

CHINO VALLEY
UNIFIED SCHOOL DISTRICT

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

BOARD OF EDUCATION

AGENDA

February 15, 2024

BOARD OF EDUCATION

Donald L. Bridge
Andrew Cruz
Jonathan Monroe
James Na
Sonja Shaw

Chloe Kubeldis, Student Representative

SUPERINTENDENT

Norm Enfield, Ed.D.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
REGULAR MEETING OF THE BOARD OF EDUCATION
District Board Room – 5130 Riverside Drive, Chino, CA 91710
4:40 p.m. – Closed Session • 6:00 p.m. – Regular Meeting
February 15, 2024

AGENDA

- The public are invited to address the Board of Education regarding items listed on the agenda. Comments on an agenda item are accepted during consideration of that item, or prior to consideration of the item in the case of a closed session item. Persons wishing to address the Board are requested to complete and submit to the Administrative Secretary, Board of Education, a "Request to Speak" form available at the entrance to the Board room.
- In compliance with the Americans with Disabilities Act, please contact the Administrative Secretary, Board of Education, if you require modification or accommodation due to a disability.
- Agenda documents distributed to members of the Board of Education less than 72 hours prior to the meeting are available for inspection at the Chino Valley Unified School District Administration Center, 5130 Riverside Drive, Chino, California, during the regular business hours of 7:30 a.m. to 4:30 p.m., Monday through Friday.
- Order of business is approximate and subject to change.

The meeting is live streamed on the District's YouTube channel at https://www.youtube.com/channel/UCWKinB4PTb_uskobmwBF8pw.

I. OPENING BUSINESS

I.A. CALL TO ORDER – 4:40 P.M.

1. Roll Call
2. Public Comment on Closed Session Items
3. Closed Session

Discussion and possible action (times are approximate):

- a. Conference With Legal Counsel, Existing Litigation (Government Code 54956.9(d)(4)): San Bernardino Superior Case No. SB 2300095. (Tao Rossini, APC) (5 minutes)
- b. Conference With Legal Counsel-Existing Litigation (Paragraph (1) of subdivision (d) Government Code 54956.9): San Bernardino County Superior Court Case No. CIVSB2317301. (Liberty Justice Center) (Atkinson, Andelson, Loya, Ruud, and Romo) (5 minutes)
- c. Student Discipline Matters (Education Code 35146, 48918 (c) & (i)): Expulsion Cases 23/24-52 and 23/24-55. (10 minutes)
- d. Conference with Labor Negotiators (Government Code 54957.6): A.C.T. and CSEA Negotiations. Agency Designated Representatives: Lea Fellows, Sandra Chen, Joseph Durkin, and Jaime Ortega. (15 minutes)
- e. Public Employee Appointment (Government Code 54957): Elementary School Principal. (5 minutes)
- f. Public Employee Discipline Dismissal Release (Government Code 54957): (30 minutes)
- g. Public Employee Performance Evaluation (Government Code 54957): Superintendent. (10 minutes)

I.B. RECONVENE TO REGULAR OPEN MEETING – 6:00 P.M.

1. Report Closed Session Action
2. Pledge of Allegiance

I.C. RECOGNITION

1. Ayala HS: Band Accomplishments

Proceedings of this meeting are recorded.

I.D. STAFF REPORT

1. Local Control and Accountability Plan: Mid-Year Monitoring

I.E. COMMENTS FROM STUDENT REPRESENTATIVE**I.F. COMMENTS FROM EMPLOYEE REPRESENTATIVES****I.G. COMMENTS FROM THE AUDIENCE ON ITEMS NOT ON THE AGENDA****I.H. CHANGES AND DELETIONS****II. ACTION****II.A. FACILITIES, PLANNING, AND OPERATIONS****II.A.1. Resolution 2023/2024-33 of the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California, Authorizing the Issuance and Sale of its General Obligation Bonds, Election of 2016, Series 2024D, in an Aggregate Principal Amount Not to Exceed \$143,500,133.25, and Approving Certain Other Matters Relating to Said Bonds**

Page 9

Recommend the Board of Education adopt Resolution 2023/2024-33 of the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California, authorizing the issuance and sale of its general obligation bonds, Election of 2016, Series 2024D, in an aggregate principal amount not to exceed \$143,500, 133.25, and approving certain other matters relating to said bonds.

