 2020 to December 2020.

**Plan/Discussion/Detail**
The 2020-21 Budget Overview for Parents for the District, Olivet Charter, Schaefer Charter, Piner-Olivet Charter, and Northwest Prep Charter is attached. These documents show total projected revenues broken out by funding sources: LCFF, supplemental grant, state, federal, local, and federal CARES funds.

Total Budgeted general fund expenditures and expenditures contained within the LCP are also detailed. It is important to note that the LCP shows how CARES funding was budgeted and does not contain budgeted supplemental grant dollars.

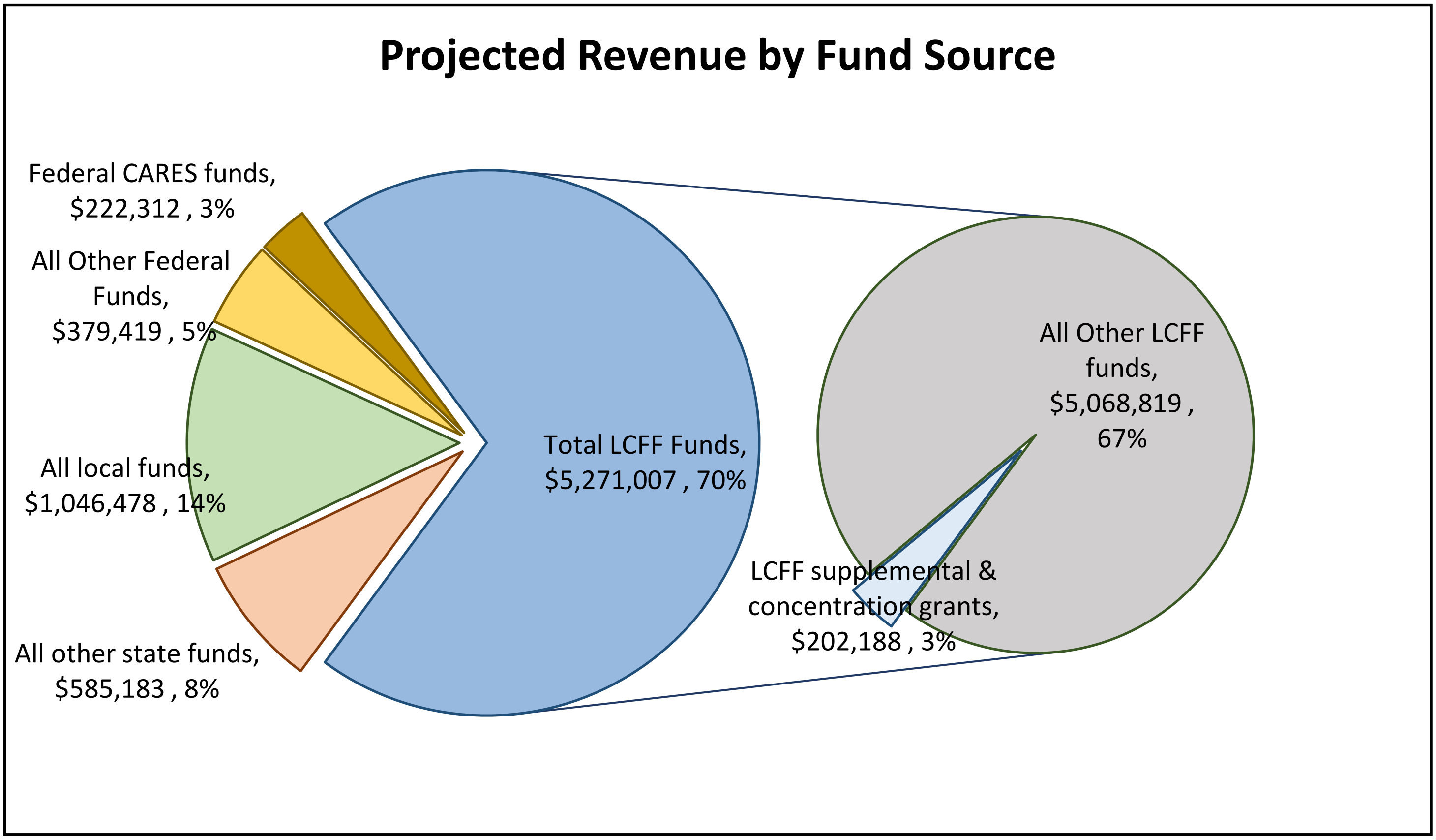
An additional section details 2019-20 budgeted expenditures for high needs students in the LCAP and are compared to 2019-20 actual expenditures for high needs students.

**Recommendation**
Approve as presented.

| |
|---|
| Local Educational Agency (LEA) Name: Piner-Olivet Union School District |
| CDS Code: 49708700101253 |
| School Year: 2020-2021 |
| LEA contact information: Felicia Koha, CBO (707) 522-3008 fkoha@pousd.org |

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

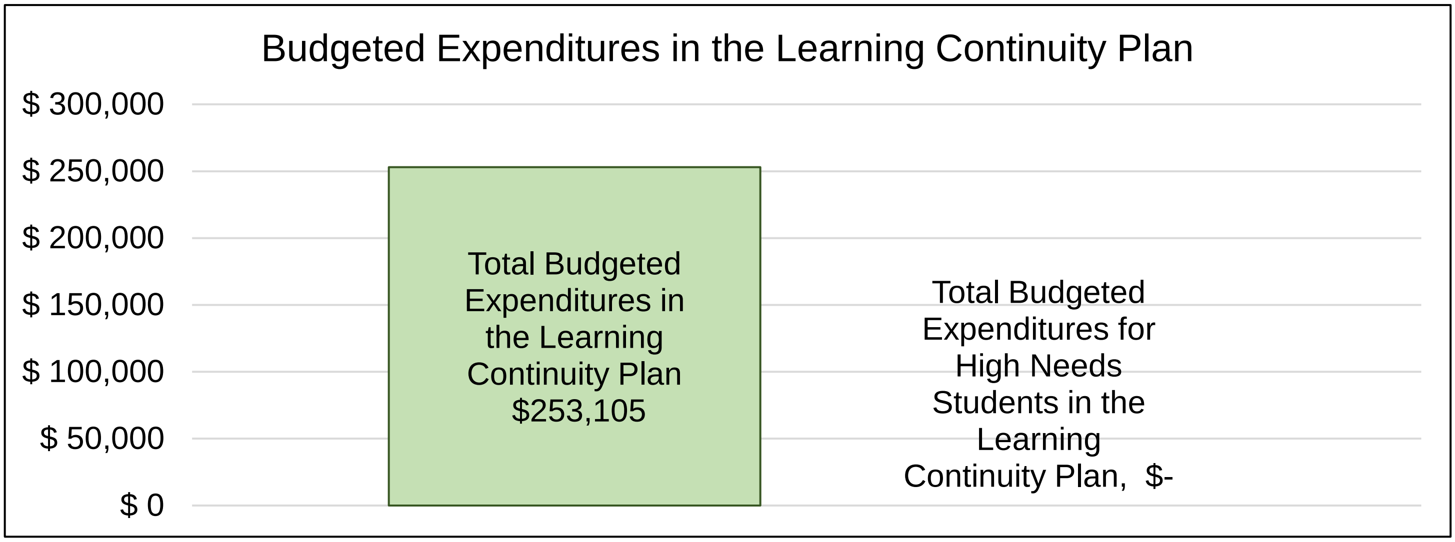
## Budget Overview for the 2020-2021 School Year




This chart shows the total general purpose revenue Piner-Olivet Union School District expects to receive in the coming year from all sources.

The total revenue projected for Piner-Olivet Union School District is $7,504,399.00, of which $5,271,007.00 is Local Control Funding Formula (LCFF) funds, $585,183.00 is other state funds, $1,046,478.00 is local funds, and $601,731.00 is federal funds. Of the $601,731.00 in federal funds, $222,312.00 are federal CARES Act funds. Of the $5,271,007.00 in LCFF Funds, $202,188.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

For the 2020-21 school year school districts must work with parents, educators, students, and the community to develop a Learning Continuity and Attendance Plan (Learning Continuity Plan). The Learning Continuity Plan replaces the Local Control and Accountability Plan (LCAP) for the 2020–21 school year and provides school districts with the opportunity to desribe how they are planning to provide a high-quality education, social-emotional supports, and nutrition to their students during the COVID-19 pandemic.




This chart provides a quick summary of how much Piner-Olivet Union School District plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021and how much of the total is tied to increasing or improving services for high needs students.

Piner-Olivet Union School District plans to spend $6,971,122.00 for the 2020-2021 school year. Of that amount, $253,105.00 is tied to actions/services in the Learning Continuity Plan and $6,718,017.00 is not included in the Learning Continuity Plan. The budgeted expenditures that are not included in the Learning Continuity Plan will be used for the following:

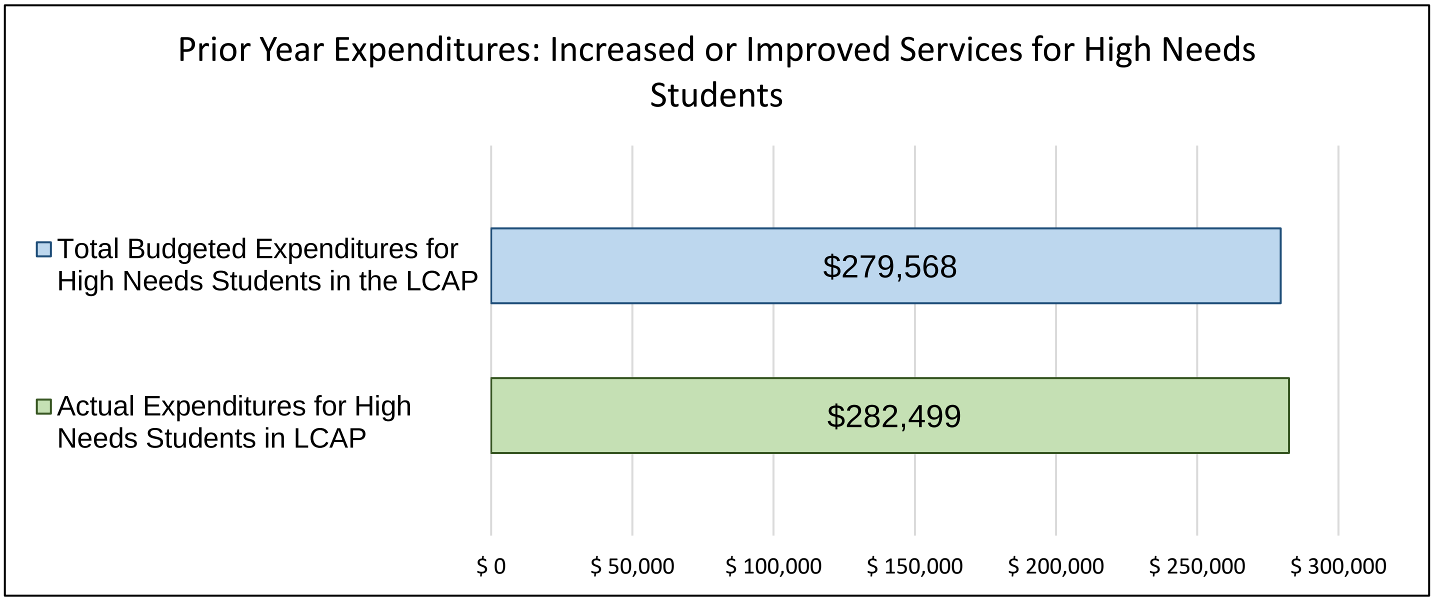
Total expenditures not included in the Learning Continuity Plan include overhead costs such as utilities, maintenance, legal costs, insurance, budgeted supplemental grant dollars, and all other programs typically included in the Local Control and Accountability Plan (LCAP). Amounts budgeted to increase or improve services for high needs students are not included in the Learning Continuity Plan as we are anticipating using CARES funding for these actions rather than supplemental grant funding.

## Increased or Improved Services for High Needs Students in in the Learning Continuity Plan for the 2020-2021 School Year

In 2020-2021, Piner-Olivet Union School District is projecting it will receive $202,188.00 based on the enrollment of foster youth, English learner, and low-income students. Piner-Olivet Union School District must describe how it intends to increase or improve services for high needs students in the Learning Continuity Plan. Piner-Olivet Union School District plans to spend $0.00 towards meeting this requirement, as described in the Learning Continuity Plan. The additional improved services described in the plan include the following:

The Learning Continuity Plan does not contain amounts budgeted to increase or improve services for high needs students as we anticipate using CARES funding for these actions. However, the LCP does describe how the additional CARES Act funds will increase or improve services for high needs students such as: providing tech devices, use of Parentsquare for effective communication with Spanish speaking students and families, and learning materials to help bridge learning loss. Budgeted amounts to increase or improve services for high needs students, generated from supplemental grant funding, are incorporated into the 2020-21 budget. Some of the ways supplemental grant funding has been budgeted is as follows: Outreach workers, extended day programs, increased reading and math materials/software/staff support, homework club/tutoring, and additional Program Assistant support in the classroom.

## Update on Increased or Improved Services for High Needs Students in 2019-2020



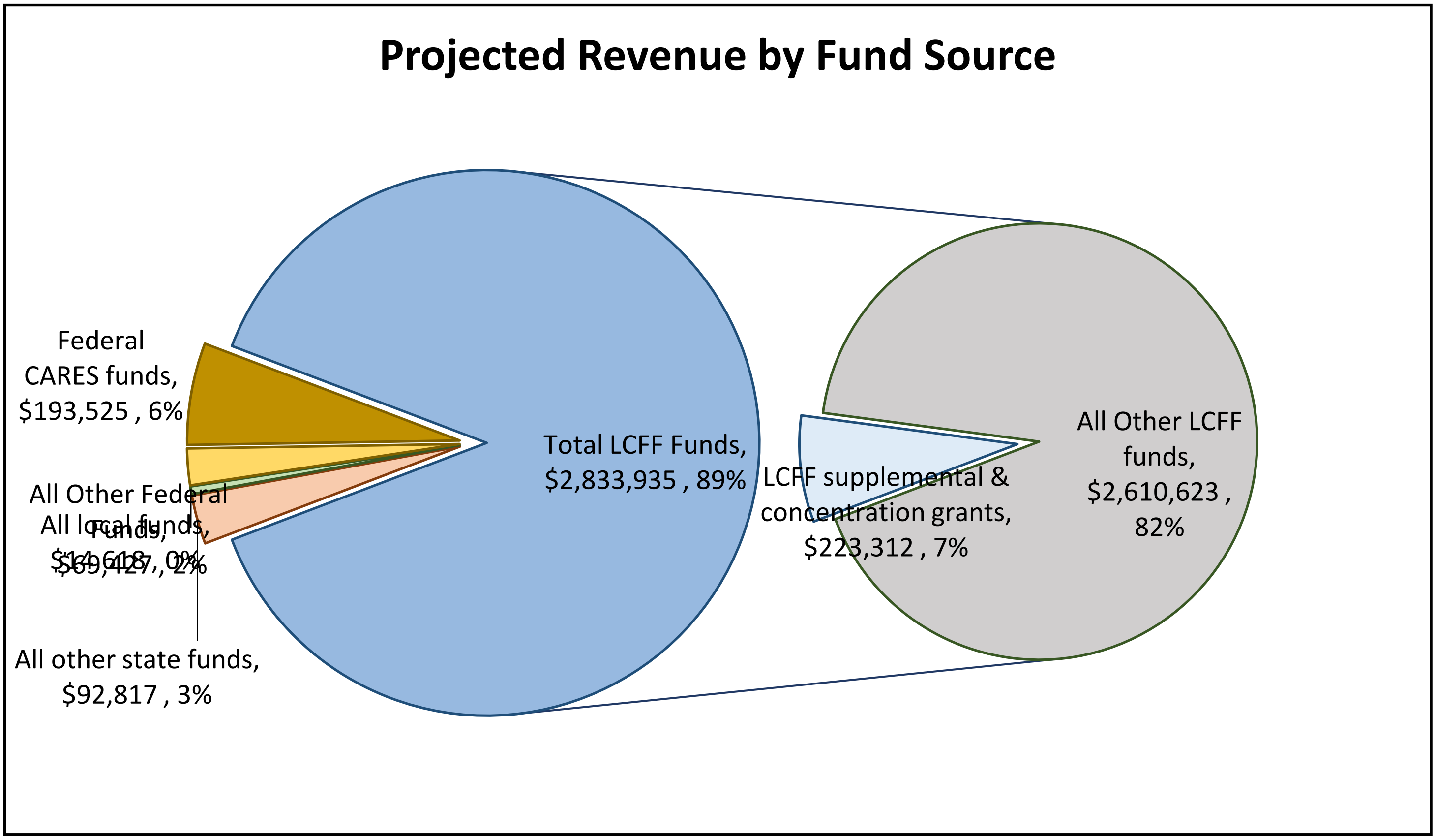

This chart compares what Piner-Olivet Union School District budgeted in the 2019-20 LCAP for actions and services that contributed to increasing or improving services for high needs students with what Piner-Olivet Union School District actually spent on actions and services that contributed to increasing or improving services for high needs students in the 2019-20 school year.

In 2019-2020, Piner-Olivet Union School District's LCAP budgeted $279,568.00 for planned actions to increase or improve services for high needs students. Piner-Olivet Union School District actually spent $282,499.35 for actions to increase or improve services for high needs students in 2019-2020.

Local Educational Agency (LEA) Name: Olivet Charter School
CDS Code: 49708706066344
School Year: 2020-2021
LEA contact information: Felicia Koha, CBO (707) 522-3008 fkoha@pousd.org

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

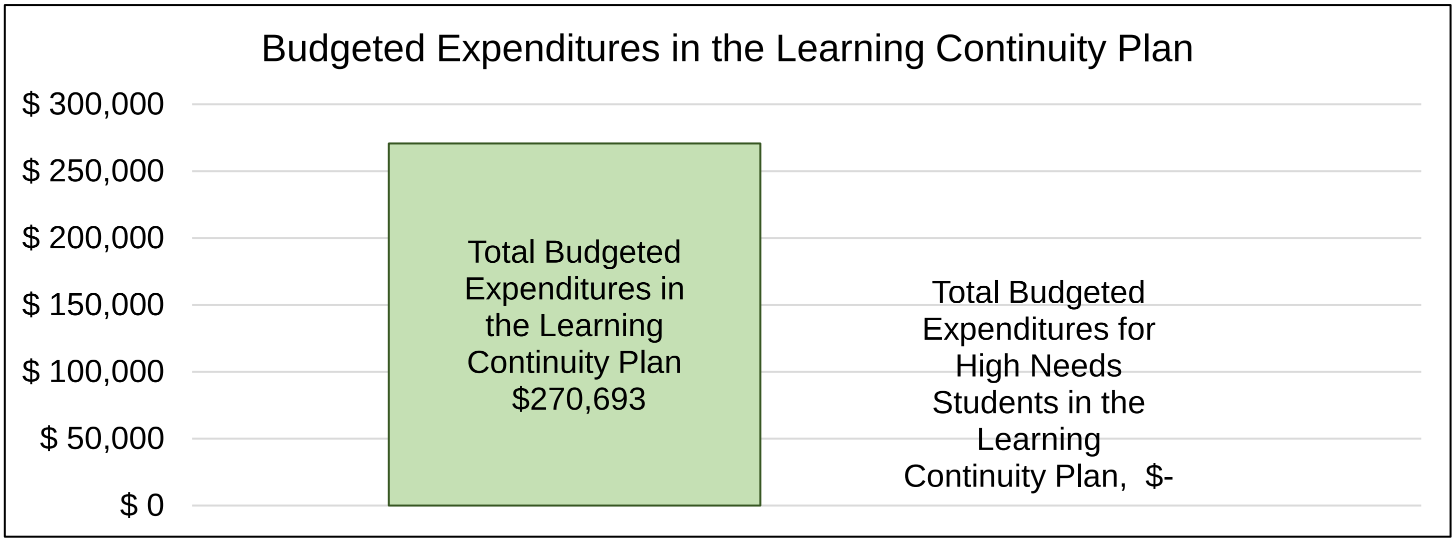
## Budget Overview for the 2020-2021 School Year




This chart shows the total general purpose revenue Olivet Charter School expects to receive in the coming year from all sources.

The total revenue projected for Olivet Charter School is $3,204,322.00, of which $2,833,935.00 is Local Control Funding Formula (LCFF) funds, $92,817.00 is other state funds, $14,618.00 is local funds, and $262,952.00 is federal funds. Of the $262,952.00 in federal funds, $193,525.00 are federal CARES Act funds. Of the $2,833,935.00 in LCFF Funds, $223,312.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

For the 2020-21 school year school districts must work with parents, educators, students, and the community to develop a Learning Continuity and Attendance Plan (Learning Continuity Plan). The Learning Continuity Plan replaces the Local Control and Accountability Plan (LCAP) for the 2020–21 school year and provides school districts with the opportunity to desribe how they are planning to provide a high-quality education, social-emotional supports, and nutrition to their students during the COVID-19 pandemic.