Motion ____ Second ____
Preferential Vote: ____
Vote: Yes ____ No ____

II.A.2. Resolution 2023/2024-37 of the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California Authorizing the Issuance and Sale of its 2024 General Obligation Refunding Bonds, in an Aggregate Principal Amount Not to Exceed \$20,000,000, and Approving

Page 204

Motion ____ Second ____
Preferential Vote: ____
Vote: Yes ____ No ____

Certain Other Matters Relating to Said Bonds

Recommend the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California adopt Resolution 2023/2024-37, Authorizing the issuance and sale of its 2024 General Obligation Refunding Bonds, in an aggregate principal amount not to exceed \$20,000,000, and approving certain other matters relating to said bonds.

II.B. HUMAN RESOURCES**II.B.1. Resolution 2023/2024-38, Release of Temporary Certificated Employees**

Page 402

Recommend the Board of Education adopt Resolution 2023/2024-38, Release of Temporary Certificated Employees and authorize the Superintendent or his designee to send Notice of Release to employees affected with an effective date of June 30, 2024.

Motion ____ Second ____

Preferential Vote: ____

Vote: Yes ____ No ____

II.B.2. Resolution 2023/2024-40, Notice of Layoff of Certain Classified Staff Pursuant to Education Code 45117 and 45298

Page 404

Recommend the Board of Education adopt Resolution 2023/2024-40, Notice of Layoff of Certain Classified Staff Pursuant to Education Code 45117 and 45298.

Motion ____ Second ____

Preferential Vote: ____

Vote: Yes ____ No ____

III. CONSENT

Motion ____ Second ____

Preferential Vote: ____

Vote: Yes ____ No ____

III.A. ADMINISTRATION**III.A.1. Minutes of the February 1, 2024 Regular Meeting**

Page 406

Recommend the Board of Education approve the minutes of the February 1, 2024 regular meeting.

III.B. BUSINESS SERVICES**III.B.1. Warrant Register**

Page 413 Recommend the Board of Education approve/ratify the warrant register, provided under separate cover.

III.B.2. Fundraising Activities

Page 414 Recommend the Board of Education approve/ratify the fundraising activities.

III.B.3. Donations

Page 417 Recommend the Board of Education accept the donations.

III.B.4. Legal Services

Page 419 Recommend the Board of Education approve payment for legal services to the law office of Atkinson, Andelson, Loya, Ruud & Romo.

III.B.5. Request for Allowance of Attendance Due to State of Emergency Declared by Governor Newsom Due to Hurricane Hilary

Page 420 Recommend the Board of Education approve the request for allowance of attendance due to Hurricane Hilary.

III.C. CURRICULUM, INSTRUCTION, INNOVATION, AND SUPPORT**III.C.1. Student Expulsion Cases 23/24-52 and 23/24-55**

Page 421 Recommend the Board of Education approve student expulsion cases 23/24-52 and 23/24-55.

III.C.2. School Sponsored Trips

Page 422 Recommend the Board of Education approve/ratify the school-sponsored trips for Marshall ES; Briggs K-8; Canyon Hills JHS; Townsend JHS; Ayala HS; Chino HS; and Don Lugo HS.

III.C.3. Career Technical Education/Carl D. Perkins Advisory Committee

Page 424 Recommend the Board of Education approve the Career Technical Education/Carl D. Perkins Advisory Committee as follows:
Elizabeth McGraw, Assistant Superintendent, Baldy View Regional Occupational Program;
Yvette Bookout, Computer Operations Support Technician, CVUSD;
Michael Collins, Parent, CTE Teacher, Ruben S. Ayala HS (Engineering & Architecture);
Ashley Cureton, CTE Teacher, Don Lugo HS (Agriculture and Natural Resources);
Scott Eckersall, Engineer, Eckersall LLC (Engineering & Architecture);
Anthony Indolino, Sr. Light & Sign Mechanic (Energy, Environment, & Utilities);
Craig Lindemulder, Parent, CTE Teacher, Chino Hills HS (Arts, Media, & Entertainment);
Evelyn Naing, Engineering Design Development Student;