This chart provides a quick summary of how much Olivet Charter School plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021and how much of the total is tied to increasing or improving services for high needs students.

Olivet Charter School plans to spend $3,655,703.00 for the 2020-2021 school year. Of that amount, $270,693.00 is tied to actions/services in the Learning Continuity Plan and $3,385,010.00 is not included in the Learning Continuity Plan. The budgeted expenditures that are not included in the Learning Continuity Plan will be used for the following:

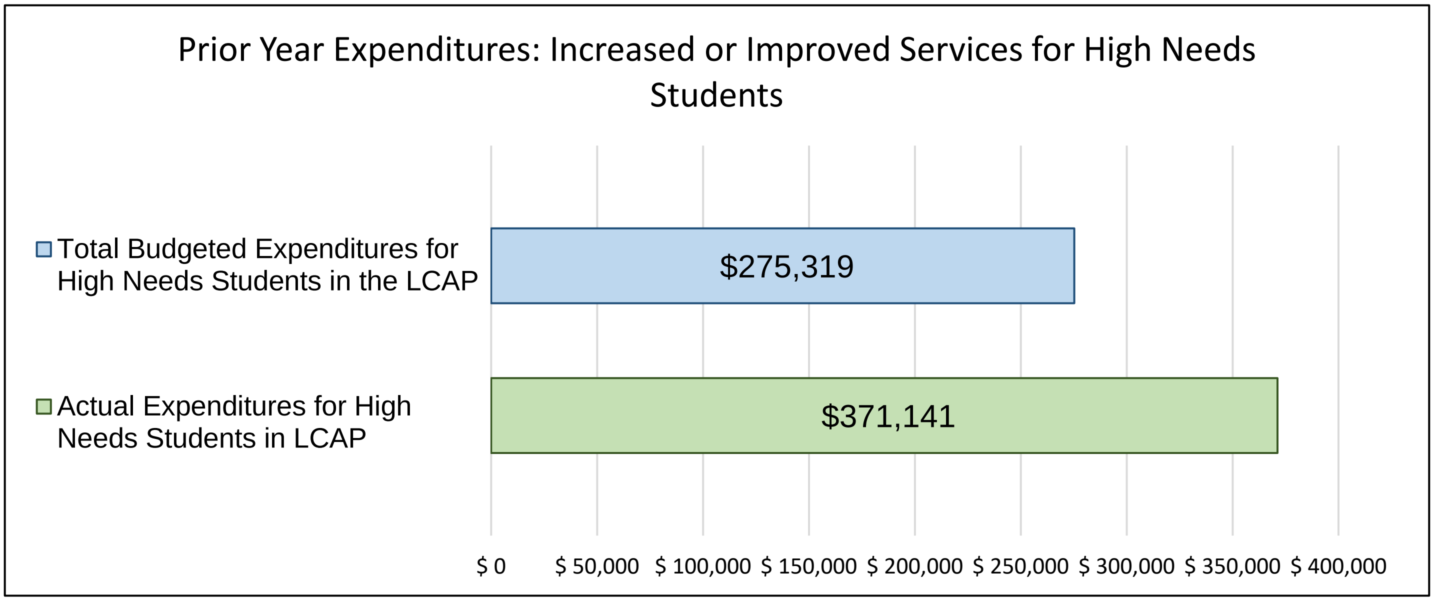
Total expenditures not included in the Learning Continuity Plan include overhead costs such as utilities, maintenance, legal costs, insurance, budgeted supplemental grant dollars, and all other programs typically included in the Local Control and Accountability Plan (LCAP).  Amounts budgeted to increase or improve services for high needs students are not included in the Learning Continuity Plan as we are anticipating using CARES funding for these actions rather than supplemental grant funding.

## Increased or Improved Services for High Needs Students in in the Learning Continuity Plan for the 2020-2021 School Year

In 2020-2021, Olivet Charter School is projecting it will receive $223,312.00 based on the enrollment of foster youth, English learner, and low-income students. Olivet Charter School must describe how it intends to increase or improve services for high needs students in the Learning Continuity Plan. Olivet Charter School plans to spend $0.00 towards meeting this requirement, as described in the Learning Continuity Plan. The additional improved services described in the plan include the following:

The Learning Continuity Plan does not contain amounts budgeted to increase or improve services for high needs students as we anticipate using CARES funding for these actions. However, the LCP does describe how the additional CARES Act funds will increase or improve services for high needs students such as: providing tech devices, use of Parentsquare for effective communication with Spanish speaking students and families, and learning materials to help bridge learning loss. Budgeted amounts to increase or improve services for high needs students, generated from supplemental grant funding, are incorporated into the 2020-21 budget. Some of the ways supplemental grant funding has been budgeted is as follows: Outreach workers, extended day programs, increased reading and math materials/software/staff support, homework club/tutoring, and additional Program Assistant support in the classroom.

## Update on Increased or Improved Services for High Needs Students in 2019-2020




This chart compares what Olivet Charter School budgeted in the 2019-20 LCAP for actions and services that contributed to increasing or improving services for high needs students with what Olivet Charter School actually spent on actions and services that contributed to increasing or improving services for high needs students in the 2019-20 school year.

In 2019-2020, Olivet Charter School's LCAP budgeted $275,319.00 for planned actions to increase or improve services for high needs students. Olivet Charter School actually spent $371,140.96 for actions to increase or improve services for high needs students in 2019-2020.

Local Educational Agency (LEA) Name: Morrice Schaefer Charter School

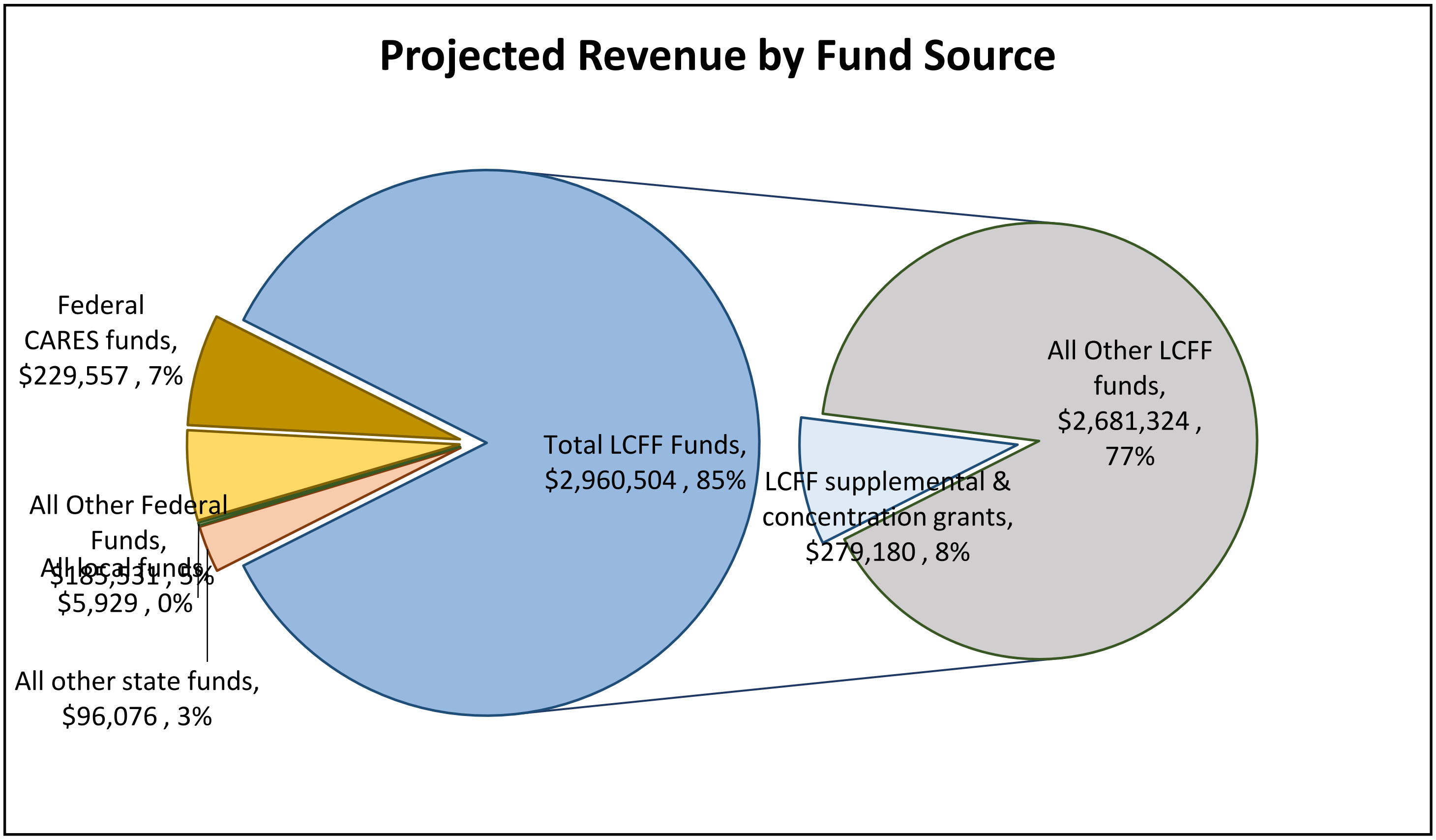
CDS Code: 49708706109144

School Year: 2020-2021

LEA contact information: Felicia Koha, CBO (707) 522-3008 fkoha@pousd.org

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

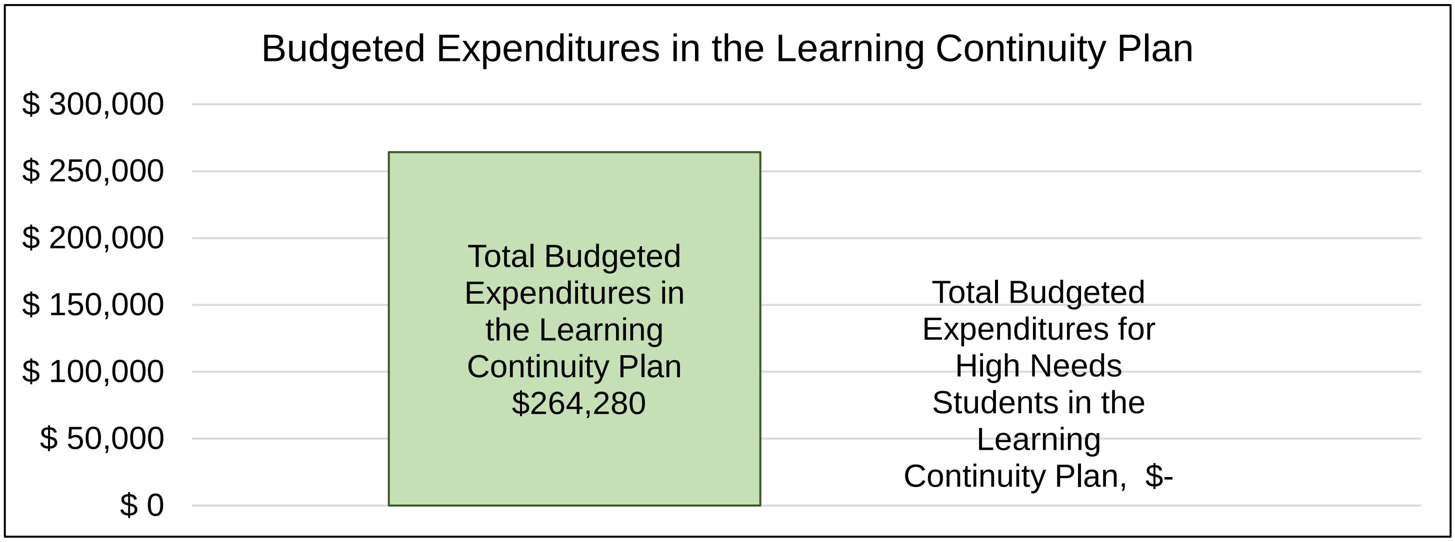
## Budget Overview for the 2020-2021 School Year




This chart shows the total general purpose revenue Morrice Schaefer Charter School expects to receive in the coming year from all sources.

The total revenue projected for Morrice Schaefer Charter School is $3,477,597.00, of which $2,960,504.00 is Local Control Funding Formula (LCFF) funds, $96,076.00 is other state funds, $5,929.00 is local funds, and $415,088.00 is federal funds. Of the $415,088.00 in federal funds, $229,557.00 are federal CARES Act funds. Of the $2,960,504.00 in LCFF Funds, $279,180.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

For the 2020-21 school year school districts must work with parents, educators, students, and the community to develop a Learning Continuity and Attendance Plan (Learning Continuity Plan). The Learning Continuity Plan replaces the Local Control and Accountability Plan (LCAP) for the 2020–21 school year and provides school districts with the opportunity to desribe how they are planning to provide a high-quality education, social-emotional supports, and nutrition to their students during the COVID-19 pandemic.




This chart provides a quick summary of how much Morrice Schaefer Charter School plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021and how much of the total is tied to increasing or improving services for high needs students.

Morrice Schaefer Charter School plans to spend $4,146,609.00 for the 2020-2021 school year. Of that amount, $264,280.00 is tied to actions/services in the Learning Continuity Plan and $3,882,329.00 is not included in the Learning Continuity Plan. The budgeted expenditures that are not included in the Learning Continuity Plan will be used for the following:

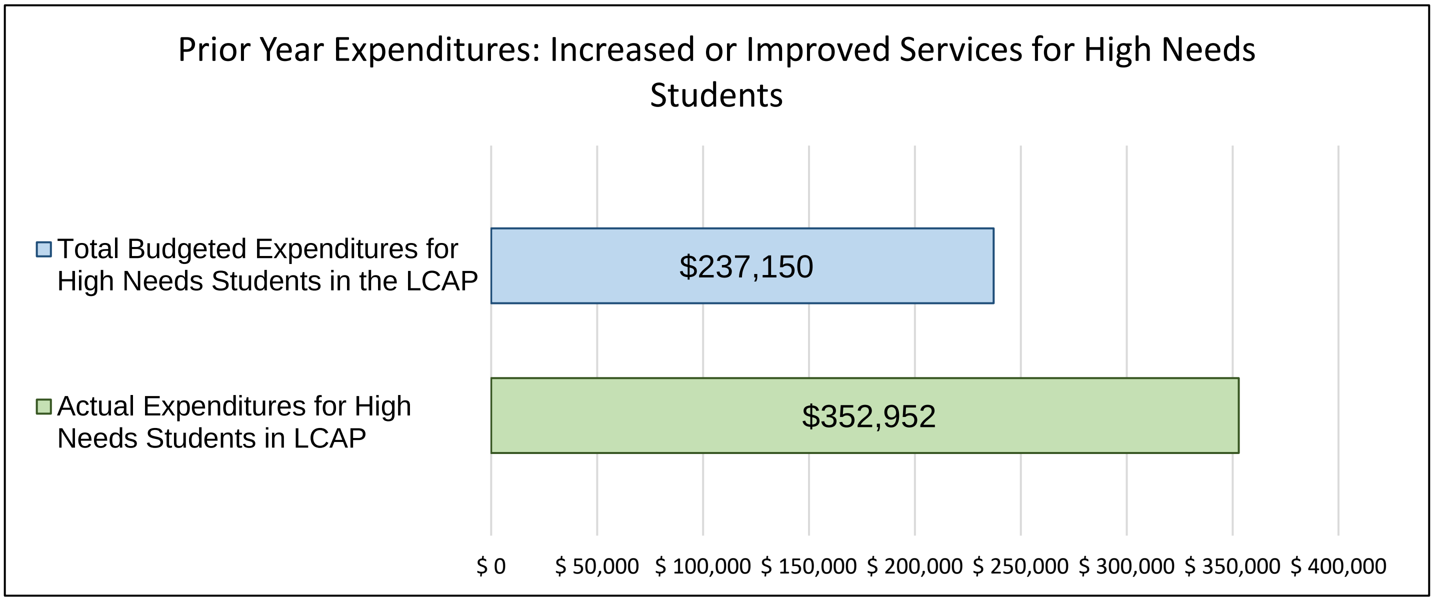
Total expenditures not included in the Learning Continuity Plan include overhead costs such as utilities, maintenance, legal costs, insurance, budgeted supplemental grant dollars, and all other programs typically included in the Local Control and Accountability Plan (LCAP).  Amounts budgeted to increase or improve services for high needs students are not included in the Learning Continuity Plan as we are anticipating using CARES funding for these actions rather than supplemental grant funding.

## Increased or Improved Services for High Needs Students in in the Learning Continuity Plan for the 2020-2021 School Year

In 2020-2021, Morrice Schaefer Charter School is projecting it will receive $279,180.00 based on the enrollment of foster youth, English learner, and low-income students. Morrice Schaefer Charter School must describe how it intends to increase or improve services for high needs students in the Learning Continuity Plan. Morrice Schaefer Charter School plans to spend $0.00 towards meeting this requirement, as described in the Learning Continuity Plan. The additional improved services described in the plan include the following:

The Learning Continuity Plan does not contain amounts budgeted to increase or improve services for high needs students as we anticipate using CARES funding for these actions. However, the LCP does describe how the additional CARES Act funds will increase or improve services for high needs students such as: providing tech devices, use of Parentsquare for effective communication with Spanish speaking students and families, and learning materials to help bridge learning loss. Budgeted amounts to increase or improve services for high needs students, generated from supplemental grant funding, are incorporated into the 2020-21 budget. Some of the ways supplemental grant funding has been budgeted is as follows: Outreach workers, extended day programs, increased reading and math materials/software/staff support, homework club/tutoring, and additional Program Assistant support in the classroom.

## Update on Increased or Improved Services for High Needs Students in 2019-2020




This chart compares what Morrice Schaefer Charter School budgeted in the 2019-20 LCAP for actions and services that contributed to increasing or improving services for high needs students with what Morrice Schaefer Charter School actually spent on actions and services that contributed to increasing or improving services for high needs students in the 2019-20 school year.

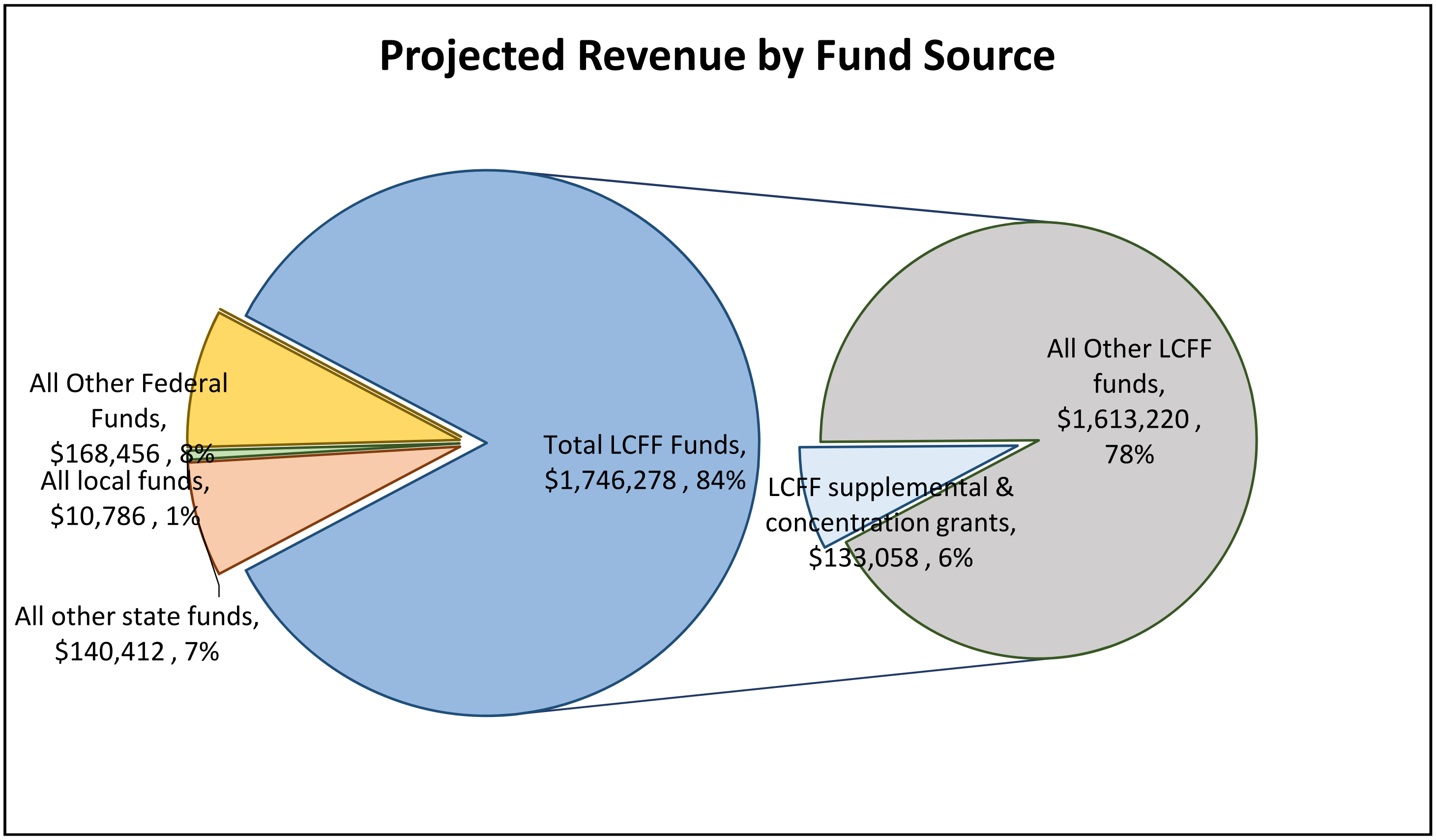
In 2019-2020, Morrice Schaefer Charter School's LCAP budgeted $237,150.00 for planned actions to increase or improve services for high needs students. Morrice Schaefer Charter School actually spent $352,952.33 for actions to increase or improve services for high needs students in 2019-2020.