Jeremiah Park, Engineering Design Development Student;
Nicole Ochoa, Engineering Design Development Student;
Leslie Quinones, Information & Communication Technologies Student;
Madison Ramirez, Information & Communication Technologies Student;
Raina Jiang, Information & Communication Technologies Student;
Tristin Guerrero, Arts, Media and Entertainment Student;
Eric Dahlstrom, Ed.D., District Administration, CVUSD;
Ryan Bell, Counselor, Ayala HS;
Gina Huerta, Career Center Guidance Technician, Buena Vista HS;
Daniel Galindo, Assistant High School Principal, Chino HS;
Yvette Taylor, Assistant High School Principal, Ruben S. Ayala HS;
Oliver Wong Ah Sun, Ed.D., High School Principal, Don Antonio Lugo HS;
James Reed, Assistant High School Principal, Chino Hills HS;
Dorinda Sullivan, CTE Teacher/District Librarian (Business & Finance;
Marketing, Sales & Service; Arts, Media, & Entertainment); and
Elizabeth Williams, Industry Sector Advisor, (Hospitality, Tourism Recreation)

III.D. FACILITIES, PLANNING, AND OPERATIONS**III.D.1. Agreements for Contractor/Consultant Services**

Page 426

Recommend the Board of Education approve/ratify the Agreements for Contractor/Consultant Services.

III.D.2. Surplus/Obsolete Property

Page 429

Recommend the Board of Education declare the District property surplus/obsolete and authorize staff to sell/dispose of said property.

III.D.3. Award of Bid No. 23-24-10I, Ayala HS Stadium Sound System Replacement

Page 437

Recommend the Board of Education award Bid No. 23-24-10I, Ayala HS Stadium Sound System to Sunset Electrical Contractors, Inc.

III.D.4. Change Orders and Notices of Completion for CUPCCAA Projects

Page 438

Recommend the Board of Education approve the Change Orders and Notices of Completion for CUPCCAA Projects.

III.D.5. Resolution 2023/2024-39, Authorization to Utilize Piggyback Contract

Page 440

Recommend the Board of Education adopt Resolution 2023/2024-39, Authorization to Utilize Piggyback Contract.

III.D.6. Change Order for Bid No. 22-23-20F, Ayala HS, Chino HS, Chino Hills HS, and Don Lugo HS Football Scoreboard Replacement Project

Page 444

Recommend the Board of Education approve the Change Order for Bid No. 22-23-20F, Ayala HS, Chino HS, Chino Hills HS, and Don Lugo HS Football Scoreboard Replacement Project.

III.D.7. Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS—Alterations Phase 4 Bldgs. A, G, J, BP 13-01.

Page 447

Recommend the Board of Education approve the Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS—Alterations Phase 4 Bldgs. A, G, J, BP 13-01.

III.D.8. Approval of Payment to Knorr Systems, Inc. Under Threat of Potential Litigation or Disputed Claim

Page 453

Recommend the Board of Education approve payment to Knorr Systems, Inc., under threat of potential litigation or disputed claim.

III.E. HUMAN RESOURCES

III.E.1. Certificated/Classified Personnel Items

Page 455

Recommend the Board of Education approve/ratify the certificated/classified personnel items.

III.E.2. Comprehensive School Safety Plan for Each School

Page 460

Recommend the Board of Education approve the Comprehensive School Safety Plan for each school.

IV. INFORMATION

IV.A. BUSINESS SERVICES

IV.A.1. 2022/2023 Independent Auditor's Annual Financial Audit Report

Page 461

Recommend the Board of Education receive for information the 2022/2023 Independent Auditor's Annual Financial Audit Report

IV.B. CURRICULUM, INSTRUCTION, INNOVATION, AND SUPPORT

IV.B.1. San Bernardino County Superintendent of Schools Williams Findings Decile 1-3 Schools Second Quarterly Report 2023/2024

Page 462

Recommend the Board of Education receive for information the San Bernardino County Superintendent of Schools Williams Findings Decile 1-3 Schools Second Quarterly Report 2023/2024.

IV.B.2. Chino Valley Learning Academy Student Attendance Calendars for the 2024/2025 and 2025/2026 School Years

Page 466

Recommend the Board of Education receive for information the Chino Valley Learning Academy student attendance calendars for the 2024/2025 and 2025/2026 school years.