# LCFF Budget Overview for Parents

| |
|---|
| Local Educational Agency (LEA) Name: Piner-Olivet Charter School |
| CDS Code: 49708706113492 |
| School Year: 2020-2021 |
| LEA contact information: Felicia Koha, CBO (707) 522-3008 fkoha@pousd.org |

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

## Budget Overview for the 2020-2021 School Year

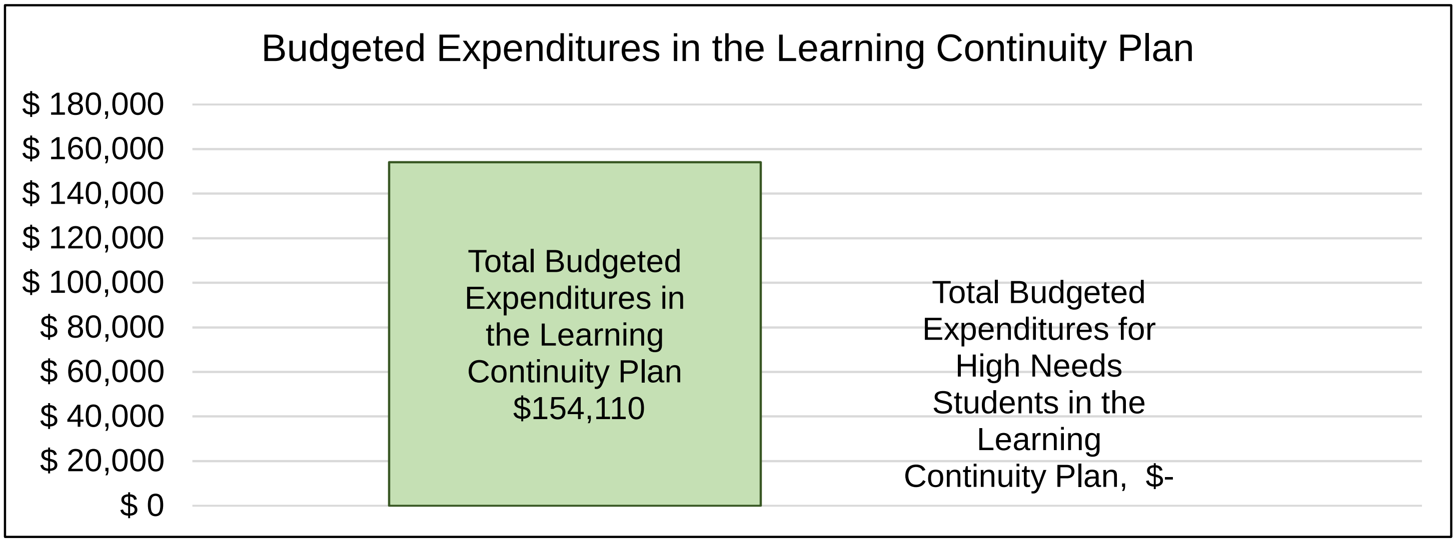



This chart shows the total general purpose revenue Piner-Olivet Charter School expects to receive in the coming year from all sources.

The total revenue projected for Piner-Olivet Charter School is $2,065,932.00, of which $1,746,278.00 is Local Control Funding Formula (LCFF) funds, $140,412.00 is other state funds, $10,786.00 is local funds, and $168,456.00 is federal funds. Of the $168,456.00 in federal funds, $0.00 are federal CARES Act funds. Of the $1,746,278.00 in LCFF Funds, $133,058.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

# LCFF Budget Overview for Parents

For the 2020-21 school year school districts must work with parents, educators, students, and the community to develop a Learning Continuity and Attendance Plan (Learning Continuity Plan). The Learning Continuity Plan replaces the Local Control and Accountability Plan (LCAP) for the 2020–21 school year and provides school districts with the opportunity to desribe how they are planning to provide a high-quality education, social-emotional supports, and nutrition to their students during the COVID-19 pandemic.




This chart provides a quick summary of how much Piner-Olivet Charter School plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021and how much of the total is tied to increasing or improving services for high needs students.

Piner-Olivet Charter School plans to spend $2,057,799.00 for the 2020-2021 school year. Of that amount, $154,110.00 is tied to actions/services in the Learning Continuity Plan and $1,903,689.00 is not included in the Learning Continuity Plan. The budgeted expenditures that are not included in the Learning Continuity Plan will be used for the following:

Total expenditures not included in the Learning Continuity Plan include overhead costs such as utilities, maintenance, legal costs, insurance, budgeted supplemental grant dollars, and all other programs typically included in the Local Control and Accountability Plan (LCAP). Amounts budgeted to increase or improve services for high needs students are not included in the Learning Continuity Plan as we are anticipating using CARES funding for these actions rather than supplemental grant funding.

## Increased or Improved Services for High Needs Students in in the Learning Continuity Plan for the 2020-2021 School Year

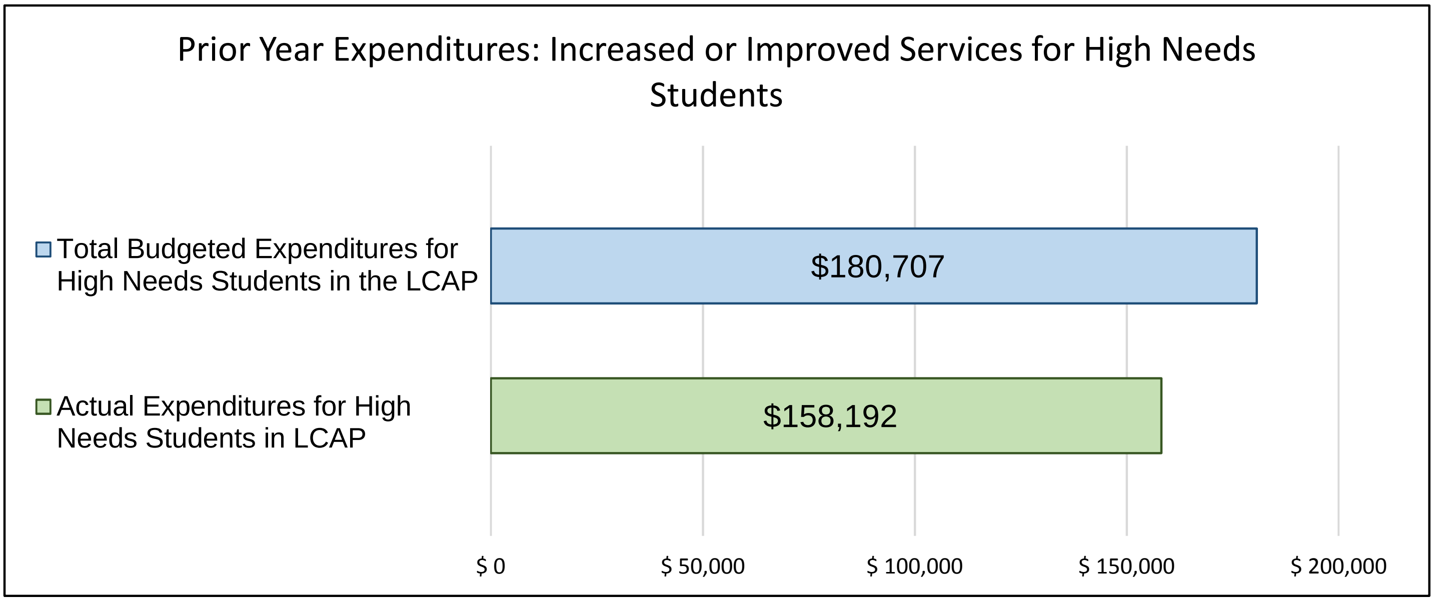
# LCFF Budget Overview for Parents

In 2020-2021, Piner-Olivet Charter School is projecting it will receive $133,058.00 based on the enrollment of foster youth, English learner, and low-income students. Piner-Olivet Charter School must describe how it intends to increase or improve services for high needs students in the Learning Continuity Plan. Piner-Olivet Charter School plans to spend $0.00 towards meeting this requirement, as described in the Learning Continuity Plan. The additional improved services described in the plan include the following:

The Learning Continuity Plan does not contain amounts budgeted to increase or improve services for high needs students as we anticipate using CARES funding for these actions.  However, the LCP does describe how the additional CARES Act funds will increase or improve services for high needs students such as: providing tech devices, use of Parentsquare for effective communication with Spanish speaking students and families, and learning materials to help bridge learning loss.  Budgeted amounts to increase or improve services for high needs students, generated from supplemental grant funding, are incorporated into the 2020-21 budget.  Some of the ways supplemental grant funding has been budgeted is as follows: Outreach workers, extended day programs, increased reading and math materials/software/staff support, homework club/tutoring, and additional Program Assistant support in the classroom.

# LCFF Budget Overview for Parents

## Update on Increased or Improved Services for High Needs Students in 2019-2020




This chart compares what Piner-Olivet Charter School budgeted in the 2019-20 LCAP for actions and services that contributed to increasing or improving services for high needs students with what Piner-Olivet Charter School actually spent on actions and services that contributed to increasing or improving services for high needs students in the 2019-20 school year.

In 2019-2020, Piner-Olivet Charter School's LCAP budgeted $180,707.00 for planned actions to increase or improve services for high needs students. Piner-Olivet Charter School actually spent $158,192.00 for actions to increase or improve services for high needs students in 2019-2020. The difference between the budgeted and actual expenditures of $22,515.00 had the following impact on Piner-Olivet Charter School's ability to increase or improve services for high needs students:

During the 2019-20 fiscal year, the COVID-19 pandemic caused a shutdown near the end of the school year.  Due to this, there were planned programs and activites that were not able to happen.

# LCFF Budget Overview for Parents

Local Educational Agency (LEA) Name: Northwest Prep Charter School

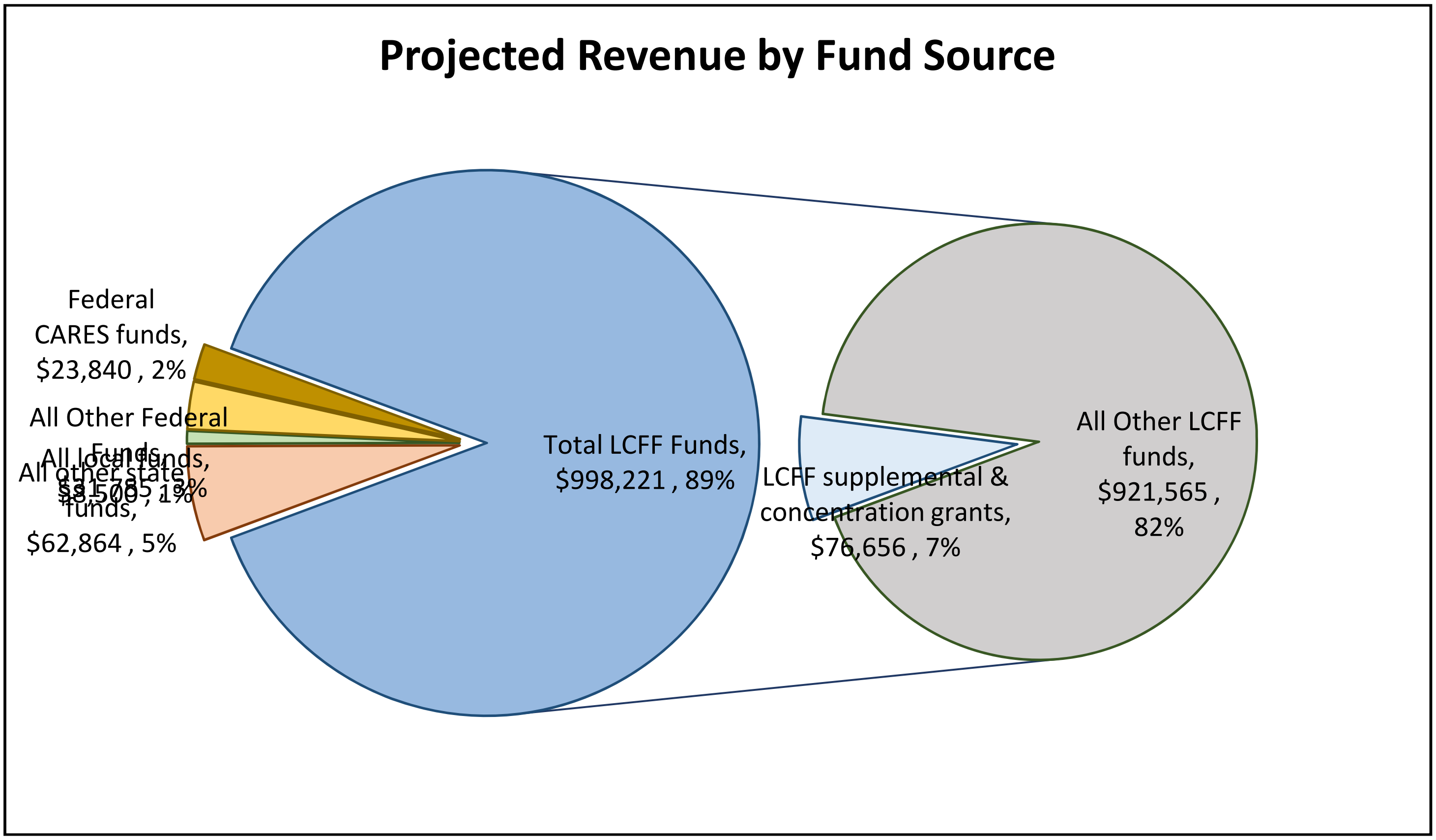
CDS Code: 49708700106344

School Year: 2020-2021

LEA contact information: Felicia Koha, CBO (707) 522-3008 fkoha@pousd.org

School districts receive funding from different sources: state funds under the Local Control Funding Formula (LCFF), other state funds, local funds, and federal funds. LCFF funds include a base level of funding for all LEAs and extra funding - called "supplemental and concentration" grants - to LEAs based on the enrollment of high needs students (foster youth, English learners, and low-income students).

## Budget Overview for the 2020-2021 School Year

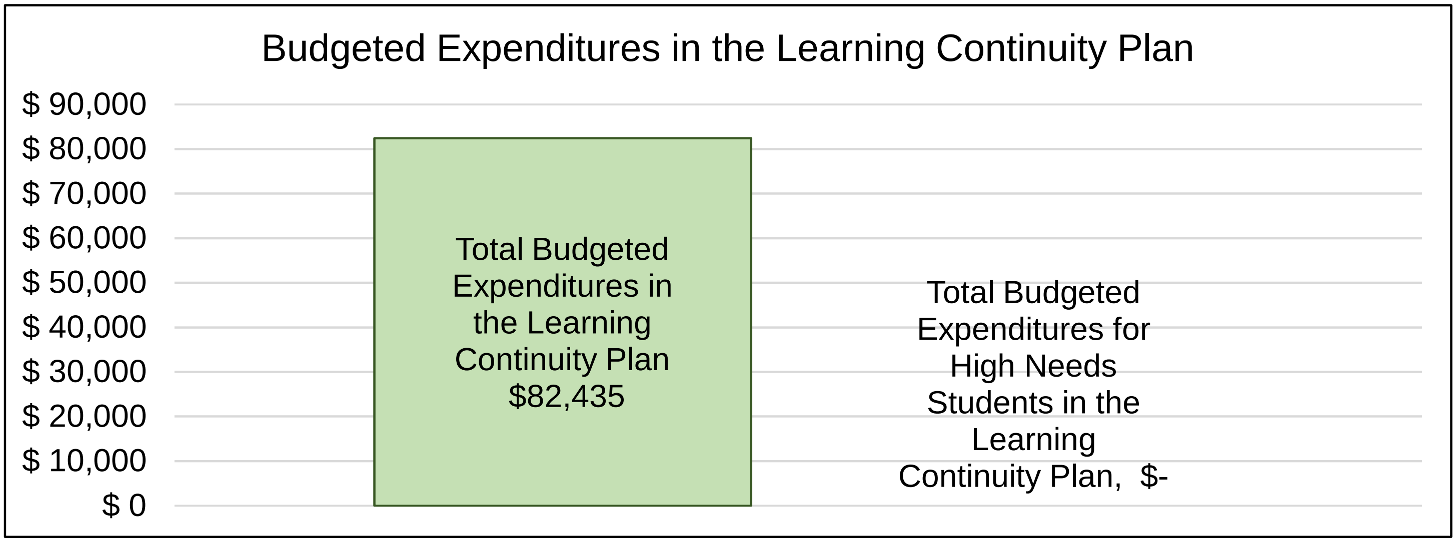



This chart shows the total general purpose revenue Northwest Prep Charter School expects to receive in the coming year from all sources.

The total revenue projected for Northwest Prep Charter School is $1,125,210.00, of which $998,221.00 is Local Control Funding Formula (LCFF) funds, $62,864.00 is other state funds, $8,500.00 is local funds, and $55,625.00 is federal funds. Of the $55,625.00 in federal funds, $23,840.00 are federal CARES Act funds. Of the $998,221.00 in LCFF Funds, $76,656.00 is generated based on the enrollment of high needs students (foster youth, English learner, and low-income students).

# LCFF Budget Overview for Parents

For the 2020-21 school year school districts must work with parents, educators, students, and the community to develop a Learning Continuity and Attendance Plan (Learning Continuity Plan). The Learning Continuity Plan replaces the Local Control and Accountability Plan (LCAP) for the 2020–21 school year and provides school districts with the opportunity to desribe how they are planning to provide a high-quality education, social-emotional supports, and nutrition to their students during the COVID-19 pandemic.




This chart provides a quick summary of how much Northwest Prep Charter School plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021and how much of the total is tied to increasing or improving services for high needs students.

Northwest Prep Charter School plans to spend $1,151,903.00 for the 2020-2021 school year. Of that amount, $82,435.00 is tied to actions/services in the Learning Continuity Plan and $1,069,468.00 is not included in the Learning Continuity Plan. The budgeted expenditures that are not included in the Learning Continuity Plan will be used for the following:

Total expenditures not included in the Learning Continuity Plan include overhead costs such as utilities, maintenance, legal costs, insurance, budgeted supplemental grant dollars, and all other programs typically included in the Local Control and Accountability Plan (LCAP). Amounts budgeted to increase or improve services for high needs students are not included in the Learning Continuity Plan as we are anticipating using CARES funding for these actions rather than supplemental grant funding.

## Increased or Improved Services for High Needs Students in in the Learning Continuity Plan for the 2020-2021 School Year

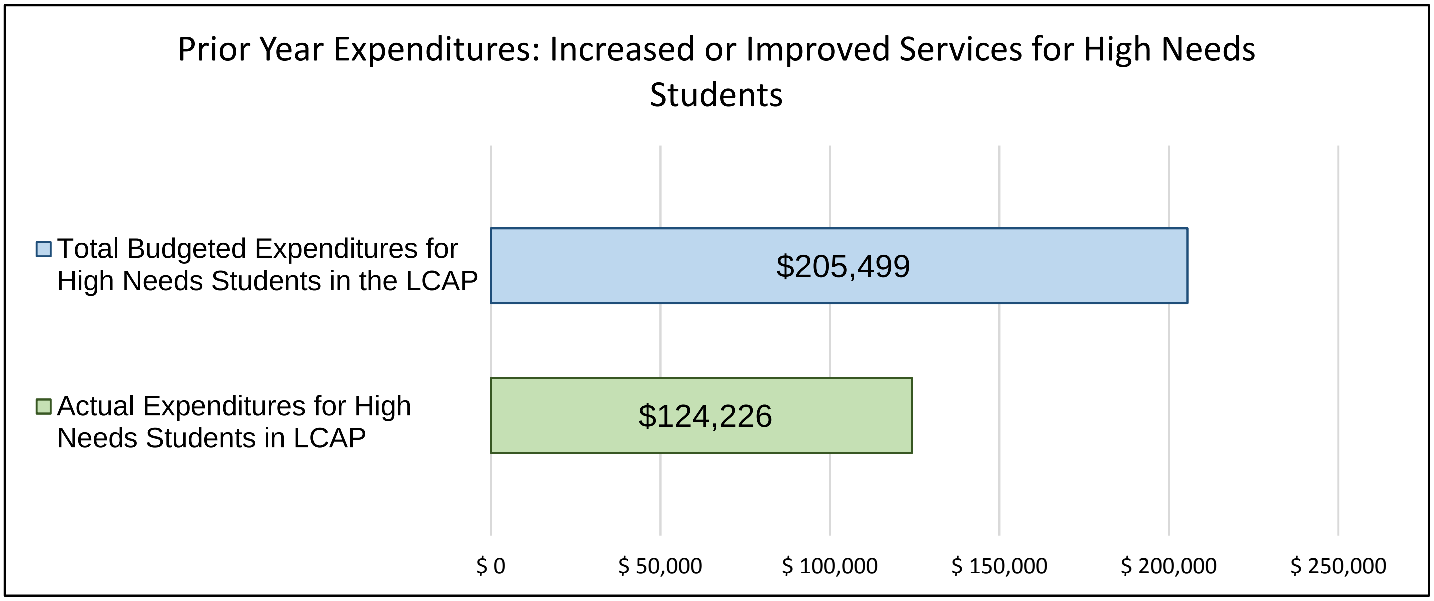
# LCFF Budget Overview for Parents

In 2020-2021, Northwest Prep Charter School is projecting it will receive $76,656.00 based on the enrollment of foster youth, English learner, and low-income students. Northwest Prep Charter School must describe how it intends to increase or improve services for high needs students in the Learning Continuity Plan. Northwest Prep Charter School plans to spend $0.00 towards meeting this requirement, as described in the Learning Continuity Plan. The additional improved services described in the plan include the following:

The Learning Continuity Plan does not contain amounts budgeted to increase or improve services for high needs students as we anticipate using CARES funding for these actions. However, the LCP does describe how the additional CARES Act funds will increase or improve services for high needs students such as: providing tech devices, use of Parentsquare for effective communication with Spanish speaking students and families, and learning materials to help bridge learning loss. Budgeted amounts to increase or improve services for high needs students, generated from supplemental grant funding, are incorporated into the 2020-21 budget. Some of the ways supplemental grant funding has been budgeted is as follows: Outreach workers, extended day programs, increased reading and math materials/software/staff support, homework club/tutoring, and additional Program Assistant support in the classroom.

# LCFF Budget Overview for Parents

## Update on Increased or Improved Services for High Needs Students in 2019-2020




This chart compares what Northwest Prep Charter School budgeted in the 2019-20 LCAP for actions and services that contributed to increasing or improving services for high needs students with what Northwest Prep Charter School actually spent on actions and services that contributed to increasing or improving services for high needs students in the 2019-20 school year.

In 2019-2020, Northwest Prep Charter School's LCAP budgeted $205,499.00 for planned actions to increase or improve services for high needs students. Northwest Prep Charter School actually spent $124,226.14 for actions to increase or improve services for high needs students in 2019-2020. The difference between the budgeted and actual expenditures of $81,272.86 had the following impact on Northwest Prep Charter School's ability to increase or improve services for high needs students:

During the 2019-20 fiscal year, the COVID-19 pandemic caused a shutdown near the end of the school year.  Due to this, there were planned programs and activites that were not able to happen.

Piner-Olivet Union School District

# Agenda Item Summary

Action Item: **12.6** ***Approval of Resolution # 544 Regarding Annual Accounting of Developer Fees for 2019-2020***

| | | |
|---|---|---|
| Regular Meeting of: December 15, 2020 | **Action** Item | Report Format:**Oral** |
| Attachment: Resolution and Annual Accounting of Developer Fees | | |

**Presented by:** Felicia Koha, CBO

**Background**
California Government Code Section 66006 requires each district collecting development fees to make an annual accounting of those fees. This annual accounting must be reviewed by the governing board at a regularly scheduled meeting and at least 15 days after the accounting was made available to the public. The Annual Accounting of Developer Fees has been available for public viewing since November 23, 2020.

Section 66001 requires each district collecting development fees to make additional findings every five years disclosing the amount of fees that were unexpended at the end of the fiscal year. This was performed for the 2018-19 reporting period.

**Plan/Discussion/Detail**
The attached Resolution and Annual Accounting of Developer Fees meet the requirements as outlined in Government Code Section 66006 and 66001.

**Recommendation**
Approve as presented.

**RESOLUTION # 544 OF THE GOVERNING BOARD OF THE PINER-OLIVET UNION SCHOOL DISTRICT REGARDING ACCOUNTING OF DEVELOPMENT FEES FOR 2019-2020 FISCAL YEAR IN THE FOLLOWING FUND OR ACCOUNT**:

**Fund 25 – Capital Facilities Fund**

(Government Code sections 66001(d) & 66006(b))

1. **Authority and Reasons for Adopting this Resolution.**

A. This District has levied school facilities fees pursuant to various resolutions, the most recent of which is dated April 6, 2016, and is referred to herein as the "School Facilities Fee Resolution" and is hereby incorporated by reference into this Resolution. These resolutions were adopted under the authority of Education Code section 17620. These fees have been deposited in the following fund or account:

Fund 25 – Capital Facilities Fund (the "Fund");

B. Government Code sections 66001(d) and 66006(b) require this District to make an annual accounting of the Fund and to make additional findings every five years if there are any funds remaining in the Fund at the end of the prior fiscal year;

C. Government Code sections 66001(d) and 66006(b) further require that the annual accounting of the Fund and those findings be made available to the public no later than December 27, 2020, that this information be reviewed by this Board at its next regularly scheduled board meeting held no earlier than 15 days after the findings become available to the public, and that notice of the time and place of this meeting (as well as the address at which this information may be reviewed) be mailed at least 15 days prior to this meeting to anyone who has filed a written request for it.

D. The Superintendent has informed this Board that a draft copy of this Resolution (along with Exhibits 1 and 2 which are hereby incorporated by reference into this Resolution) was made available to the public on November 23, 2020. The Superintendent has further informed this Board that notice of the time and place of this meeting (as well as the address at which this information may be reviewed) was mailed at least 15 days prior to this meeting to anyone who had filed a written request for it.

E. The Superintendent has also informed this Board that there is no new information which would adversely affect the validity of any of the findings made by this Board in its School Facilities Fee Resolution.

2. **What This Resolution Does.**

This Resolution makes various findings and takes various actions regarding the Fund as required by and in accordance with Government Code sections 66001(d) and 66006(b).

3. **Findings Regarding the Fund.**

Based on all findings and evidence contained in, referred to, or incorporated into this Resolution, as well as the evidence presented to this Board at this meeting, the Board finds each of the following with respect to the Fund for the 2019-2020 Fiscal Year:

A. In reference to Government Code section 66006(b)(2), the information identified in section 1 above is correct;

B. In further reference to Government Code section 66006(b)(2), this Board has reviewed the annual accounting for the Fund as contained in Exhibit 1 and determined that it meets the requirements set forth in Government Code section 66006(b)(1);

C. In reference to Government Code section 66001(d)(1)(A), and with respect only to that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, the purpose of the fees is to finance the construction or reconstruction of school facilities necessary to reduce overcrowding caused by the development on which the fees were levied, which facilities are more specifically identified in Exhibit 2;

D. In reference to Government Code section 66001(d)(1)(B), and with respect only to that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, the findings and evidence referenced above demonstrate that there is a reasonable relationship between the fees and the purpose for which it is charged as more specifically identified in Exhibit 2;

E. In reference to Government Code section 66001(d)(1)(C), and with respect only to that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, all of the sources and amounts of funding anticipated to complete financing in any incomplete improvements identified as the use to which the fees are to be put is identified in Exhibit 2;

F. In reference to Government Code section 66001(d)(1)(D), and with respect only to that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, the approximate dates on which the funding referred to in paragraph E above is expected to be deposited into the appropriate account or fund is designated in Exhibit 2; and

G. In reference to the last sentence of Government Code section 66006(d), because all of the findings required by that subdivision have been made in the fees that were levied in paragraphs C-F above, the District is not required to refund any moneys in the Fund as provided in Government Code section 66001(e).

4. **Superintendent Authorized to Take Necessary and Appropriate Action.**

The Board further directs and authorizes the Superintendent to take on its behalf such further action as may be necessary and appropriate to effectuate this Resolution.

5. **Certificate of Resolution.**

I, _____________________________, Clerk of the Governing Board of the Piner-Olivet Union School District of Sonoma County, State of California, certify that this Resolution proposed by ___________________________, seconded by ___________________________________, was duly passed and adopted by the Board, at an official and public meeting this 15th day of December, 2020, by the following vote:

AYES:

NOES:

ABSENT:

_________________________________________________

Clerk of the Board of the Piner-Olivet Union School District of Sonoma County, California

**EXHIBIT 1**

**TO RESOLUTION # 544 REGARDING**
**ACCOUNTING OF DEVELOPMENT FEES**
**FOR FISCAL YEAR 2019-2020**
**FOR THE FOLLOWING FUND OR ACCOUNT:**
**Fund 25 – Capital Facilities Fund (the "Fund")**

Per Government Code section 66006(b)(1)(A-H) as indicated:

A. A brief description of the type of fee in the Fund: The fee is a statutory school facilities fees.

B. The amount of the fee: $2.42 per square foot of assessable space of residential construction; and $0.39 per square foot of covered and enclosed space of commercial/industrial construction; but subject to the district's determination that a particular project is exempt from all or part of these fees. Pursuant to Education Code section 17623 and an agreement with the district(s) sharing territory with the district, generally only 70% of the maximum fee specified above is distributed to this district.

C. The beginning and ending balance of the Fund.

See Attachment 1.

D. The amount of the fees collected and the interest earned.

See Attachment 1.

E. An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.

See Attachment 1.

F. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) subdivision (a) of section 66001, and the public improvement remains incomplete: No plans for construction or modernization have been approved by SAB at this time.

G. A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan:  An authorized transfer out of Fund 25 in the amount of $141,728 during the 2010-11 Fiscal Year was made to Fund 09.  This loan is set to be repaid during the 2029-30 Fiscal Year.

H. The amount of refunds made pursuant to subdivision (e) of section 66001 and any allocations pursuant to subdivision (f) of section 66001:  No refunds were issued during the 2019-20 fiscal year.

**EXHIBIT 2**

**TO RESOLUTION # 544 REGARDING ACCOUNTING OF DEVELOPMENT FEES FOR FISCAL YEAR 2019-2020 FOR THE FOLLOWING FUND OR ACCOUNT: Fund 25 – Capital Facilities Fund (the "Fund")**

Per Government Code section 66001(d)(1)(A-D) as indicated:

A. With respect to only that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, the purpose of the fees is to finance the construction or reconstruction of school facilities necessary to reduce overcrowding caused by the development on which the fees were levied, which facilities are more specifically identified as follows: The District is in process of compiling information obtained from a full facilities inspection; this will be utilized to assess and develop modernization and construction projects.

B. With respect to that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, there is a reasonable relationship between the fee and the purpose for which it is charged, including:

    a. There is an ongoing need for the Fund to complete construction or reconstruction to reduce overcrowding caused by the development.

    b. Future plans include: currently being assessed.

C. With respect to only that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, the sources and amounts of funding anticipated to complete financing in any incomplete improvements identified in paragraph A above are as follows: The District will utilize Fund 25 to support these projects.

D. With respect to only that portion of the Fund remaining unexpended at the end of the 2019-2020 Fiscal Year, the following are the approximate dates on which the funding referred to in paragraph C above is expected to be deposited into the appropriate account or fund: The balance remaining from the collection of development fees is deposited in Fund 25.

ATTACHMENT 1
PINER-OLIVET UNION SCHOOL DISTRICT
ANNUAL ACCOUNTING OF DEVELOPER FEES
FISCAL YEAR 2019-2020

The fee collected in 2019-2020 was $2.42/square foot for residential development and $.39/square foot for commercial development.

| | | |
|---|---|---|
| Beginning Balance July 1, 2019 | | $ 1,899,455.13 |
| REVENUE | | |
| Fees Collected | 40,541.48 | |
| Interest | 31,256.57 | |
| Local Revenue | 10,001.85 | |
| TOTAL REVENUE | 81,799.90 | |
| EXPENDITURES | | |
| Olivet | 250,000.00 | |
| Schaefer | 0.00 | |
| Jack London/POCS | 692,645.63 | |
| Northwest Prep/Piner | 250,000.00 | |
| WCTA Facilities Fee | 17,899.14 | |
| Administrative Fee | 2,454.00 | |
| TOTAL EXPENDITURES | 1,212,998.77 | |
| Ending Balance June 30, 2020 | | $ 768,256.26 |

**PINER-OLIVET UNION SCHOOL DISTRICT**
**3450 COFFEY LANE**
**SANTA ROSA, CA 95403**
**REGULAR MEETING – GOVERNING BOARD MINUTES**
**November 4, 2020**

**1. CALL TO ORDER**

The regular meeting of the Governing Board of the Piner-Olivet Union School District was called to order at 6:30 p.m., Wednesday, November 4, 2020, conducted remotely as a Zoom meeting ID 89407822748. President, Cindy Pryor, presided.

**2. ROLL CALL**

*Governing Board*
Cindy Pryor, President PRESENT
Mardi Hinton, Vice-President PRESENT
Mindy Mohr, Clerk PRESENT
Janae Franicevic, Member PRESENT
John Way, Member PRESENT

*Staff*
Dr. Steve Charbonneau, Superintendent and Secretary to the Board
Felicia Koha, Chief Business Official
Cathy Manno, Executive Secretary

**3. PUBLIC COMMENT ON CLOSED SESSION AGENDA**

Ms. Pryor announced that items to be discussed in Closed Session were issues regarding collective bargaining. There were no comments on the Closed Session agenda.

**4. ADJOURNMENT TO CLOSED SESSION**

The meeting adjourned to closed session at 6:32 p.m.

**5. CLOSED SESSION**

5.1 With respect to every item of business discussed in closed session pursuant to Gov. Code Section 54957:
- 5.1.1 PUBLIC EMPLOYMENT DISCIPLINE/DISMISSAL/RELEASE
  (No additional information required)
- 5.1.2 PUBLIC EMPLOYMENT-EMPLOYMENT/APPOINTMENT
  Title: None
- 5.1.3 PUBLIC EMPLOYEE PERFORMANCE EVALUATION
  Title: Superintendent

5.2 With respect to every item of business discussed in closed session pursuant to Gov. Code Section 54957.6:
- 5.2.1 CONFERENCE WITH LABOR NEGOTIATOR
  Name of Agency Negotiator: Dr. Steve Charbonneau
  Name of organization representing employees: Piner-Olivet Educators' Association, CTA Affiliate
- 5.2.2 CONFERENCE WITH LABOR NEGOTIATOR
  Name of Agency Negotiator: Dr. Steve Charbonneau
  Name of organization representing employees: Piner-Olivet Classified Association, CSEA Affiliate
- 5.2.3 CONFERENCE WITH LABOR NEGOTIATOR
  Name of Agency Negotiator: Dr. Steve Charbonneau
  Name of organization representing employees: Confidential, Supervisory, Administrative Staff

**6. RECONVENE TO PUBLIC MEETING**

The meeting reconvened to Open Session at 7:06 p.m.

**7. REPORT OF CLOSED SESSION ACTION, IF ANY**

Ms. Pryor commented that during Closed Session, no action was taken.

**8. AGENDA MODIFIATIONS**

There were none.

**9. COMMUNICATIONS, PETITIONS AND DELEGATIONS**

There were none.

**10. COMMENTS FROM THE GOVERNING BOARD**

Ms. Hinton commented that she attended (through her employer) the Virtual Charter School Development Center. Ms. Hinton commented that she attended Northwest Prep Exhibition and mentioned that they did a fantastic job!

**11. RECOGNITION OF EXCELLENCE**

Recognition of Excellence was presented to Governing Board Member John Way in recognition of dedicated and caring service on the Piner-Olivet Governing Board. The Governing Board members, Dr. Charbonneau, Ms. Harris, and Ms. Venegas, thanked Mr. Way for his dedication to the students and staff and gave their appreciations.

**12. SUPERINTENDENT'S REPORT**

12.1 Announcements

Dr. Charbonneau commented that he attended Northwest Prep Exhibition and that the students, staffs and principal did an amazing job. He commented that he has started a listening tour and will be visiting all sites asking students the question "If you were POUSD Superintendent, what would you do to improve Distance Learning Program?"
He commented that the Administrative team is doing an amazing job and he is grateful to be working with them.

12.2 Enrollment

Enrollment was reported as 933 for the K-6 program, 202 for POCS, 100 for NWP and NPS 4.

**13. ASSOCIATION REPORTS**

13.1 POEA

Ms. Zavala commented on association activities.

13.2 POCA

There were none.

**14. BOARD POLICIES**

There were none.

**15. DISCUSSION/INFORMATION ITEMS**

15.1 Consideration of a Bond Sale for Piner-Olivet Union School District

Greg Isom, from Isom Advisors gave a presentation on District Bond Financial Analysis. Dr. Charbonneau shared potential bond projects.

**16.** 16.1 Acknowledge Sunshining of 2020-2021 Contract Openers from the Piner-Olivet Educators' Association (POEA)

The Sunshining of 2020-2021 contract openers from Piner-Olivet Educators' Association (POEA) was acknowledged by the Board.

**17. CONSENT ITEMS**

The following consent items were approved on the motion of Ms. Hinton, seconded by Mr. Way, all aye.
Roll call vote: Ms. Franicevic – aye, Ms. Hinton- aye, Ms. Mohr –aye, Ms. Pryor- aye, Mr. Way-aye

17.1 The minutes of the regular Board meeting of October 14, 2020,
17.2 The vendor warrants,
17.3 The RESIG 2019-2020 Public Self-Insurer's Annual Report,
17.4 The MOU and Agreement to Provide Teaching and Counseling Experience by and between the University of San Francisco and the Piner-Olivet Union School District from August 1, 2020 through June 2025, and
17.5 The routine budget update.

**18. ROUND TABLE COMMENTS FROM THE GOVERNING BOARD**

Mr. Way encouraged Dr. Charbonneau to share bond presentation information with incoming board member.

**19. DATES AND FUTURE AGENDA ITEMS**

The next regular board meeting was scheduled for Tuesday, December 15, 2020.

**20. PUBLIC COMMENT ON CLOSED SESSION AGENDA**

There was no Closed Session.

**21. RECESS TO CLOSED SESSION**

There was no Closed Session.

**22. RECONVENE TO PUBLIC MEETING**

There was no Closed Session.

**23. REPORT OF CLOSED SESSION ACTION NOT ON THE ACTION AGENDA**

There was no Closed Session.

**24. ADJOURNMENT**

The meeting adjourned at 8:45p.m.

Respectfully submitted,

Dr. Steve Charbonneau
Secretary to the Board

APPROVED:

_________________________________________
Mindy Mohr, Clerk of the Board

**PINER-OLIVET UNION SCHOOL DISTRICT**
**3450 COFFEY LANE**
**SANTA ROSA, CA 95403**
**SPECIAL MEETING – GOVERNING BOARD MINUTES**
**December 2, 2020**

**1. CALL TO ORDER**

The special meeting of the Governing Board of the Piner-Olivet Union School District was called to order at 5:37 p.m., Wednesday, December 2, 2020, conducted remotely as a Zoom meeting ID 88586033490. President, Cindy Pryor, presided.

**2. ROLL CALL**

*Governing Board*
Cindy Pryor, President PRESENT
Mardi Hinton, Vice-President PRESENT
Mindy Mohr, Clerk PRESENT
Janae Franicevic, Member PRESENT
John Way, Member PRESENT

*Staff*
Dr. Steve Charbonneau, Superintendent and Secretary to the Board
Felicia Koha, Chief Business Official
Cathy Manno, Executive Secretary

**3. DISCUSSION/INFORMATION ITEMS**

3.1 Resolution of the Board of Trustees of the Piner-Olivet Union School District Authorizing the Issuance and Sale of not to Exceed $6,000,000 Aggregate Initial Principal Amount of Bonds of the District, Including Bonds that Allow for the Compounding of Interest, by a Negotiated Sale Pursuant to a Bond Purchase Agreement, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement for the Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions

The Governing Board members reviewed the first reading of the Resolution of the Board of Trustees of the Piner-Olivet Union School District Authorizing the Issuance and Sale of not to Exceed $6,000,000 Aggregate Initial Principal Amount of Bonds of the District, Including Bonds that Allow for the Compounding of Interest, by a Negotiated Sale Pursuant to a Bond Purchase Agreement, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of and Authorizing the Distribution of an Official Statement for the Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions.
Greg Isom, from Isom Advisors answered questions from the Governing Board regarding the process, next steps, and the Good Faith Estimates.

3.2 Distance Learning Update

Dr. Charbonneau gave an update on Distance Learning and information about POUSD's eventual "Reopening".

**4. ACTION ITEMS**

4.1 Approval of the Charter Renewal for Piner-Olivet Charter School

Ms. Sanft reviewed the highlights and changes in the Piner-Olivet Charter School Charter. The Charter renewal for the Piner-Olivet Charter School from December 20, 2020 to December 20, 2025 was approved as presented on the motion of Ms. Hinton, seconded by Ms. Franicevic, all aye.

**5. ADJOURNMENT**

The meeting adjourned at 6:55 p.m.