IV.B.3. Textbook Adoption for Advanced Placement Courses

Page 469

Recommend the Board of Education receive for information the following instructional materials for the textbook adoption for advanced placement courses:

AP Biology

- a) Pearson. *Campbell Biology 12th Edition*. Urry, et al. 2021.
Replaces: Pearson. *AP Biology 9th Edition*. Reece, et al. 9th – 12 Grade. 2011.

AP Environmental Science

- b) Bedford, Freeman & Worth. *Environmental Science for the AP Course*. Andrew Friedland; Rick Relyea. 2023.
Replaces: Wiley. *Environmental Science, Earth as a Living Planet 6th Edition*. Daniel Botkin; Edward Keller. 2007.

AP English 12

- c) Bedford, Freeman & Worth. *Literature & Composition, Essential Voices, Essential Skills for the AP Course*. Shea, et al. 2022.; and Norton. *The Norton Guide to AP Literature, Writing & Skills*. Melissa Smith; Susan Barber. 2022.
Replaces: Pearson. *Literature: An Introduction to Fiction, Poetry, and Drama, 9th Edition*. Kennedy. 2005.

IV.C. FACILITIES, PLANNING, AND OPERATIONS**IV.C.1. Measure G Financial/Performance Audit Report**

Page 471

Recommend the Board of Education receive for information the Measure G Financial/Performance Audit Report.

V. COMMUNICATIONS**BOARD MEMBERS AND SUPERINTENDENT****VI. ADJOURNMENT**

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Gregory J. Stachura, Assistant Superintendent, Facilities, Planning,
and Operations

**SUBJECT: RESOLUTION 2023/2024-33 OF THE BOARD OF EDUCATION
OF THE CHINO VALLEY UNIFIED SCHOOL DISTRICT OF THE
COUNTY OF SAN BERNARDINO, CALIFORNIA, AUTHORIZING
THE ISSUANCE AND SALE OF ITS GENERAL OBLIGATION
BONDS, ELECTION OF 2016, SERIES 2024D, IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$143,500,133.25, AND APPROVING CERTAIN OTHER MATTERS
RELATING TO SAID BONDS**

=====

BACKGROUND

An election was held in the Chino Valley Unified School District (the "District") on November 8, 2016, to authorize the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$750,000,000 ("Measure G"). The District has previously issued three series of general obligation bonds under Measure G in the principal amounts of \$208,000,000, \$258,000,000, and \$140,499,866.75 respectively. The District now desires to issue its fourth series of bonds under Measure G in a principal amount not-to-exceed \$143,500,133.25 (the "Bonds"). The District proposes that the issuance of Bonds include current interest bonds, as well as capital appreciation bonds (i.e., bonds that allow for the compounding of interest). The Bonds are being authorized for sale for the purpose of providing funds to finance projects approved by Measure G and to pay the costs of issuing the Bonds.

Pursuant to Education Code Section 15146(b)(2), the Resolution and materials included in this agenda item were publicly noticed as an information item on February 1, 2024.

(a) Bond Resolution. The Resolution authorizes the issuance of the Bonds, specifies the basic terms, parameters, and forms of the Bonds, and approves the form of Contract of Purchase and form of Preliminary Official Statement described below. In

particular, Section 5 of the Resolution establishes the maximum aggregate initial principal amount of the Bonds to be issued (\$143,500,133.25). Section 5 of the Resolution states the maximum underwriter's discount (0.45%) with respect to the Bonds and the maximum legal interest rate on the Bonds and authorizes the Bonds to be sold at a negotiated sale to Stifel, Nicolaus & Company, Incorporated, as the underwriter (the "Underwriter").

(b) Form of Contract of Purchase. The Resolution approves the form of the Contract of Purchase. Pursuant to the Contract of Purchase, the Underwriter will agree to buy the Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties. Upon the pricing of the Bonds, the final execution copy of the Contract of Purchase will be prepared following this form.