Respectfully submitted,

Dr. Steve Charbonneau
Secretary to the Board

APPROVED:

____________________________________
Mindy Mohr, Clerk of the Board

# Piner-Olivet Union School District

TO: Board of Trustees

## PERSONNEL ACTION REPORT

Meeting of: December 15, 2020

| Name | Assignment | Salary | Funding Source | Effective | Type of Appointment | Information Assignment | Recommendation | Additional Cost To Budget |
|---|---|---|---|---|---|---|---|---|
| Jill Hong | Account Tech | Step 3 | General Ed | November 2, 2020 | New Hire | District Office | Acknowledge | 0 |

# VENDOR WARRANTS

**Checks Dated 11/01/2020 through 11/30/2020**

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1809278 | 11/05/2020 | Anova Center of Education | 01-5810 | July billing | 548.75 | |
| | | | | SPED/ NPS 2020/21 - LJ | 5,141.64 | |
| | | | | SPED/ NPS 2020/21 - TR | 5,141.64 | |
| | | | | SPED/ NPS 2020/21 - TS | 5,299.16 | 16,131.19 |
| 1809279 | 11/05/2020 | AT&T Mobility | 01-5900 | Mobile Phone for Maint Supervisor | | 82.84 |
| 1809280 | 11/05/2020 | AT&T | 01-5900 | Calnet3 Billing / AT&T | | 1,526.87 |
| 1809281 | 11/05/2020 | The Math Learning Center | 05-4310 | Supplies - Manipulatives for Kindergarten | | 580.00 |
| 1809282 | 11/05/2020 | CDW Government Inc | 01-4310 | IEP Testing Supplies - COVID | 93.98 | |
| | | | 01-4340 | Meraki License (3 years) | 40,800.00 | |
| | | | 04-4310 | IEP Testing Supplies - COVID | 93.99 | |
| | | | 05-4310 | IEP Testing Supplies - COVID | 93.99 | 41,081.96 |
| 1809283 | 11/05/2020 | City Of Santa Rosa | 01-5530 | City Water Acct# 023537 2020/21 - NWP | 413.30 | |
| | | | 09-5530 | City Water Acct# 023537 2020/21 - NWP | 222.54 | 635.84 |
| 1809284 | 11/05/2020 | Fishman Supply | 01-4370 | Open-Cleaning and PPE supplies COVID | 1,084.33 | |
| | | | 04-4370 | Open-Cleaning and PPE supplies COVID | 1,084.33 | |
| | | | 05-4370 | Open-Cleaning and PPE supplies COVID | 1,084.33 | |
| | | | 09-4370 | Open-Cleaning and PPE supplies COVID | 1,084.33 | 4,337.32 |
| 1809285 | 11/05/2020 | Friedman's Home Improvement | 01-4380 | Open Maintenance Supplies 20/21 | 30.43 | |
| | | | 09-4380 | Open Maintenance Supplies 20/21 | 5.31 | 35.74 |
| 1809286 | 11/05/2020 | Gail Ahlas | 04-5830 | Leadership coaching and school renewal | | 281.25 |
| 1809287 | 11/05/2020 | Horizon | 01-4380 | Grounds Supplies 2020/21 | | 293.45 |
| 1809288 | 11/05/2020 | Kelly Moore Paint Co | 01-4380 | Paint & Paint Supplies for 20/21 | 170.78 | |
| | | | 09-4380 | Paint & Paint Supplies for 20/21 | 56.97 | 227.75 |
| 1809289 | 11/05/2020 | Kendall-Hunt Publishing Co | 09-4310 | Teacher manuals for math | | 82.43 |
| 1809290 | 11/05/2020 | KYOCERA Document Solutions Northern California, Inc | 01-4311 | Supplies for Risograph - JL/POCS | 52.63 | |
| | | | 04-4311 | Supplies for Risograph - Olivet | 151.98 | 204.61 |
| 1809291 | 11/05/2020 | Modern Method Roofing | 14-6200 | Roof Repair - Room 17,18,19 and 20 | | 36,693.00 |
| 1809292 | 11/05/2020 | Read Naturally | 01-4340 | ELA _JL, Olivet, Schaefer | 350.98 | |
| | | | 04-4340 | ELA _JL, Olivet, Schaefer | 350.98 | |
| | | | 05-4340 | ELA _JL, Olivet, Schaefer | 351.00 | 1,052.96 |
| 1809293 | 11/05/2020 | Rileystreet Enterprises, Inc. | 09-4310 | art supplies for elective | | 204.46 |
| 1809294 | 11/05/2020 | Scholastic Inc | 05-4310 | Scholastic Books - CSI Funding | | 607.36 |
| 1809295 | 11/05/2020 | School & College Legal Service | 01-5202 | Workshop - COVID 19 | | 165.00 |
| 1809296 | 11/05/2020 | Shell Wex Bank | 01-4362 | Fuel for trucks 2020/21 | | 490.55 |
| 1809297 | 11/05/2020 | Pacific Gas & Electric | 01-5510 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 16.87 | |
| | | | | Acct #8210388297-1 - Jack London 80% & POCS 20% | 20.70 | |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

**Checks Dated 11/01/2020 through 11/30/2020**

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1809297 | 11/05/2020 | Pacific Gas & Electric | 01-5520 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 521.35 | |
| | | | | Acct #8210388297-1 - Jack London 80% & POCS 20% | 93.68 | |
| | | | 04-5510 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 92.02 | |
| | | | 04-5520 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 1,183.32 | |
| | | | 05-5510 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 117.55 | |
| | | | 05-5520 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 1,479.54 | |
| | | | 09-5510 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 9.09 | |
| | | | 09-5520 | Acct #0532988800-1 Olivet/NWP/VC/DO/SCH | 60.32 | 3,594.44 |
| 1810282 | 11/12/2020 | Teklemariam, Amine H | 01-4362 | Fuel | | 50.03 |
| 1810283 | 11/12/2020 | Fret, Yemane A | 01-4362 | Fuel | | 67.00 |
| 1810284 | 11/12/2020 | Mc Alister, Eileen | 01-5202 | Aeries Conference 10/5/2020 - 10/08/2020 | | 150.00 |
| 1810285 | 11/12/2020 | Hong, Jill C | 01-5860 | Fingerprinting | | 62.00 |
| 1810286 | 11/12/2020 | Apple Inc. | 01-4310 | I-Pads COVID | 6,489.19 | |
| | | | | MacBook for Superintendent | 1,085.42 | |
| | | | 04-4310 | I-Pads COVID | 6,489.20 | |
| | | | 05-4310 | I-Pads COVID | 6,489.21 | 20,553.02 |
| 1810287 | 11/12/2020 | Blach Construction | 01-5630 | POUSD - PV Damage Repair | | 41,211.84 |
| 1810288 | 11/12/2020 | The Math Learning Center | 01-4310 | Supplies - Bridges Materials | 4,230.55 | |
| | | | 04-4310 | Supplies - Bridges Math Materials | 8,189.72 | |
| | | | 05-4310 | Supplies - Bridges Intervention Kits | 2,035.81 | |
| | | | | Supplies Bridges Math Consumables | 4,660.86 | 19,116.94 |
| 1810289 | 11/12/2020 | CDW Government Inc | 04-4310 | Supplies - headsets | 2,996.49 | |
| | | | 09-4400 | printer for front office | 313.93 | 3,310.42 |
| 1810290 | 11/12/2020 | Gail Ahlas | 01-5202 | Leadership coaching - district | 593.75 | |
| | | | 09-5202 | Leadership coaching - district | 250.00 | 843.75 |
| 1810291 | 11/12/2020 | Interiors Incorporated | 01-4400 | Ergo workstations | 781.67 | |
| | | | 04-4400 | Ergo workstations | 943.40 | |
| | | | 05-4400 | Ergo workstations | 970.37 | 2,695.44 |
| 1810292 | 11/12/2020 | Mead Clark | 01-4380 | Maint Supplies for all sites 2020/21 | | 77.46 |
| 1810293 | 11/12/2020 | Office Depot | 01-4310 | Open PO for Office Supplies-JL 2020-21 | 101.30 | |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

**Checks Dated 11/01/2020 through 11/30/2020**

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1810293 | 11/12/2020 | Office Depot | 01-4350 | Open PO for District Office Supplies - 2020-21 | 141.78 | |
| | | | 04-4310 | Open PO for Classroom Supplies Olivet 2020-21 | 1,323.52 | |
| | | | | Supplies - Writers Workshop | 115.94 | |
| | | | 04-4311 | Open PO for Classroom Supplies Olivet 2020-21 | 75.36 | |
| | | | 05-4310 | Open PO for Classroom Supplies Schaefer 2020-21 | 162.39 | |
| | | | 05-4311 | Open PO for Classroom Supplies Schaefer 2020-21 | 51.65 | |
| | | | 09-4310 | Open PO for Classroom Supplies- NWP 2020-21 | 15.15 | |
| | | | | Open PO for Office Supplies- NWP 2020-21 | 685.59 | |
| | | | 09-4311 | Open PO for Classroom Supplies- NWP 2020-21 | 82.25 | 2,754.93 |
| 1810294 | 11/12/2020 | PresenceLearning, Inc. | 01-4340 | SPED Eval License - COVID | 466.00 | |
| | | | 01-5830 | SLP Services & Assessments Contracted 2020-21 | 1,238.00 | |
| | | | 04-4340 | SPED Eval License - COVID | 466.00 | |
| | | | 05-4340 | SPED Eval License - COVID | 468.00 | 2,638.00 |
| 1810295 | 11/12/2020 | Jan Radke | 01-5830 | School Counseling Services 2020-2021 | | 4,143.75 |
| 1810296 | 11/12/2020 | Santa Rosa City Schools | 13-4700 | Meals for 2020/21 | | 3,258.00 |
| 1810297 | 11/12/2020 | Staples Inc. | 01-4310 | Hot Spots - COVID | 916.88 | |
| | | | | Hotspots_COVID | 62.12 | |
| | | | 04-4310 | Hot Spots - COVID | 916.87 | |
| | | | | Hotspots_COVID | 62.12 | |
| | | | 05-4310 | Hot Spots - COVID | 916.87 | |
| | | | | Hotspots_COVID | 62.12 | 2,936.98 |
| 1810298 | 11/12/2020 | TAP Plastics | 01-4390 | Smooth Matte Acrylic Panels COVID | 719.89 | |
| | | | 04-4390 | Smooth Matte Acrylic Panels COVID | 719.88 | |
| | | | 05-4390 | Smooth Matte Acrylic Panels COVID | 721.13 | 2,160.90 |
| 1811310 | 11/19/2020 | Teklemariam, Amine H | 01-4362 | Fuel | | 50.02 |
| 1811311 | 11/19/2020 | Brian, Susan | 01-2100 | Distance Learning | | 183.62 |
| 1811312 | 11/19/2020 | McCorkell, Laura M | 04-4310 | Virtual teaching from home | 151.71 | |
| | | | 09-4310 | Virtual teaching from home | 281.74 | 433.45 |
| 1811313 | 11/19/2020 | Cahill, Bailey | 01-5860 | Fingerprinting | | 25.00 |
| 1811314 | 11/19/2020 | ACSA | 01-5202 | ACSA Personnel Academy | | 500.00 |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

**Checks Dated 11/01/2020 through 11/30/2020**

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1811315 | 11/19/2020 | CASBO | 01-5202 | CalSTRS/CalPERS Online Course | 135.00 | |
| | | | | PD Course Registration | 405.00 | |
| | | | 04-5202 | CalSTRS/CalPERS Online Course | 135.00 | |
| | | | 05-5202 | CalSTRS/CalPERS Online Course | 135.00 | 810.00 |
| 1811316 | 11/19/2020 | Christy White Accountancy Corp | 01-5821 | 2019-20 Financial and Bond Audit | 9,642.86 | |
| | | | 09-5821 | 2019-20 Financial and Bond Audit | 1,157.14 | 10,800.00 |
| 1811317 | 11/19/2020 | City Electric Supply | 01-4380 | Open PO by Site 2020/21 | | 17.36 |
| 1811318 | 11/19/2020 | Dept Of Justice Accounting Office | 01-5860 | Open PO for Personnel Fingerprinting 2020/21 | | 32.00 |
| 1811319 | 11/19/2020 | Fishman Supply | 01-4370 | Open-Cleaning and PPE supplies COVID | 4,834.85 | |
| | | | 04-4370 | Open-Cleaning and PPE supplies COVID | 2,723.96 | |
| | | | 05-4370 | Open-Cleaning and PPE supplies COVID | 2,723.96 | |
| | | | 09-4370 | Annual Custodial Supplies-JL,NWP/VC,Olvt,SCH | 3,772.77 | |
| | | | | Open-Cleaning and PPE supplies COVID | 2,808.34 | 16,863.88 |
| 1811320 | 11/19/2020 | High Tech High Graduate School of Education | 09-5830 | Design camp for teachers | | 8,400.00 |
| 1811321 | 11/19/2020 | Interiors Incorporated | 01-4400 | Ergo Desk | | 979.59 |
| 1811322 | 11/19/2020 | KYOCERA Document Solutions Northern California, Inc | 01-5632 | Copier Maintenance Contract - D.O | 321.16 | |
| | | | | Copier Maintenance Contract -JL/POCS-Staff Rm | 445.31 | |
| | | | 04-5632 | Copier Maintenance Contract -Olivet-Staff Rm | 297.22 | |
| | | | | Copier Maintenance Contract-Olivet Office | 64.98 | |
| | | | 05-5632 | Copier Maintenance Contract-Schaefer Office | 330.76 | 1,459.43 |
| 1811323 | 11/19/2020 | LTP Inc. | 01-5860 | Fingerprinting | | 105.00 |
| 1811324 | 11/19/2020 | McLea's Tire & Automotive Svs | 01-4380 | Truck and Tractor Repair | 52.54 | |
| | | | 01-5630 | Truck and Tractor Repair | 33.44 | 85.98 |
| 1811325 | 11/19/2020 | Office Depot | 01-4310 | Home Study Supplies 2020/21 | 195.45 | |
| | | | | Open PO for Classroom Supplies JL 2020-21 | .52- | |
| | | | | Open PO for Office Supplies-JL 2020-21 | 11.94 | |
| | | | 01-4311 | Open PO for Classroom Supplies JL 2020-21 | 47.35- | |
| | | | 01-4350 | Open PO for Office Supplies-JL 2020-21 | 72.12 | |
| | | | 04-4310 | Open PO for Classroom Supplies Olivet 2020-21 | 1.24- | |
| | | | 04-4311 | Open PO for Classroom Supplies Olivet 2020-21 | 10.41 | 240.81 |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

## Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1811326 | 11/19/2020 | PACE Supply Corp. | 01-4380 | Open PO for Maintenance Supplies 2020/21 | | 79.53 |
| 1811327 | 11/19/2020 | PresenceLearning, Inc. | 01-5830 | SLP addt'l Services & Assessments 2020-21 | | 24,750.00 |
| 1811328 | 11/19/2020 | Recology Sonoma Marin | 01-5560 | Waste Bin Monthly Charges 20/21 all site | 607.77 | |
| | | | 04-5560 | Waste Bin Monthly Charges 20/21 all site | 451.20 | |
| | | | 05-5560 | Waste Bin Monthly Charges 20/21 all site | 406.08 | |
| | | | 09-5560 | Waste Bin Monthly Charges 20/21 all site | 157.20 | 1,622.25 |
| 1811329 | 11/19/2020 | Santa Rosa City Schools | 13-4700 | Meals for 2020/21 | | 6,772.50 |
| 1811330 | 11/19/2020 | Santa Rosa Computers | 01-4310 | Adapters for Jessica Ozbirn's testing setup | | 81.72 |
| 1811331 | 11/19/2020 | Santa Rosa Fire Equipment Inc | 09-5800 | Fire Extinguisher Service 2020/21 | | 48.00 |
| 1811332 | 11/19/2020 | School & College Legal Service | 01-5202 | SCLS Workshop - record retention | | 120.00 |
| 1811333 | 11/19/2020 | Shell Wex Bank | 01-4362 | Fuel for trucks 2020/21 | | 419.94 |
| 1811334 | 11/19/2020 | Specialized Edu of Cali. Inc. | 01-5810 | SPED/ NPS 2020/21 - MC | | 994.51 |
| 1811335 | 11/19/2020 | Sonoma Co Office Of Education | 01-5828 | Open PO for SCOE Graphics Per Site | 26.16 | |
| | | | 05-5828 | Open PO for SCOE Graphics Per Site | 21.80 | 47.96 |
| 1811336 | 11/19/2020 | Weeks Drilling & Pump Co Inc | 01-5630 | NWP Water System Service | 245.85 | |
| | | | | Olivet Water System Service | 356.10 | |
| | | | 09-5630 | NWP Water System Service | 132.38 | 734.33 |
| 1812181 | 11/24/2020 | Teklemariam, Amine H | 01-4362 | Fuel | | 50.00 |
| 1812182 | 11/24/2020 | Alpha Analytical Labs, Inc. | 01-5830 | Well Water Testing - 2020/21 Olivet | | 82.00 |
| 1812183 | 11/24/2020 | AT&T | 01-5900 | Calnet3 Billing / AT&T | | 1,276.36 |
| 1812184 | 11/24/2020 | CDW Government Inc | 01-4310 | iPads and document cameras for district | 947.49 | |
| | | | 04-4310 | iPads and document cameras for district | 1,143.51 | |
| | | | 05-4310 | iPads and document cameras for district | 1,176.19 | 3,267.19 |
| 1812185 | 11/24/2020 | Dan Clary Auto Service | 01-5630 | Truck Repair - Lic#1249462 2007 Chevy | | 136.68 |
| 1812186 | 11/24/2020 | Kenwood Lumber & Hardware | 01-4380 | 2020/21 Open PO all sites | | 17.40 |
| 1812187 | 11/24/2020 | Mead Clark | 01-4380 | Maint Supplies for all sites 2020/21 | 1,204.14 | |
| | | | 09-4380 | Maint Supplies for all sites 2020/21 | 648.38 | 1,852.52 |
| 1812188 | 11/24/2020 | Office Depot | 01-4311 | Open PO for Classroom Supplies JL 2020-21 | 97.90 | |
| | | | 01-4350 | Open PO for District Office Supplies - 2020-21 | 266.02 | |
| | | | 05-4350 | Open PO for Office Supplies - Schaefer 2020-21 | 90.49 | |
| | | | 09-4350 | Open PO for Office Supplies- NWP 2020-21 | 104.48 | 558.89 |
| 1812189 | 11/24/2020 | Pacific Gas & Electric | 01-5510 | Acct #8210388297-1 - Jack London 80% & POCS 20% | 192.13 | |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

**Checks Dated 11/01/2020 through 11/30/2020**

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1812189 | 11/24/2020 | Pacific Gas & Electric | 01-5520 | Acct #8210388297-1 - Jack London 80% & POCS 20% | 22.07 | 214.20 |
| 1812190 | 11/24/2020 | Santa Rosa City Schools | 13-4700 | Meals for 2020/21 | | 20,682.00 |
| | | | | **Total Number of Checks** | **74** | **319,133.60** |

## Fund Summary

| Fund | Description | | Check Count | Expensed Amount |
|---|---|---|---|---|
| 01 | General Fund | | 61 | 174,895.72 |
| 04 | Olivet Charter School | | 21 | 30,513.12 |
| 05 | Schaefer Charter School | | 20 | 25,736.46 |
| 09 | Charter School Fund | | 19 | 20,582.80 |
| 13 | Cafeteria | | 3 | 30,712.50 |
| 14 | Deferred Maintenance Fund | | 1 | 36,693.00 |
| | Total Number of Checks | **74** | | 319,133.60 |
| | Less Unpaid Sales Tax Liability | | | .00 |
| | **Net (Check Amount)** | | | **319,133.60** |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

## Checks Dated 11/01/2020 through 11/30/2020

| Check Number | Check Date | Pay to the Order of | Fund-Object | Comment | Expensed Amount | Check Amount |
|---|---|---|---|---|---|---|
| 1809298 | 11/05/2020 | CDW-G | 03-4310 | Chromebooks | | 1,875.00 |
| 1809299 | 11/05/2020 | KYOCERA Document Solutions | 03-5632 | Copier/Riso Maint-Instr Program | | 35.09 |
| 1809300 | 11/05/2020 | Pacific Gas & Electric | 03-5510 | 8775983334-3 & 20% of 88297-1 Gas & Electric Chgs | 319.36 | |
| | | | 03-5520 | 8775983334-3 & 20% of 88297-1 Gas & Electric Chgs | 31.95 | 351.31 |
| 1810299 | 11/12/2020 | Jan Radke | 03-5830 | Contract - Counseling Services 2020-2021 | | 7,767.50 |
| 1811337 | 11/19/2020 | Sanft, Kirsten E | 03-4310 | Remote Work Home Funds | | 28.12 |
| 1811338 | 11/19/2020 | Friedman's Home Improvement | 03-4380 | Open Maintenance Supplies 20/21 | | 57.26 |
| 1811339 | 11/19/2020 | Recology Sonoma Marin | 03-5560 | POCS Portion of Waste 20/21 | | 180.48 |
| 1812191 | 11/24/2020 | Fishman Supply | 03-4370 | Open-Cleaning and PPE Supplies COVID | | 1,084.34 |
| 1812192 | 11/24/2020 | Pacific Gas & Electric | 03-5510 | 8775983334-3 & 20% of 88297-1 Gas & Electric Chgs | 57.39 | |
| | | | 03-5520 | 8775983334-3 & 20% of 88297-1 Gas & Electric Chgs | 544.56 | 601.95 |
| | | | | **Total Number of Checks** | **9** | **11,981.05** |

### Fund Summary

| Fund | Description | Check Count | Expensed Amount |
|---|---|---|---|
| 03 | General Fund/charter School | 9 | 11,981.05 |
| | Total Number of Checks | **9** | 11,981.05 |
| | Less Unpaid Sales Tax Liability | | .00 |
| | **Net (Check Amount)** | | **11,981.05** |

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.