(c) Form of Preliminary Official Statement. The Resolution approves the form of the Preliminary Official Statement (the "POS"). The POS is the offering document describing the Bonds which may be distributed to prospective purchasers of the Bonds. The POS discloses information with respect to among other things (i) the proposed uses of proceeds of the Bonds, (ii) the terms of the Bonds (including, for example, the interest rate and redemption terms), (iii) the bond insurance policy for the Bonds, if any, (iv) the security for repayment of the Bonds (the *ad valorem* property tax levy), (v) information with respect to the District's tax base (upon which such *ad valorem* property taxes may be levied), (vi) District financial and operating data, (vii) continuing disclosure with respect to the Bonds and the District, and (viii) the absence of material litigation and other miscellaneous matters expected to be of interest to prospective purchasers of the Bonds. Following the pricing of the Bonds, a final Official Statement for the Bonds will be prepared, substantially in the form of the POS.

(d) Form of the Continuing Disclosure Undertaking. The form of the Continuing Disclosure Undertaking can be found in APPENDIX D to the POS. In order for the underwriter to purchase and sell the District's bonds, the District must enter into an agreement where it covenants to annually file "material financial information and operating data" with respect to the District through the web-based Electronic Municipal Market Access ("EMMA") system maintained by the Municipal Securities Rulemaking Board (a federal agency that regulates "broker-dealers," including investment banking firms that underwrite municipal obligations). This requirement is expected to be satisfied by the filing of the District's audited financial statements and other operating information about the District, in the same manner the District has filed such information in connection with prior bond issuances. The purpose of the law is to provide investors in the Bonds with current information regarding the District.

(e) Requirements of Education Code Section 15146(b) and 15146(c). In satisfaction of Education Code Sections 15146(b) and 15146(c), appended to the Resolution is an information item ("EXHIBIT C") containing the following information provided by the District's Underwriter: approximations of the financing term of the Bonds; time of maturity of the Bonds; repayment ratio of the Bonds; estimated change in assessed value of taxable property within the District over the term of the Bonds; an analysis containing the total overall cost of the capital appreciation bonds expected to be issued; a comparison between the overall cost of the capital appreciation bonds

expected to be issued and the overall cost of current interest bonds; and the reason that capital appreciation bonds are being recommended.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education adopt Resolution 2023/2024-33 of the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California, authorizing the issuance and sale of its general obligation bonds, Election of 2016, Series 2024D, in an aggregate principal amount not to exceed \$143,500,133.25, and approving certain other matters relating to said bonds.

FISCAL IMPACT

None.

NE:SHC:GJS:cb

**RESOLUTION 2023/2024-33 OF THE BOARD OF EDUCATION OF THE
CHINO VALLEY UNIFIED SCHOOL DISTRICT OF THE COUNTY OF
SAN BERNARDINO, CALIFORNIA, AUTHORIZING THE ISSUANCE
AND SALE OF ITS GENERAL OBLIGATION BONDS, ELECTION OF
2016, SERIES 2024D, IN AN AGGREGATE PRINCIPAL AMOUNT NOT
TO EXCEED \$143,500,133.25, AND APPROVING CERTAIN OTHER
MATTERS RELATING TO SAID BONDS**

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RESOLUTION 2023/2024-33 OF THE BOARD OF EDUCATION OF THE CHINO VALLEY UNIFIED SCHOOL DISTRICT OF THE COUNTY OF SAN BERNARDINO, CALIFORNIA AUTHORIZING THE ISSUANCE AND SALE OF ITS GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES 2024D, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$143,500,133.25, AND APPROVING CERTAIN OTHER MATTERS RELATING TO SAID BONDS

WHEREAS, a duly called election was held in the Chino Valley Unified School District, a unified school district duly organized and existing under the laws of the State of California (the “**District**”), County of San Bernardino (the “**County**”), State of California, on November 8, 2016 (the “**Election**”), and thereafter canvassed pursuant to law; and

WHEREAS, at the Election, there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum aggregate principal amount of \$750,000,000 to finance the projects described in the proposition (“**Measure G**”) payable from the levy of an *ad valorem* property tax against the taxable property in the District (the “**Authorization**”); and

WHEREAS, in 2017, the Board of Education of the District (the “**Governing Board**”) approved the first issuance pursuant to the Authorization of \$208,000,000 aggregate initial principal amount of the District’s General Obligation Bonds, Election of 2016, Series 2017A; and