# BUDGET UPDATES

**Effective 12/05/2020 through 12/09/2020** **Fiscal Year 2021**

| Account | Description | | From | To |
|---|---|---|---|---|
| JE # **BR21-00025** JE Trans Date 12/05/2020 JE Posted 12/05/2020 Comment 1st Interim GO1230 tech reduction | | | | |
| 01-0000-0-1230-1000-4310-104-0000 | Instructional M,Instruction,Computer Instru,Not Required | DR | 16,000.00 | |
| 04-0000-0-1230-1000-4310-000-0000 | Instructional M,Instruction,Computer Instru,Not Required | DR | 16,000.00 | |
| 05-0000-0-1230-1000-4310-000-0000 | Instructional M,Instruction,Computer Instru,Not Required | DR | 16,000.00 | |
| | **Net decrease to Appropriations** | | **48,000.00** | **.00** |
| JE # **BR21-00026** JE Trans Date 12/05/2020 JE Posted 12/05/2020 Comment 1st Interim MG STEM removed due to COVID | | | | |
| 01-0000-0-1110-1000-4310-104-STEM | Instructional M,Instruction,Regular Educati,STEM | DR | 5,000.00 | |
| 01-0000-0-1110-1000-4340-104-STEM | Computer Sftwar,Instruction,Regular Educati,STEM | DR | 300.00 | |
| 01-0000-0-1110-1000-5830-104-STEM | Professional/co,Instruction,Regular Educati,STEM | DR | 17,000.00 | |
| 01-0000-0-1110-1000-5840-104-STEM | Computer/tech R,Instruction,Regular Educati,STEM | DR | 500.00 | |
| 04-0000-0-1110-1000-4310-000-STEM | Instructional M,Instruction,Regular Educati,STEM | DR | 5,000.00 | |
| 04-0000-0-1110-1000-4340-000-STEM | Computer Sftwar,Instruction,Regular Educati,STEM | DR | 500.00 | |
| 04-0000-0-1110-1000-4400-000-STEM | Equipment Under,Instruction,Regular Educati,STEM | DR | 2,200.00 | |
| 04-0000-0-1110-1000-5830-000-STEM | Professional/co,Instruction,Regular Educati,STEM | DR | 17,000.00 | |
| 05-0000-0-1110-1000-4400-000-STEM | Equipment Under,Instruction,Regular Educati,STEM | DR | 2,500.00 | |
| 05-0000-0-1110-1000-5830-000-STEM | Professional/co,Instruction,Regular Educati,STEM | DR | 17,000.00 | |
| | **Net decrease to Appropriations** | | **67,000.00** | **.00** |
| JE # **BR21-00027** JE Trans Date 12/05/2020 JE Posted 12/05/2020 Comment 1st Interim operational supplies and svcs reduction | | | | |
| 01-0000-0-0000-8210-4370-101-0000 | Custodial Suppl,Operations,Undistributed,Not Required | DR | 2,500.00 | |
| 01-0000-0-0000-8210-5510-101-0000 | Natural Gas Exp,Operations,Undistributed,Not Required | DR | 1,000.00 | |
| 01-0000-0-0000-8210-5510-104-0000 | Natural Gas Exp,Operations,Undistributed,Not Required | DR | 1,000.00 | |
| 01-0000-0-0000-8210-5520-101-0000 | Electricity,Operations,Undistributed,Not Required | DR | 2,000.00 | |
| 01-0000-0-0000-8210-5560-101-0000 | Waste Disposal,Operations,Undistributed,Not Required | DR | 4,000.00 | |
| 01-0000-0-0000-8210-5560-104-0000 | Waste Disposal,Operations,Undistributed,Not Required | DR | 6,000.00 | |
| 04-0000-0-0000-8210-5560-000-0000 | Waste Disposal,Operations,Undistributed,Not Required | DR | 5,000.00 | |
| 05-0000-0-0000-8210-5560-000-0000 | Waste Disposal,Operations,Undistributed,Not Required | DR | 4,000.00 | |
| | **Net decrease to Appropriations** | | **25,500.00** | **.00** |
| JE # **BR21-00028** JE Trans Date 12/05/2020 JE Posted 12/05/2020 Comment 1st Int 01 05 09 reduce crossing guard svcs | | | | |
| 05-0000-0-0000-8310-5880-000-0000 | Other Administr,Crossing Guards,Undistributed,Not Required | DR | 12,000.00 | |
| 01-0000-0-0000-8310-5880-104-0000 | Other Administr,Crossing Guards,Undistributed,Not Required | DR | 8,700.00 | |
| 09-0000-0-0000-8310-5880-000-0000 | Other Administr,Crossing Guards,Undistributed,Not Required | DR | 8,250.00 | |
| | **Net decrease to Appropriations** | | **28,950.00** | **.00** |

Selection Grouped by Org, Fiscal Year, JE# - Sorted by JE Item #, (Org = 43, JE Type = R, Starting Post Date = 10/9/2020, Ending Post Date = 12/11/2020, Unposted JEs? = N, End Bud Bal? = O, JE# Page Break? = N, Description? = A, Recap? = N)

**Effective 12/05/2020 through 12/09/2020** **Fiscal Year 2021**

| Account | Description | | From | To |
|---|---|---|---|---|
| JE # **BR21-00029** JE Trans Date 12/05/2020 JE Posted 12/05/2020 | Comment 1st Interim software reduction | | | |
| 05-0000-0-1110-1000-4340-000-SG03 | Computer Sftwar,Instruction,Regular Educati,Supp Grnt-G3 | DR | 8,000.00 | |
| 04-0000-0-1110-1000-4340-000-SG03 | Computer Sftwar,Instruction,Regular Educati,Supp Grnt-G3 | DR | 5,000.00 | |
| 01-0000-0-1110-1000-4340-104-SG03 | Computer Sftwar,Instruction,Regular Educati,Supp Grnt-G3 | DR | 6,000.00 | |
| | **Net decrease to Appropriations** | | **19,000.00** | **.00** |
| JE # **BR21-00030** JE Trans Date 12/06/2020 JE Posted 12/06/2020 | Comment 1st Interim 05 RS 7510 | | | |
| 05-7510-0-1110-1000-5830-000-0000 | Professional/co,Instruction,Regular Educati,Not Required | DR | 13,106.00 | |
| 05-7510-0-1110-1000-4310-000-0000 | Instructional M,Instruction,Regular Educati,Not Required | CR | | 12,000.00 |
| | **Net decrease to Appropriations** | | **13,106.00** | **12,000.00** |
| JE # **BR21-00031** JE Trans Date 12/06/2020 JE Posted 12/06/2020 | Comment 1st Interim 05 RS 7388 | | | |
| 05-7388-0-1110-1000-4370-000-0000 | Custodial Suppl,Instruction,Regular Educati,Not Required | DR | 348.00 | |
| | **Net decrease to Appropriations** | | **348.00** | **.00** |
| JE # **BR21-00032** JE Trans Date 12/06/2020 JE Posted 12/06/2020 | Comment 1st Interim 05 RS 7311 | | | |
| 05-7311-0-0000-7200-5202-000-0000 | Conference Expe,Other General A,Undistributed,Not Required | CR | | 769.00 |
| | **Net increase to Appropriations** | | **.00** | **769.00** |
| JE # **BR21-00033** JE Trans Date 12/06/2020 JE Posted 12/06/2020 | Comment 1st Interim 05 Rev | | | |
| 05-6300-0-0000-0000-8560-000-0000 | State Lottery R,Lottery-instruc | CR | 9.00 | |
| 05-1100-0-0000-0000-8560-000-0000 | State Lottery R,State Lottery | CR | 27.00 | |
| 05-4035-0-0000-0000-8290-000-0000 | All Other Feder,Nclb;title Ii,p | DR | | 143.00 |
| 05-3010-0-0000-0000-8290-000-0000 | All Other Feder,Title I Basic G | CR | 14,519.00 | |
| | **Net decrease to Appropriations** | | **14,555.00** | **143.00** |
| JE # **BR21-00034** JE Trans Date 12/06/2020 JE Posted 12/06/2020 | Comment 1st Interim 05 RS 4035 | | | |
| 05-4035-0-1110-1000-5202-000-T2PD | Conference Expe,Instruction,Regular Educati,Title II PD | CR | | 135.00 |
| 05-4035-0-0000-7210-7310-000-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | CR | | 8.00 |
| | **Net increase to Appropriations** | | **.00** | **143.00** |
| JE # **BR21-00035** JE Trans Date 12/06/2020 JE Posted 12/06/2020 | Comment 1st Interim 05 RS 3010 exps | | | |
| 05-3010-0-0000-7210-7310-000-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 875.00 | |
| 05-3010-0-1570-1000-4340-000-0000 | Computer Sftwar,Instruction,Reading,Not Required | CR | | 134.00 |

| Account | Description | | From | To |
|---|---|---|---|---|
| (continued) JE # **BR21-00035** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 05 RS 3010 exps | | | |
| 05-3010-0-1570-1000-3602-000-0000 | Benefits - Wcom,Instruction,Reading,Not Required | DR | 7.00 | |
| 05-3010-0-1570-1000-3502-000-0000 | Benefits - Sui,Instruction,Reading,Not Required | DR | 1.00 | |
| 05-3010-0-1570-1000-3402-000-0000 | H & W Benefits,Instruction,Reading,Not Required | DR | 127.00 | |
| 05-3010-0-1570-1000-2100-000-0000 | Instructional A,Instruction,Reading,Not Required | DR | 13,643.00 | |
| | **Net decrease to Appropriations** | | **14,653.00** | **134.00** |
| JE # **BR21-00036** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 05 RS 3182 | | | |
| 05-3182-0-0000-0000-8290-000-0000 | All Other Feder,ESSA Ttl I CSI | DR | | 84,188.00 |
| 05-3182-0-1110-1000-5830-000-0000 | Professional/co,Instruction,Regular Educati,Not Required | CR | | 10,984.00 |
| 05-3182-0-1110-1000-5202-000-0000 | Conference Expe,Instruction,Regular Educati,Not Required | CR | | 8,000.00 |
| 05-3182-0-1110-1000-4340-000-0000 | Computer Sftwar,Instruction,Regular Educati,Not Required | CR | | 8,000.00 |
| 05-3182-0-1110-1000-4310-000-0000 | Instructional M,Instruction,Regular Educati,Not Required | CR | | 50,000.00 |
| 05-3182-0-1110-1000-3601-000-0000 | Benefits - Wcom,Instruction,Regular Educati,Not Required | CR | | 120.00 |
| 05-3182-0-1110-1000-3501-000-0000 | Benefits - Sui,Instruction,Regular Educati,Not Required | CR | | 4.00 |
| 05-3182-0-1110-1000-3331-000-0000 | Benefits - Medi,Instruction,Regular Educati,Not Required | CR | | 80.00 |
| 05-3182-0-1110-1000-3101-000-0000 | Benefits - Strs,Instruction,Regular Educati,Not Required | CR | | 1,000.00 |
| 05-3182-0-1110-1000-1130-000-0000 | Teachers' Sals,Instruction,Regular Educati,Not Required | CR | | 6,000.00 |
| | **Net increase to Appropriations** | | **.00** | **168,376.00** |
| JE # **BR21-00037** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 05 RS 1400 | | | |
| 05-1400-0-0000-0000-8012-000-0000 | EPA Rev,EPA | CR | 86,576.00 | |
| 05-1400-0-1110-1000-1100-000-0000 | Teachers' Salar,Instruction,Regular Educati,Not Required | DR | 191,545.00 | |
| 05-1400-0-1110-1000-3101-000-0000 | Benefits - Strs,Instruction,Regular Educati,Not Required | DR | 30,935.00 | |
| 05-1400-0-1110-1000-3331-000-0000 | Benefits - Medi,Instruction,Regular Educati,Not Required | DR | 2,778.00 | |
| 05-1400-0-1110-1000-3401-000-0000 | H & W Benefits,Instruction,Regular Educati,Not Required | DR | 22,845.00 | |
| 05-1400-0-1110-1000-3501-000-0000 | Benefits - Sui,Instruction,Regular Educati,Not Required | DR | 96.00 | |
| 05-1400-0-1110-1000-3601-000-0000 | Benefits - Wcom,Instruction,Regular Educati,Not Required | DR | 3,994.00 | |
| 05-0000-0-1110-1000-1100-000-0000 | Teachers' Salar,Instruction,Regular Educati,Not Required | CR | | 191,545.00 |
| 05-0000-0-1110-1000-3101-000-0000 | Benefits - Strs,Instruction,Regular Educati,Not Required | CR | | 30,935.00 |
| 05-0000-0-1110-1000-3331-000-0000 | Benefits - Medi,Instruction,Regular Educati,Not Required | CR | | 2,778.00 |
| 05-0000-0-1110-1000-3401-000-0000 | H & W Benefits,Instruction,Regular Educati,Not Required | CR | | 22,845.00 |
| 05-0000-0-1110-1000-3501-000-0000 | Benefits - Sui,Instruction,Regular Educati,Not Required | CR | | 96.00 |
| 05-0000-0-1110-1000-3601-000-0000 | Benefits - Wcom,Instruction,Regular Educati,Not Required | CR | | 3,994.00 |
| | **Net decrease to Appropriations** | | **338,769.00** | **252,193.00** |
| JE # **BR21-00038** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 05 RS 1400 rounding | | | |

| Account | Description | | From | To |
|---|---|---|---|---|
| (continued) JE # **BR21-00038** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 05 RS 1400 rounding | | | | |
| 05- 1400- 0- 1110- 1000- 3501- 000- 0000 | Benefits - Sui,Instruction,Regular Educati,Not Required | CR | | 1.00 |
| | **Net increase to Appropriations** | | **.00** | **1.00** |
| JE # **BR21-00039** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 05 Unrest Rev | | | | |
| 05- 0000- 0- 0000- 0000- 8011- 000- 0000 | Revenue Limit S,Unrestricted/no | CR | 4,397.00 | |
| 05- 0000- 0- 0000- 0000- 8096- 000- 0000 | In Lieu Propert,Unrestricted/no | DR | | 86,576.00 |
| 05- 0000- 0- 0000- 0000- 8550- 000- 0000 | Mandated Cost R,Unrestricted/no | CR | 3.00 | |
| | **Net increase to Appropriations** | | **4,400.00** | **86,576.00** |
| JE # **BR21-00040** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 04 Revenue | | | | |
| 04- 0000- 0- 0000- 0000- 8011- 000- 0000 | Revenue Limit S,Unrestricted/no | CR | 17,492.00 | |
| 04- 1400- 0- 0000- 0000- 8012- 000- 0000 | EPA Rev,EPA | CR | 83,190.00 | |
| 04- 0000- 0- 0000- 0000- 8096- 000- 0000 | In Lieu Propert,Unrestricted/no | DR | | 83,190.00 |
| 04- 3010- 0- 0000- 0000- 8290- 000- 0000 | All Other Feder,Title I Basic G | CR | 7,514.00 | |
| 04- 4035- 0- 0000- 0000- 8290- 000- 0000 | All Other Feder,Nclb;title Ii,p | CR | 1,166.00 | |
| 04- 0000- 0- 0000- 0000- 8550- 000- 0000 | Mandated Cost R,Unrestricted/no | CR | 6.00 | |
| 04- 1100- 0- 0000- 0000- 8560- 000- 0000 | State Lottery R,State Lottery | CR | 49.00 | |
| 04- 6300- 0- 0000- 0000- 8560- 000- 0000 | State Lottery R,Lottery-instruc | CR | 16.00 | |
| | **Net decrease to Appropriations** | | **109,433.00** | **83,190.00** |
| JE # **BR21-00041** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 04 RS 7311 | | | | |
| 04- 7311- 0- 0000- 7200- 5202- 000- 0000 | Conference Expe,Other General A,Undistributed,Not Required | CR | | 924.00 |
| | **Net increase to Appropriations** | | **.00** | **924.00** |
| JE # **BR21-00042** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 04 RS 4035 | | | | |
| 04- 4035- 0- 0000- 7210- 7310- 000- 0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 66.00 | |
| 04- 4035- 0- 1110- 1000- 5830- 000- t 2pd | Professional/co,Instruction,Regular Educati,Title II PD | DR | 1,264.00 | |
| 04- 4035- 0- 1110- 1000- 5202- 000- T2PD | Conference Expe,Instruction,Regular Educati,Title II PD | CR | | 163.00 |
| | **Net decrease to Appropriations** | | **1,330.00** | **163.00** |
| JE # **BR21-00043** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 04 RS 4035 rounding | | | | |
| 04- 4035- 0- 1110- 1000- 3601- 000- T2PD | Benefits - Wcom,Instruction,Regular Educati,Title II PD | CR | | 1.00 |

**Effective 12/05/2020 through 12/09/2020** **Fiscal Year 2021**

| Account | Description | | From | To |
|---|---|---|---|---|
| | Net increase to Appropriations | | .00 | 1.00 |
| JE # BR21-00044 JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 04 RS 3010 | | | | |
| 04- 3010- 0- 0000- 7210- 7310- 000- 0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 630.00 | |
| 04- 3010- 0- 1570- 1000- 5830- 000- 0000 | Professional/co,Instruction,Reading,Not Required | DR | 7,775.00 | |
| 04- 3010- 0- 1570- 1000- 4340- 000- 0000 | Computer Sftwar,Instruction,Reading,Not Required | CR | | 891.00 |
| | Net decrease to Appropriations | | 8,405.00 | 891.00 |
| JE # BR21-00045 JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 Revenue | | | | |
| 01- 0000- 0- 0000- 0000- 8011- 000- 0000 | Revenue Limit S,Unrestricted/no | CR | 13,605.00 | |
| 01- 0000- 0- 0000- 0000- 8011- 000- DBAS | Revenue Limit S,Unrestricted/no | DR | | 100,000.00 |
| 01- 0000- 0- 0000- 0000- 8021- 000- 0000 | Home Owners Exe,Unrestricted/no | CR | 332.00 | |
| 01- 0000- 0- 0000- 0000- 8041- 000- 0000 | Secured Tax Rol,Unrestricted/no | CR | 316,846.00 | |
| 01- 0000- 0- 0000- 0000- 8042- 000- 0000 | Unsecured Roll,Unrestricted/no | DR | | 9,885.00 |
| 01- 0000- 0- 0000- 0000- 8044- 000- 0000 | Supplemental Ta,Unrestricted/no | CR | 51,900.00 | |
| 01- 0000- 0- 0000- 0000- 8096- 000- 0000 | In Lieu Propert,Unrestricted/no | CR | 251,679.00 | |
| 01- 0000- 0- 0000- 0000- 8550- 000- 0000 | Mandated Cost R,Unrestricted/no | CR | 2.00 | |
| 01- 1100- 0- 0000- 0000- 8560- 000- 0000 | State Lottery R,State Lottery | CR | 9.00 | |
| 01- 1400- 0- 0000- 0000- 8012- 000- 0000 | EPA Rev,EPA | CR | 72,999.00 | |
| 01- 3010- 0- 0000- 0000- 8290- 000- 0000 | All Other Feder,Title I Basic G | CR | 1,404.00 | |
| 01- 4035- 0- 0000- 0000- 8290- 000- 0000 | All Other Feder,Nclb;title Ii,p | CR | 519.00 | |
| 01- 4203- 0- 0000- 0000- 8290- 000- 0000 | All Other Feder,Title Iii-limit | DR | | 1,934.00 |
| 01- 6300- 0- 0000- 0000- 8560- 000- 0000 | State Lottery R,Lottery-instruc | CR | 3.00 | |
| 01- 6500- 0- 5001- 0000- 8792- 000- 0000 | Trans Of Apport,Special Educati | DR | | 133,602.00 |
| 01- 6512- 0- 5001- 0000- 8590- 000- 0000 | All Other State,Mental Health | DR | | 695.00 |
| 01- 7690- 0- 0000- 0000- 8590- 000- 0000 | All Other State,STRS On-Behalf | DR | | 11,682.00 |
| | Net decrease to Appropriations | | 709,298.00 | 257,798.00 |
| JE # BR21-00046 JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 Rev ERAF | | | | |
| 01- 0000- 0- 0000- 0000- 8045- 000- 0000 | Ed Revenue Augm,Unrestricted/no | DR | | 683,571.00 |
| | Net increase to Appropriations | | .00 | 683,571.00 |
| JE # BR21-00047 JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 RS 7690 | | | | |
| 01- 7690- 0- 1110- 1000- 3101- 600- 0000 | Benefits - Strs,Instruction,Regular Educati,Not Required | CR | | 11,682.00 |