WHEREAS, in 2020, the Governing Board approved the second issuance pursuant to the Authorization of \$258,000,000 aggregate initial principal amount of the District’s General Obligation Bonds, Election of 2016, Series 2020B; and

WHEREAS, in 2022, the Governing Board approved the third issuance pursuant to the Authorization of \$140,499,866.75 aggregate initial principal amount of the District’s General Obligation Bonds, Election of 2016, Series 2022C; and

WHEREAS, pursuant to the Authorization, the Governing Board has now determined that the District has a requirement for the construction, improvement, furnishing and equipping of certain of its public facilities, as provided for in the Authorization (the “**Project**”) and desires to issue its General Obligation Bonds, Election of 2016, Series 2024D in an aggregate principal amount not to exceed \$143,500,133.25 (the “**Bonds**”), in one or more series or tranches on a federally taxable or tax-exempt basis and any combination of current interest bonds or capital appreciation bonds; and

WHEREAS, this Governing Board has determined that it is desirable to sell the Bonds pursuant to a negotiated sale to Stifel, Nicolaus & Company, Incorporated, as underwriter of the Bonds (the “**Underwriter**”) pursuant to a Contract of Purchase (as defined herein), a form of which has been submitted to this meeting of the Governing Board and is on file with the Clerk of the Governing Board (the “**Clerk**”); and

WHEREAS, a form of the preliminary official statement (the “**Preliminary Official Statement**”) relating to the Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

WHEREAS, a form of continuing disclosure undertaking (the “**Continuing Disclosure Undertaking**”), attached as Appendix D to the Preliminary Official Statement, has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

WHEREAS, this Governing Board desires that the County should levy and collect an *ad valorem* property tax on all taxable property within the District sufficient to provide for payment of the Bonds (with certain property subject to limitations), and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller/Treasurer-Tax Collector of the County (the “**Auditor-Controller**” or “**Treasurer**” as applicable) 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 tax and payment of the Bonds; and

WHEREAS, this Governing Board recognizes that California Senate Bill No. 222 (Chapter 78, Statutes of 2015) (“**SB 222**”) as codified in Section 15251 of the California Education Code (the “**Education Code**”) and commencing with Section 53515 of the California Government Code (the “**Government Code**”), provides that general obligation bonds of the District shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of taxes levied to pay the bonds, when collected by the County, to secure repayment of bonds, effective January 1, 2016; and

WHEREAS, the pledge of tax revenues and grant of a lien thereon and security interest therein included in this Resolution to secure payment of the G.O. Bonds (as defined herein) is intended to be a consensual security agreement with the registered owners of the G.O. Bonds separate and apart from, and in addition to, any statutory lien on such revenues to which they are entitled; and

WHEREAS, Assembly Bill 182 (Chapter 477 of the 2013-2014 Session of the California Legislature) (“**AB 182**”) requires an analysis and comparison of any capital appreciation bonds that are proposed to be issued and a report meeting such requirements and the other requirements of AB 182, including disclosing the financing term and time of maturity of the Bonds, repayment ratio, and the estimated change in the assessed value of taxable property within the District over the term of the Bonds, has been presented to this Board and this Board confirms the reason for the issuance of capital appreciation bonds is to manage its tax levy restrictions under the provisions of Proposition 39, codified at Section 15270(a) of the Education Code and create a more level overall debt program; and

WHEREAS, Section 15146 of the Education Code further requires that this Board be presented with an analysis containing the total overall cost of any capital appreciation bonds that are proposed to be issued to the overall cost of current interest bonds, and the reason bonds that allow for the compounding of interest are being recommended, and this Board has been presented with such analysis; and

WHEREAS, in compliance with AB 182 the Municipal Securities Rulemaking Board Rule G-17 submissions of the Underwriter will be received by this Board prior to the sale of the Bonds; and

WHEREAS, in compliance with AB 182 this resolution was submitted at two consecutive meetings of this Governing Board; and

WHEREAS, Senate Bill 1029 (“**SB1029**”) was signed by the California Governor on September 12, 2016 and places additional responsibilities on any issuer of public debt, including adopting debt management policies that meet certain criteria; and

WHEREAS, the District represents that it will be in compliance with SB1029 pre-issuance requirements, the Bonds will be issued in compliance with the District’s debt management policy, and the District will comply with all post-issuance requirements of SB1029; and

WHEREAS, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“**SB 450**”) requires that the Governing Board 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 SB 450, the Governing Board has obtained from the Underwriter the required good faith estimates and such estimates are disclosed and set forth in Section 23 hereof; and

WHEREAS, all acts, conditions and other matters required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of the Bonds, is within all limits prescribed by law;

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Education of the Chino Valley Unified School District as follows:

SECTION 1. Definitions. Capitalized terms used but not defined herein shall have the meanings set forth in the Recitals hereto. Additionally, the following terms shall for all purposes of this Resolution have the following meanings:

“Accretion Rate” means, with respect to Capital Appreciation Bonds, the interest rate at which interest accrues and compounds thereon.

“Accreted Value” means an amount equal to the principal amount of a Capital Appreciation Bond plus interest accrued thereon from the date of issuance, such interest to accrue at the specified rate for such Bond maturity on the basis of a 360-day year comprised of 30-day months, and such

interest to compound, commencing on the first Interest Payment Date after issuance, and semi-annually thereafter on the Interest Payment Dates in each year. Accreted Value on any date other than an Interest Payment Date is equal to the ratable portion of the difference between the Accreted Value computed as of the immediately preceding Interest Payment Date and the Accreted Value computed as of the immediately succeeding Interest Payment Date, calculated based on the assumption that the Accreted Value increases during any period in equal daily amounts along a straight-line interpolation between Interest Payment Dates.

“Authorized Investments” shall mean legal investments authorized by Section 53601 of the Government Code.

“Authorized Officer” and “Authorized Officers” has the meaning provided in Section 6 herein.

“Authorizing Law” shall mean, collectively, (i) Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, as amended; (ii) applicable provisions of the Education Code, as amended; and (iii) Article XIII A of the California Constitution.

“Board of Supervisors” shall mean the Board of Supervisors of the County.

“Bond Counsel” shall mean Norton Rose Fulbright US LLP.

“Bond Register” shall mean the books referred to in Section 16 of this Resolution.

“Building Fund” shall mean the Chino Valley Unified School District, Election of 2016, Series 2024D Building Fund funded with the proceeds of the Bonds, and any subaccounts established therein, established at the direction of the District and administered by the Treasurer.

“Business Day” shall mean a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

“Capital Appreciation Bonds” means the Bonds which are designated as such in the Contract of Purchase, the interest on which is compounded semiannually on each Compounding Date and is payable in full at maturity as shown in the table of Accreted Value for the Capital Appreciation Bonds.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Common Issue Bonds” means the Tax-Exempt Bonds and any other tax-exempt obligations sold within 15 days of the Tax-Exempt Bonds that are part of the same issue as the Tax-Exempt Bonds pursuant to section 1.150-1(c) of the Regulations.

“Compounding Date” means, with respect to any Capital Appreciation Bond, each February 1 and August 1, commencing on the date set forth in the Contract of Purchase, to and including the date of maturity or redemption of such Capital Appreciation Bond.

“Contract of Purchase” shall mean the Purchase Contract by and between the District and the Underwriter relating to the Bonds.

“Costs of Issuance” shall mean all of the authorized costs of issuing the Bonds as described in the Authorizing Law, including but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and the Preliminary Official Statement and the Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; underwriter’s fees; rating agency fees and related costs; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the financing, including the fees and expenses of Bond Counsel and Disclosure Counsel; the fees and expenses of the Paying Agent; the fees and expenses of the Municipal Advisor; fees for credit enhancement (if any) relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds, to the extent such fees and expenses are approved by the District. If it appears in the best interests of the District to acquire credit enhancement to secure the payment of all or a portion of the principal and interest with respect to the Bonds, or obtain a legal opinion addressed to the rating agency(ies) from Bond Counsel or special revenue opinion counsel which is necessary to obtain a rating that provides for a lower cost of funds to the District, then an Authorized Officer may so provide in the Contract of Purchase.

“County Office of Education” shall mean the Office of Education of the County and such other persons as may be designated by the County Office of Education to perform any operational and disbursement functions hereunder.