| Account | Description | | From | To |
|---|---|---|---|---|
| | **Net increase to Appropriations** | | **.00** | **11,682.00** |
| JE # **BR21-00048** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 RS 7510 | | | |
| 01- 7510- 0- 1110- 1000- 5830- 104- 0000 | Professional/co,Instruction,Regular Educati,Not Required | DR | 5,460.00 | |
| 01- 7510- 0- 1110- 1000- 4310- 104- 0000 | Instructional M,Instruction,Regular Educati,Not Required | CR | | 10,000.00 |
| | **Net increase to Appropriations** | | **5,460.00** | **10,000.00** |
| JE # **BR21-00049** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 RS 7311 | | | |
| 01- 7311- 0- 0000- 7200- 5202- 104- 0000 | Conference Expe,Other General A,Undistributed,Not Required | CR | | 1,686.00 |
| | **Net increase to Appropriations** | | **.00** | **1,686.00** |
| JE # **BR21-00050** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 RS 6512 | | | |
| 01- 6512- 0- 5770- 1130- 1100- 600- 0000 | Teachers' Salar,Spec Ed-suppl A, Spec Ed - K-12, Not Require | DR | 12,752.00 | |
| 01- 6512- 0- 5770- 1130- 3101- 600- 0000 | Benefits - Strs,Spec Ed-suppl A, Spec Ed - K-12, Not Require | DR | 2,060.00 | |
| 01- 6512- 0- 5770- 1130- 3331- 600- 0000 | Benefits - Medi,Spec Ed-suppl A, Spec Ed - K-12, Not Require | DR | 185.00 | |
| 01- 6512- 0- 5770- 1130- 3501- 600- 0000 | Benefits - Sui,Spec Ed-suppl A, Spec Ed - K-12, Not Required | DR | 6.00 | |
| 01- 6512- 0- 5770- 1130- 3601- 600- 0000 | Benefits - Wcom,Spec Ed-suppl A, Spec Ed - K-12, Not Require | DR | 265.00 | |
| 01- 6512- 0- 5770- 1130- 4310- 600- 0000 | Instructional M,Spec Ed-suppl A, Spec Ed - K-12, Not Require | DR | 732.00 | |
| 01- 6512- 0- 5770- 3120- 1200- 600- 0000 | Cert Pupil Supp,Psychological S,Spec Ed - K-12,Not Required | CR | | 13,912.00 |
| 01- 6512- 0- 5770- 3120- 3101- 600- 0000 | Benefits - Strs,Psychological S,Spec Ed - K-12,Not Required | CR | | 2,247.00 |
| 01- 6512- 0- 5770- 3120- 3331- 600- 0000 | Benefits - Medi,Psychological S,Spec Ed - K-12,Not Required | CR | | 202.00 |
| 01- 6512- 0- 5770- 3120- 3501- 600- 0000 | Benefits - Sui,Psychological S,Spec Ed - K-12,Not Required | CR | | 7.00 |
| 01- 6512- 0- 5770- 3120- 3601- 600- 0000 | Benefits - Wcom,Psychological S,Spec Ed - K-12,Not Required | CR | | 288.00 |
| 01- 6512- 0- 5770- 3120- 4310- 600- 0000 | Instructional M,Psychological S,Spec Ed - K-12,Not Required | CR | | 39.00 |
| | **Net increase to Appropriations** | | **16,000.00** | **16,695.00** |
| JE # **BR21-00051** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 01 RS 4203 | | | |
| 01- 4203- 0- 0000- 7210- 7310- 600- 0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | CR | | 38.00 |
| 01- 4203- 0- 4760- 1000- 4310- 600- 0000 | Instructional M,Instruction,Bilingual,Not Required | CR | | 1,910.00 |
| 01- 4203- 0- 4760- 1000- 3602- 600- 0000 | Benefits - Wcom,Instruction,Bilingual,Not Required | DR | 1.00 | |
| 01- 4203- 0- 4760- 1000- 3502- 600- 0000 | Benefits - Sui,Instruction,Bilingual,Not Required | DR | 1.00 | |
| 01- 4203- 0- 4760- 1000- 3402- 600- 0000 | H & W Benefits,Instruction,Bilingual,Not Required | DR | 12.00 | |
| | **Net increase to Appropriations** | | **14.00** | **1,948.00** |
| JE # **BR21-00052** | JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 09 Revenue | | | |

| Account | Description | | From | To |
|---|---|---|---|---|
| (continued) JE # **BR21-00052** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 09 Revenue | | | | |
| 09-0000-0-0000-0000-8011-000-0000 | Revenue Limit S,Unrestricted/no | CR | 62,949.00 | |
| 09-0000-0-0000-0000-8096-000-0000 | In Lieu Propert,Unrestricted/no | DR | | 31,020.00 |
| 09-0000-0-0000-0000-8550-000-0000 | Mandated Cost R,Unrestricted/no | DR | | 68.00 |
| 09-1100-0-0000-0000-8560-000-0000 | State Lottery R,State Lottery | DR | | 119.00 |
| 09-1400-0-0000-0000-8012-000-0000 | EPA Rev,EPA | DR | | 21,110.00 |
| 09-3010-0-0000-0000-8290-000-0000 | All Other Feder,Title I Basic G | CR | 926.00 | |
| 09-4035-0-0000-0000-8290-000-0000 | All Other Feder,Nclb;title Ii,p | CR | 787.00 | |
| 09-6300-0-0000-0000-8560-000-0000 | State Lottery R,Lottery-instruc | DR | | 539.00 |
| | **Net decrease to Appropriations** | | **64,662.00** | **52,856.00** |
| JE # **BR21-00053** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 09 Revenue corr | | | | |
| 09-0000-0-0000-0000-8550-000-0000 | Mandated Cost R,Unrestricted/no | CR | 136.00 | |
| 09-6300-0-0000-0000-8560-000-0000 | State Lottery R,Lottery-instruc | CR | 500.00 | |
| | **Net decrease to Appropriations** | | **636.00** | **.00** |
| JE # **BR21-00054** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 09 RS 7510 | | | | |
| 09-7510-0-1110-1000-5830-000-0000 | Professional/co,Instruction,Regular Educati,Not Required | DR | 12,478.00 | |
| 09-7510-0-1110-1000-4340-000-0000 | Computer Sftwar,Instruction,Regular Educati,Not Required | DR | 2,553.00 | |
| 09-7510-0-1110-1000-4310-000-0000 | Instructional M,Instruction,Regular Educati,Not Required | DR | 5,000.00 | |
| 09-7510-0-1110-1000-3602-000-0000 | Benefits - Wcom,Instruction,Regular Educati,Not Required | CR | | 312.00 |
| 09-7510-0-1110-1000-3502-000-0000 | Benefits - Sui,Instruction,Regular Educati,Not Required | CR | | 7.00 |
| 09-7510-0-1110-1000-3402-000-0000 | H & W Benefits,Instruction,Regular Educati,Not Required | CR | | 462.00 |
| 09-7510-0-1110-1000-3332-000-0000 | Benefits - Medi,Instruction,Regular Educati,Not Required | CR | | 217.00 |
| 09-7510-0-1110-1000-3312-000-0000 | Benefits - Oasd,Instruction,Regular Educati,Not Required | CR | | 930.00 |
| 09-7510-0-1110-1000-3102-000-0000 | Benefits - Strs,Instruction,Regular Educati,Not Required | CR | | 3,104.00 |
| 09-7510-0-1110-1000-2100-000-0000 | Instructional A,Instruction,Regular Educati,Not Required | CR | | 14,997.00 |
| | **Net decrease to Appropriations** | | **20,031.00** | **20,029.00** |
| JE # **BR21-00055** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 09 RS 7510 rounding | | | | |
| 09-7510-0-1110-1000-4340-000-0000 | Computer Sftwar,Instruction,Regular Educati,Not Required | CR | | 2.00 |
| | **Net increase to Appropriations** | | **.00** | **2.00** |
| JE # **BR21-00056** JE Trans Date 12/06/2020 JE Posted 12/06/2020 Comment 1st Interim 09 RS 7311 | | | | |
| 09-7311-0-1110-1000-5202-000-0000 | Conference Expe,Instruction,Regular Educati,Not Required | CR | | 712.00 |

**Effective 12/05/2020 through 12/09/2020** **Fiscal Year 2021**

| Account | Description | | From | To |
|---|---|---|---|---|
| | **Net increase to Appropriations** | | **.00** | **712.00** |
| JE # **BR21-00057** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 RS 4035 | | | | |
| 09-4035-0-1110-1000-5830-000-T2PD | Professional/co,Instruction,Regular Educati,Title II PD | DR | 2,031.00 | |
| 09-4035-0-0000-2700-5202-000-T2PD | Conference Expe,School Administ,Undistributed,Title II PD | CR | | 1,244.00 |
| | **Net decrease to Appropriations** | | **2,031.00** | **1,244.00** |
| JE # **BR21-00058** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 RS 3010 | | | | |
| 09-3010-0-1110-1000-4310-000-0000 | Instructional M,Instruction,Regular Educati,Not Required | DR | 493.00 | |
| 09-3010-0-1110-1000-2100-000-0000 | Instructional A,Instruction,Regular Educati,Not Required | DR | 434.00 | |
| | **Net decrease to Appropriations** | | **927.00** | **.00** |
| JE # **BR21-00059** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 RS 3010 | | | | |
| 09-3010-0-1110-1000-3202-000-0000 | Benefits - Pers,Instruction,Regular Educati,Not Required | CR | | 1.00 |
| | **Net increase to Appropriations** | | **.00** | **1.00** |
| JE # **BR21-00060** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 RS 0000 FN 8210 | | | | |
| 09-0000-0-0000-8210-2200-000-0000 | Classified Supp,Operations,Undistributed,Not Required | CR | | 1,162.00 |
| 09-0000-0-0000-8210-3202-000-0000 | Benefits - Pers,Operations,Undistributed,Not Required | CR | | 240.00 |
| 09-0000-0-0000-8210-3312-000-0000 | Benefits - Oasd,Operations,Undistributed,Not Required | CR | | 72.00 |
| 09-0000-0-0000-8210-3332-000-0000 | Benefits - Medi,Operations,Undistributed,Not Required | CR | | 16.00 |
| 09-0000-0-0000-8210-3602-000-0000 | Benefits - Wcom,Operations,Undistributed,Not Required | CR | | 24.00 |
| | **Net increase to Appropriations** | | **.00** | **1,514.00** |
| JE # **BR21-00061** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 MG SG01 | | | | |
| 09-0000-0-1110-1000-1100-000-SG01 | Teachers' Salar,Instruction,Regular Educati,Supp Grnt-G1 | CR | | 15,707.00 |
| 09-0000-0-1110-1000-3101-000-SG01 | Benefits - Strs,Instruction,Regular Educati,Supp Grnt-G1 | CR | | 2,536.00 |
| 09-0000-0-1110-1000-3331-000-SG01 | Benefits - Medi,Instruction,Regular Educati,Supp Grnt-G1 | CR | | 228.00 |
| 09-0000-0-1110-1000-3401-000-SG01 | H & W Benefits,Instruction,Regular Educati,Supp Grnt-G1 | DR | 109.00 | |
| 09-0000-0-1110-1000-3601-000-SG01 | Benefits - Wcom,Instruction,Regular Educati,Supp Grnt-G1 | CR | | 327.00 |
| | **Net increase to Appropriations** | | **109.00** | **18,798.00** |
| JE # **BR21-00062** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 MG SG03 reduction | | | | |
| 09-0000-0-1110-1000-2100-000-SG03 | Instructional A,Instruction,Regular Educati,Supp Grnt-G3 | DR | 15,177.00 | |

| Account | Description | | From | To |
|---|---|---|---|---|
| (continued) JE # **BR21-00062** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 MG SG03 reduction | | | | |
| 09-0000-0-1110-1000-3202-000-SG03 | Benefits - Pers,Instruction,Regular Educati,Supp Grnt-G3 | DR | 3,231.00 | |
| 09-0000-0-1110-1000-3312-000-SG03 | Benefits - Oasd,Instruction,Regular Educati,Supp Grnt-G3 | DR | 968.00 | |
| 09-0000-0-1110-1000-3332-000-SG03 | Benefits - Medi,Instruction,Regular Educati,Supp Grnt-G3 | DR | 226.00 | |
| 09-0000-0-1110-1000-3402-000-SG03 | H & W Benefits,Instruction,Regular Educati,Supp Grnt-G3 | DR | 532.00 | |
| 09-0000-0-1110-1000-3502-000-SG03 | Benefits - Sui,Instruction,Regular Educati,Supp Grnt-G3 | DR | 8.00 | |
| 09-0000-0-1110-1000-3602-000-SG03 | Benefits - Wcom,Instruction,Regular Educati,Supp Grnt-G3 | DR | 325.00 | |
| | **Net decrease to Appropriations** | | **20,467.00** | **.00** |
| JE # **BR21-00063** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 09 FN 3110 | | | | |
| 09-0000-0-1110-3110-1200-000-SG01 | Cert Pupil Supp,Guidance & Coun,Regular Educati,Supp Grnt-G1 | DR | 3,379.00 | |
| 09-0000-0-1110-3110-3101-000-SG01 | Benefits - Strs,Guidance & Coun,Regular Educati,Supp Grnt-G1 | DR | 746.00 | |
| 09-0000-0-1110-3110-3331-000-SG01 | Benefits - Medi,Guidance & Coun,Regular Educati,Supp Grnt-G1 | DR | 48.00 | |
| 09-0000-0-1110-3110-3401-000-SG01 | H & W Benefits,Guidance & Coun,Regular Educati,Supp Grnt-G1 | DR | 43.00 | |
| 09-0000-0-1110-3110-3601-000-SG01 | Benefits - Wcom,Guidance & Coun,Regular Educati,Supp Grnt-G1 | DR | 71.00 | |
| | **Net decrease to Appropriations** | | **4,287.00** | **.00** |
| JE # **BR21-00064** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 01 RS 4035 | | | | |
| 01-4035-0-0000-7210-7310-102-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 15.00 | |
| 01-4035-0-0000-7210-7310-103-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 15.00 | |
| 01-4035-0-1110-1000-5830-102-T2PD | Professional/co,Instruction,Regular Educati,Title II PD | DR | 244.00 | |
| 01-4035-0-1110-1000-5830-103-T2PD | Professional/co,Instruction,Regular Educati,Title II PD | DR | 245.00 | |
| | **Net decrease to Appropriations** | | **519.00** | **.00** |
| JE # **BR21-00065** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 01 RS 3010 | | | | |
| 01-3010-0-1110-1000-5840-104-0000 | Computer/tech R,Instruction,Regular Educati,Not Required | DR | 2,278.00 | |
| 01-3010-0-1110-1000-5830-104-0000 | Professional/co,Instruction,Regular Educati,Not Required | CR | | 926.00 |
| 01-3010-0-1570-1000-3202-104-0000 | Benefits - Pers,Instruction,Reading,Not Required | DR | 43.00 | |
| 01-3010-0-1570-1000-3602-104-0000 | Benefits - Wcom,Instruction,Reading,Not Required | DR | 6.00 | |
| | **Net decrease to Appropriations** | | **2,327.00** | **926.00** |
| JE # **BR21-00066** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 01 RS 3010 revise | | | | |
| 01-3010-0-1570-1000-3402-104-0000 | H & W Benefits,Instruction,Reading,Not Required | DR | 43.00 | |
| 01-3010-0-1570-1000-3202-104-0000 | Benefits - Pers,Instruction,Reading,Not Required | CR | | 43.00 |
| 01-3010-0-1570-1000-3332-104-0000 | Benefits - Medi,Instruction,Reading,Not Required | DR | 3.00 | |

| Account | Description | | From | To |
|---|---|---|---|---|
| | Net decrease to Appropriations | | 46.00 | 43.00 |
| JE # **BR21-00067** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 05 GO 1570 | | | | |
| 05-0000-0-1570-1000-2100-000-SG03 | Instructional A,Instruction,Reading,Supp Grnt-G3 | CR | | 13,643.00 |
| | Net increase to Appropriations | | .00 | 13,643.00 |
| JE # **BR21-00068** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 05 RS 0000 GO 12-15 | | | | |
| 05-0000-0-1515-1000-1130-000-0000 | Teachers' Sals,Instruction,Outdoor Educati,Not Required | DR | 610.00 | |
| 05-0000-0-1515-1000-1149-000-0000 | Teacher Substit,Instruction,Outdoor Educati,Not Required | DR | 300.00 | |
| 05-0000-0-1515-1000-3101-000-0000 | Benefits - Strs,Instruction,Outdoor Educati,Not Required | DR | 123.00 | |
| 05-0000-0-1515-1000-3311-000-0000 | Benefits - Oasd,Instruction,Outdoor Educati,Not Required | DR | 10.00 | |
| 05-0000-0-1515-1000-3331-000-0000 | Benefits - Medi,Instruction,Outdoor Educati,Not Required | DR | 13.00 | |
| 05-0000-0-1515-1000-3601-000-0000 | Benefits - Wcom,Instruction,Outdoor Educati,Not Required | DR | 19.00 | |
| | Net decrease to Appropriations | | 1,075.00 | .00 |
| JE # **BR21-00069** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 05 RS 0000 GO 1110 | | | | |
| 05-0000-0-1110-1000-4340-000-SG01 | Computer Sftwar,Instruction,Regular Educati,Supp Grnt-G1 | DR | 1,864.00 | |
| 05-0000-0-1110-1000-3401-000-0000 | H & W Benefits,Instruction,Regular Educati,Not Required | DR | 13,830.00 | |
| 05-0000-0-1110-1000-3402-000-0000 | H & W Benefits,Instruction,Regular Educati,Not Required | DR | 106.00 | |
| 05-0000-0-1110-1000-3601-000-0000 | Benefits - Wcom,Instruction,Regular Educati,Not Required | DR | 133.00 | |
| 05-0000-0-1110-1000-4313-000-0000 | Teacher Allowan,Instruction,Regular Educati,Not Required | DR | 970.00 | |
| 05-0000-0-0000-8210-3402-000-0000 | H & W Benefits,Operations,Undistributed,Not Required | DR | 183.00 | |
| | Net decrease to Appropriations | | 17,086.00 | .00 |
| JE # **BR21-00070** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 04 RS 0000 GO 1110 | | | | |
| 04-0000-0-1110-1000-5830-000-SGPD | Professional/co,Instruction,Regular Educati,Supp Grnt PD | DR | 4,916.00 | |
| 04-0000-0-1110-1000-3102-000-0000 | Benefits - Strs,Instruction,Regular Educati,Not Required | DR | 6,082.00 | |
| 04-0000-0-1110-1000-3401-000-0000 | H & W Benefits,Instruction,Regular Educati,Not Required | DR | 14,011.00 | |
| 04-0000-0-1110-1000-3601-000-0000 | Benefits - Wcom,Instruction,Regular Educati,Not Required | DR | 106.00 | |
| 04-1100-0-1110-1000-4313-000-0000 | Teacher Allowan,Instruction,Regular Educati,Not Required | CR | | 3,800.00 |
| 04-0000-0-1110-1000-4313-000-0000 | Teacher Allowan,Instruction,Regular Educati,Not Required | DR | 4,700.00 | |
| 04-0000-0-1110-1000-5880-000-FT03 | Other Administr,Instruction,Regular Educati,Field Trips-G3 | DR | 2,000.00 | |
| 04-0000-0-0000-3140-5201-000-0000 | Mileage Reimbur,Health Services,Undistributed,Not Required | DR | 100.00 | |
| 04-0000-0-0000-3140-4390-000-0000 | Other Supplies,Health Services,Undistributed,Not Required | DR | 1,500.00 | |
| 04-0000-0-0000-3140-4313-000-0000 | Teacher Allowan,Health Services,Undistributed,Not Required | DR | 100.00 | |
| 04-0000-0-0000-2700-1300-000-0000 | Cert Suprvsrs',School Administ,Undistributed,Not Required | DR | 360.00 | |

| Account | Description | | From | To |
|---|---|---|---|---|
| | **Net decrease to Appropriations** | | **33,875.00** | **3,800.00** |
| JE # **BR21-00071** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 01 RS 0000 | | | |
| 01-0000-0-0000-7150-5211-600-0000 | Mileage,Superintendent,Undistributed,Not Required | DR | 1,800.00 | |
| 01-0000-0-0000-7200-2300-600-0000 | Class Suprvsrs',Other General A,Undistributed,Not Required | CR | | 8,861.00 |
| 01-0000-0-0000-7200-3202-600-0000 | Benefits - Pers,Other General A,Undistributed,Not Required | CR | | 1,835.00 |
| 01-0000-0-0000-7200-3312-600-0000 | Benefits - Oasd,Other General A,Undistributed,Not Required | CR | | 549.00 |
| 01-0000-0-0000-7200-3402-600-0000 | H & W Benefits,Other General A,Undistributed,Not Required | CR | | 383.00 |
| 01-0000-0-0000-7200-3602-600-0000 | Benefits - Wcom,Other General A,Undistributed,Not Required | CR | | 146.00 |
| 01-0000-0-0000-2700-5202-104-0000 | Conference Expe,School Administ,Undistributed,Not Required | DR | 1,000.00 | |
| 01-0000-0-0000-2700-5201-104-0000 | Mileage Reimbur,School Administ,Undistributed,Not Required | DR | 300.00 | |
| 01-0000-0-1110-1000-4313-104-0000 | Teacher Allowan,Instruction,Regular Educati,Not Required | DR | 2,800.00 | |
| 01-0000-0-1230-1000-5880-600-0000 | Other Administr,Instruction,Computer Instru,Not Required | DR | 7,108.00 | |
| 01-0000-0-1230-1000-4400-600-0000 | Equipment Under,Instruction,Computer Instru,Not Required | CR | | 11,700.00 |
| 01-0000-0-1230-1000-4340-600-0000 | Computer Sftwar,Instruction,Computer Instru,Not Required | CR | | 40,800.00 |
| 01-1100-0-1110-1000-4311-104-0000 | Standard Suppli,Instruction,Regular Educati,Not Required | CR | | 5,070.00 |
| 01-1100-0-1110-1000-4313-104-0000 | Teacher Allowan,Instruction,Regular Educati,Not Required | CR | | 4,020.00 |
| | **Net increase to Appropriations** | | **13,008.00** | **73,364.00** |
| JE # **BR21-00072** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 RS 8150 | | | |
| 01-8150-0-0000-7210-7310-600-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 18.00 | |
| 01-8150-0-0000-8110-3602-600-0000 | Benefits - Wcom,Maintenance,Undistributed,Not Required | DR | 19.00 | |
| 01-8150-0-0000-8110-3502-600-0000 | Benefits - Sui,Maintenance,Undistributed,Not Required | CR | | 1.00 |
| 01-8150-0-0000-8110-3402-600-0000 | H & W Benefits,Maintenance,Undistributed,Not Required | DR | 1,274.00 | |
| | **Net decrease to Appropriations** | | **1,311.00** | **1.00** |
| JE # **BR21-00073** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 RS 8150 correction | | | |
| 01-8150-0-0000-8110-3402-600-0000 | H & W Benefits,Maintenance,Undistributed,Not Required | CR | | 1,000.00 |
| | **Net increase to Appropriations** | | **.00** | **1,000.00** |
| JE # **BR21-00074** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 RS 6500 | | | |
| 01-6500-0-5730-1110-5830-600-0000 | Professional/co,Spec Ed-separat,Spec Ed - Presc,Not Required | CR | | 1,696.00 |
| | **Net increase to Appropriations** | | **.00** | **1,696.00** |
| JE # **BR21-00075** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 ICR | | | |

| Account | Description | | From | To |
|---|---|---|---|---|
| (continued) JE # **BR21-00075** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 ICR | | | |
| 01-0000-0-0000-7210-7310-600-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 1,785.00 | |
| 01-6500-0-5001-7210-7310-600-0000 | Dir Supp/indr C,General Admin C,Special Educati,Not Required | CR | | 102.00 |
| 01-3310-0-5001-7210-7310-600-0000 | Dir Supp/indr C,General Admin C,Special Educati,Not Required | CR | | 1,696.00 |
| 01-3010-0-0000-7210-7310-104-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 3.00 | |
| | **Net increase to Appropriations** | | **1,788.00** | **1,798.00** |
| JE # **BR21-00076** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 OB 5750 | | | |
| 01-0000-0-0000-2700-5750-600-0000 | Dir Costs For I,School Administ,Undistributed,Not Required | DR | 8,670.00 | |
| 01-0000-0-0000-3110-5750-104-SG01 | Dir Costs For I,Guidance & Coun,Undistributed,Supp Grnt-G1 | DR | 7.00 | |
| 01-0000-0-1110-1000-5750-600-0000 | Dir Costs For I,Instruction,Regular Educati,Not Required | CR | | 93,358.00 |
| 01-0000-0-1230-1000-5750-600-SGPD | Dir Costs For I,Instruction,Computer Instru,Supp Grnt PD | DR | 83.00 | |
| 01-0000-0-1510-1000-5750-600-SG01 | Dir Costs For I,Instruction,Music,Supp Grnt-G1 | CR | | 1.00 |
| 01-1100-0-1230-1000-5750-600-0000 | Dir Costs For I,Instruction,Computer Instru,Not Required | DR | 47.00 | |
| | **Net increase to Appropriations** | | **8,807.00** | **93,359.00** |
| JE # **BR21-00077** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 05 ICR | | | |
| 05-0000-0-0000-7210-7310-000-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | CR | | 868.00 |
| | **Net increase to Appropriations** | | **.00** | **868.00** |
| JE # **BR21-00078** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 05 ICR | | | |
| 05-0000-0-0000-7210-7310-000-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 1.00 | |
| | **Net decrease to Appropriations** | | **1.00** | **.00** |
| JE # **BR21-00079** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 05 OB 5750 | | | |
| 05-0000-0-0000-2700-5750-000-0000 | Dir Costs For I,School Administ,Undistributed,Not Required | CR | | 4,474.00 |
| 05-0000-0-1110-1000-5750-000-0000 | Dir Costs For I,Instruction,Regular Educati,Not Required | DR | 47,053.00 | |
| 05-0000-0-1110-1000-5750-000-SGPD | Dir Costs For I,Instruction,Regular Educati,Supp Grnt PD | CR | | 42.00 |
| 05-1100-0-1230-1000-5750-000-0000 | Dir Costs For I,Instruction,Computer Instru,Not Required | CR | | 24.00 |
| | **Net decrease to Appropriations** | | **47,053.00** | **4,540.00** |
| JE # **BR21-00080** | JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 05 OB 5750 | | | |
| 05-0000-0-0000-3110-5750-000-SG01 | Dir Costs For I,Guidance & Coun,Undistributed,Supp Grnt-G1 | CR | | 4.00 |

| Account | Description | | From | To |
|---|---|---|---|---|
| | Net increase to Appropriations | | .00 | 4.00 |
| JE # BR21-00081 JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 05 OB 5750 | | | | |
| 05-0000-0-1110-1000-5750-000-0000 | Dir Costs For I,Instruction,Regular Educati,Not Required | DR | 351.00 | |
| | Net decrease to Appropriations | | 351.00 | .00 |
| JE # BR21-00082 JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 04 ICR | | | | |
| 04-0000-0-0000-7210-7310-000-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | CR | | 696.00 |
| | Net increase to Appropriations | | .00 | 696.00 |
| JE # BR21-00083 JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 04 OB 5750 | | | | |
| 04-0000-0-0000-2700-5750-000-0000 | Dir Costs For I,School Administ,Undistributed,Not Required | CR | | 4,337.00 |
| 04-0000-0-0000-3110-5750-000-SG01 | Dir Costs For I,Guidance & Coun,Undistributed,Supp Grnt-G1 | CR | | 4.00 |
| 04-0000-0-1110-1000-5750-000-0000 | Dir Costs For I,Instruction,Regular Educati,Not Required | DR | 45,954.00 | |
| 04-0000-0-1110-1000-5750-000-SGPD | Dir Costs For I,Instruction,Regular Educati,Supp Grnt PD | CR | | 41.00 |
| 04-0000-0-1510-1000-5750-000-SG01 | Dir Costs For I,Instruction,Music,Supp Grnt-G1 | DR | 1.00 | |
| 04-1100-0-1230-1000-5750-000-0000 | Dir Costs For I,Instruction,Computer Instru,Not Required | CR | | 23.00 |
| | Net decrease to Appropriations | | 45,955.00 | 4,405.00 |
| JE # BR21-00084 JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 13 OB 4700 | | | | |
| 13-5310-0-0000-3700-4700-000-0000 | Food Purchases,Food Services,Undistributed,Not Required | DR | 178,000.00 | |
| 13-5310-0-0000-3700-5630-000-0000 | Repairs,Food Services,Undistributed,Not Required | DR | 2,000.00 | |
| 13-5310-0-0000-3700-4390-000-0000 | Other Supplies,Food Services,Undistributed,Not Required | DR | 500.00 | |
| 13-5310-0-0000-0000-8634-000-0000 | Food Services S,Child Nutrition | CR | 66,000.00 | |
| 13-5310-0-0000-0000-8220-000-0000 | Child Nutrition,Child Nutrition | CR | 160,000.00 | |
| | Net decrease to Appropriations | | 406,500.00 | .00 |
| JE # BR21-00085 JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 13 transf to cafeteria | | | | |
| 13-5310-0-0000-0000-8916-000-0000 | To Caf Fund, Fr,Child Nutrition | DR | | 45,500.00 |
| 01-5310-0-0000-0000-8980-000-0000 | Contribute From,Child Nutrition | DR | | 45,500.00 |
| 01-5310-0-0000-9300-7616-600-0000 | From General Fu,Interfund Trans,Undistributed,Not Required | CR | | 45,500.00 |
| 01-0000-0-0000-0000-8980-600-0000 | Contribute From,Unrestricted/no | CR | 45,500.00 | |
| | Net increase to Appropriations | | 45,500.00 | 136,500.00 |

**Effective 12/05/2020 through 12/09/2020** **Fiscal Year 2021**

| Account | Description | | From | To |
|---|---|---|---|---|
| JE # **BR21-00086** JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 RS8150 cafe trnsf update | | | | |
| 01-8150-0-0000-8110-4380-600-0000 | Maintenance Sup,Maintenance,Undistributed,Not Required | CR | | 1,060.00 |
| 01-8150-0-0000-7210-7310-600-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | CR | | 64.00 |
| 01-8150-0-0000-0000-8980-000-0000 | Contribute From,Restricted Main | DR | | 814.00 |
| 01-0000-0-0000-7210-7310-600-0000 | Dir Supp/indr C,General Admin C,Undistributed,Not Required | DR | 64.00 | |
| 01-0000-0-0000-0000-8980-600-0000 | Contribute From,Unrestricted/no | CR | 814.00 | |
| | **Net increase to Appropriations** | | **878.00** | **1,938.00** |
| JE # **BR21-00087** JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 14 | | | | |
| 14-0000-0-0000-8500-6200-102-0000 | Bldgs & Improve,Facilities Acqu,Undistributed,Not Required | CR | | 36,693.00 |
| 14-0000-0-0000-8110-5630-103-0000 | Repairs,Maintenance,Undistributed,Not Required | CR | | 23,500.00 |
| 14-0000-0-0000-0000-8660-000-0000 | Interest,Unrestricted/no | DR | | 917.00 |
| | **Net increase to Appropriations** | | **.00** | **61,110.00** |
| JE # **BR21-00088** JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 20 Int Rev | | | | |
| 20-0000-0-0000-0000-8660-000-0000 | Interest,Unrestricted/no | DR | | 1,858.00 |
| | **Net increase to Appropriations** | | **.00** | **1,858.00** |
| JE # **BR21-00089** JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 01 RS Restricted correction | | | | |
| 01-3220-0-1110-1000-5830-104-0000 | Professional/co,Instruction,Regular Educati,Not Required | DR | 1,689.00 | |
| 01-3310-0-5730-1110-5830-600-0000 | Professional/co,Spec Ed-separat,Spec Ed - Presc,Not Required | DR | 1,696.00 | |
| 09-7388-0-1110-1000-4390-000-0000 | Other Supplies,Instruction,Regular Educati,Not Required | DR | 222.00 | |
| | **Net decrease to Appropriations** | | **3,607.00** | **.00** |
| JE # **BR21-00090** JE Trans Date 12/08/2020 JE Posted 12/08/2020 Comment 1st Interim 04 RS 7388 | | | | |
| 04-7388-0-1110-1000-4370-000-0000 | Custodial Suppl,Instruction,Regular Educati,Not Required | DR | 223.00 | |
| | **Net decrease to Appropriations** | | **223.00** | **.00** |
| JE # **BR21-00091** JE Trans Date 12/09/2020 JE Posted 12/09/2020 Comment 1st Interim 01 Restricted Resources rounding | | | | |
| 01-3010-0-1570-1000-3332-104-0000 | Benefits - Medi,Instruction,Reading,Not Required | CR | | 3.00 |
| 01-6500-0-5770-1110-3402-600-0000 | H & W Benefits,Spec Ed-separat, Spec Ed - K-12, Not Required | DR | 2.00 | |
| | **Net increase to Appropriations** | | **2.00** | **3.00** |

| Account | Description | From | To |
|---|---|---|---|
| | Total for Org 043 | 2,167,283.00 | 2,085,592.00 |

**Org 043 Net Increase in Estimated Fund Balance** **243,765.00**

**Net decrease to Appropriations**

Ledger06a    **Transfer of Budget Appropriations**

**Effective 12/07/2020**    **Fiscal Year 2021**

| Account | Description | | From | To |
|---|---|---|---|---|
| JE # **BR21-00011** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 Revenue | | | |
| 03-0000-0-0000-0000-8011-000-0000 | Revenue Limit S,Unrestricted/no | CR | 10,035.00 | |
| 03-0000-0-0000-0000-8096-000-0000 | In-lieu Propert,Unrestricted/no | DR | | 50,894.00 |
| 03-0000-0-0000-0000-8550-000-0000 | Mandated Cost R,Unrestricted/no | CR | 10.00 | |
| 03-1100-0-0000-0000-8560-000-0000 | State Lottery R,State Lottery | CR | 90.00 | |
| 03-1400-0-0000-0000-8012-000-0000 | EPA,EPA | CR | 50,894.00 | |
| 03-3010-0-0000-0000-8290-000-0000 | All Other Feder,Title I | CR | 6,410.00 | |
| 03-4035-0-0000-0000-8290-000-0000 | All Other Feder,Nclb:title Ii P | CR | 1,624.00 | |
| 03-6300-0-0000-0000-8560-000-0000 | State Lottery R,Lottery - Instr | CR | 29.00 | |
| 03-7690-0-0000-0000-8590-000-0000 | All Other State,STRS On-Behalf | DR | | 2,306.00 |
| | **Net decrease to Appropriations** | | **69,092.00** | **53,200.00** |
| JE # **BR21-00012** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 7690 | | | |
| 03-7690-0-1110-1000-3101-000-0000 | Benefits - Strs,Instruction,Regular Educati,District | CR | | 2,306.00 |
| | **Net increase to Appropriations** | | **.00** | **2,306.00** |
| JE # **BR21-00013** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 7388 | | | |
| 03-7388-0-1110-1000-4370-000-0000 | Custodial Suppl,Instruction,Regular Educati,District | DR | 223.00 | |
| | **Net decrease to Appropriations** | | **223.00** | **.00** |
| JE # **BR21-00014** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 7311 | | | |
| 03-7311-0-1110-1000-5202-000-0000 | Conference Expe,Instruction,Regular Educati,District | CR | | 1,240.00 |
| | **Net increase to Appropriations** | | **.00** | **1,240.00** |
| JE # **BR21-00015** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 4035 | | | |
| 03-4035-0-0000-0000-8290-000-0000 | All Other Feder,Nclb:title Ii P | DR | | 1,891.00 |
| 03-4035-0-1110-1000-5202-000-0000 | Conference Expe,Instruction,Regular Educati,District | CR | | 267.00 |
| | **Net increase to Appropriations** | | **.00** | **2,158.00** |
| JE # **BR21-00016** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 3010 | | | |
| 03-3010-0-1110-1000-2100-000-0000 | Instructional A,Instruction,Regular Educati,District | DR | 5,503.00 | |
| 03-3010-0-1110-1000-3202-000-0000 | Benefits - Pers,Instruction,Regular Educati,District | DR | 55.00 | |
| 03-3010-0-1110-1000-3312-000-0000 | Benefits - Oasd,Instruction,Regular Educati,District | DR | 17.00 | |
| 03-3010-0-1110-1000-3332-000-0000 | Benefits - Medi,Instruction,Regular Educati,District | DR | 4.00 | |
| 03-3010-0-1110-1000-3402-000-0000 | H & W Benefits,Instruction,Regular Educati,District | DR | 164.00 | |

Selection Grouped by Org, Fiscal Year, JE# - Sorted by JE Item #, (Org = 44, JE Type = R, Starting Post Date = 10/9/2020, Ending Post Date = 12/11/2020, Unposted JEs? = N, End Bud Bal? = O, JE# Page Break? = N, Description? = A, Recap? = N)

| Account | Description | | From | To |
|---|---|---|---|---|
| (continued) JE # **BR21-00016** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 3010 | | | | |
| 03-3010-0-1110-1000-3602-000-0000 | Benefits - Wcom,Instruction,Regular Educati,District | DR | 4.00 | |
| 03-3010-0-1110-1000-4310-000-0000 | Instructional M,Instruction,Regular Educati,District | DR | 663.00 | |
| | **Net decrease to Appropriations** | | **6,410.00** | **.00** |
| JE # **BR21-00017** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 GO 1530 | | | | |
| 03-0000-0-1530-1000-2100-000-0000 | Instructional A,Instruction,Physical Educat,District | CR | | 2,589.00 |
| 03-0000-0-1530-1000-3202-000-0000 | Benefits - Pers,Instruction,Physical Educat,District | CR | | 536.00 |
| 03-0000-0-1530-1000-3312-000-0000 | Benefits - Oasd,Instruction,Physical Educat,District | CR | | 161.00 |
| 03-0000-0-1530-1000-3332-000-0000 | Benefits - Medi,Instruction,Physical Educat,District | CR | | 37.00 |
| 03-0000-0-1530-1000-3402-000-0000 | H & W Benefits,Instruction,Physical Educat,District | CR | | 1,740.00 |
| 03-0000-0-1530-1000-3502-000-0000 | Benefits - Sui,Instruction,Physical Educat,District | CR | | 1.00 |
| 03-0000-0-1530-1000-3602-000-0000 | Benefits - Wcom,Instruction,Physical Educat,District | CR | | 32.00 |
| | **Net increase to Appropriations** | | **.00** | **5,096.00** |
| JE # **BR21-00018** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 GO 1230 | | | | |
| 03-0000-0-1230-1000-4310-000-0000 | Instructional M,Instruction,Computer Instru,District | DR | 10,000.00 | |
| | **Net decrease to Appropriations** | | **10,000.00** | **.00** |
| JE # **BR21-00019** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 MG SG03 | | | | |
| 03-0000-0-1110-1000-2100-000-SG03 | Instructional A,Instruction,Regular Educati,Supp Grants-G3 | CR | | 5,235.00 |
| | **Net increase to Appropriations** | | **.00** | **5,235.00** |
| JE # **BR21-00020** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 0000 GO 1110 MG 0000 | | | | |
| 03-0000-0-1110-1000-2100-000-0000 | Instructional A,Instruction,Regular Educati,District | CR | | 489.00 |
| 03-0000-0-1110-1000-3202-000-0000 | Benefits - Pers,Instruction,Regular Educati,District | CR | | 101.00 |
| 03-0000-0-1110-1000-3332-000-0000 | Benefits - Medi,Instruction,Regular Educati,District | CR | | 7.00 |
| 03-0000-0-1110-1000-3401-000-0000 | H & W Benefits,Instruction,Regular Educati,District | DR | 875.00 | |
| 03-0000-0-1110-1000-3402-000-0000 | H & W Benefits,Instruction,Regular Educati,District | DR | 35.00 | |
| 03-0000-0-1110-1000-3602-000-0000 | Benefits - Wcom,Instruction,Regular Educati,District | CR | | 6.00 |
| | **Net decrease to Appropriations** | | **910.00** | **603.00** |
| JE # **BR21-00021** JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 0000 crossing guard reduction | | | | |
| 03-0000-0-0000-8310-5880-000-0000 | Other Administr,Crossing Guards,Undistributed,District | DR | 4,350.00 | |

| Account | Description | | From | To |
|---|---|---|---|---|
| | Net decrease to Appropriations | | 4,350.00 | .00 |
| JE # **BR21-00022** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 0000 | | | |
| 03- 0000- 0- 0000- 8210- 5500- 000- 0000 | Utilities & Hou,Custodial,Undistributed,District | DR | 2,000.00 | |
| 03- 0000- 0- 0000- 2700- 5830- 000- 0000 | Professional/co,School Administ,Undistributed,District | CR | | 70,638.00 |
| | Net increase to Appropriations | | 2,000.00 | 70,638.00 |
| JE # **BR21-00023** | JE Trans Date 12/07/2020 JE Posted 12/07/2020 Comment 1st Interim 03 RS 0000 | | | |
| 03- 0000- 0- 0000- 2700- 5830- 000- 0000 | Professional/co,School Administ,Undistributed,District | DR | 70,638.00 | |
| | Net decrease to Appropriations | | 70,638.00 | .00 |
| | Total for Org 044 | | 163,623.00 | 140,476.00 |

**Org 044 Net <Decrease> in Estimated Fund Balance 4,855.00-** **Net decrease to Appropriations**