“Current Interest Bonds” means the Bonds which are designated as such in the Contract of Purchase, the interest on which is payable semiannually on each Interest Payment Date specified for each such Bond as designated and maturing in the years and in the amounts set forth in the Contract of Purchase.

“Date of Delivery” shall mean the date on which the Underwriter purchase the Bonds.

“Debt Service” shall have the meaning given to that term in Section 18 of this Resolution.

“Debt Service Fund” shall mean the Debt Service Fund established pursuant to Section 18 of this Resolution.

“Denominational Amount” means, with respect to any Capital Appreciation Bonds, the initial purchase price (exclusive of any premium) of such Capital Appreciation Bond.

“Depository” shall mean DTC and its successors and assigns or if (a) the then-acting Depository resigns from its functions as securities depository for the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository which agrees to follow procedures required to be followed by a securities depository in connection with the Bonds.

“Disclosure Counsel” shall mean Norton Rose Fulbright US LLP, in its capacity as disclosure counsel to the District with respect to the Bonds.

“DTC” shall mean The Depository Trust Company, and its successors and assigns.

“EMMA” shall mean the Electronic Municipal Market Access website of the MSRB, currently located at <http://emma.msrb.org>.

“Fiscal Year” shall mean the twelve-month period commencing on July 1 of each year and ending on the following June 30 or any other fiscal year selected by the District.

“G.O. Bonds” shall mean all general obligation bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including Measure G and Measure M.

“Information Services” shall mean EMMA and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as the District may designate in a certificate of the District delivered to the Paying Agent.

“Interest Payment Date” shall mean February 1 and August 1 in each year, commencing on August 1, 2024, or as otherwise specified in the Contract of Purchase.

“Maturity Value” means, with respect to any Capital Appreciation Bond, the Accreted Value of such Capital Appreciation Bond to be paid at maturity.

“Measure G” shall mean the general obligation bond proposition approved by more than 55% of District voters on November 8, 2016 authorizing the issuance of an aggregate principal amount of \$750,000,000 in general obligation bonds to finance the projects described in the proposition, payable from *ad valorem* property taxes.

“Measure M” shall mean the general obligation bond proposition approved by more than 55% of District voters on March 5, 2002 authorizing the issuance of an aggregate principal amount of \$150,000,000 in general obligation bonds to finance the projects described in the proposition, payable from *ad valorem* property taxes.

“Moody’s” shall mean Moody’s Investors Service, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive the reports described in the Continuing Disclosure Undertaking. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through EMMA.

“Municipal Advisor” shall mean Keygent LLC, as Municipal Advisor to the District.

“Nominee” shall mean the nominee of the Depository which may be the Depository, as determined from time to time by the Depository.

“Official Statement” shall mean the final official statement of the District describing the Bonds.

“Outstanding” when used with reference to the Bonds, shall mean, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (i) Bonds canceled at or prior to such date;
- (ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 14 hereof; and
- (iii) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 42 of this Resolution.

“Owner” shall mean the registered owner, as indicated in the Bond Register, of any Bond.

“Participant” shall mean a member of or participant in the Depository.

“Paying Agent” shall mean the paying agent designated pursuant to Section 31 hereof.

“Pledged Moneys” shall have the meaning given to that term in Section 19 of this Resolution.

“Principal” or “Principal Amount” shall mean, as of any date of calculation, with respect to any Bond, the principal amount thereof.

“Project” shall mean the capital improvements further described in Section 7 of this Resolution and delineated in the ballot presented to and approved by the voters of the District at the Election.

“Project Costs” shall mean all of the expenses of and incidental to the construction, acquisition, equipping or furnishing of the Project to be funded with the proceeds of the Bonds.

“Rebate Fund” shall mean the Rebate Fund established pursuant to Section 20 of this Resolution.

“Record Date” shall mean the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date.

“Regulations” shall mean the regulations of the United States Department of the Treasury proposed or promulgated under Sections 103 and 141 through 150 of the Code which by their terms are effective with respect to the Bonds and similar Treasury Regulations to the extent not inconsistent with Sections 103 and 141 through 150 of the Code, including regulations promulgated under Section 103 of the Internal Revenue Code of 1954, as amended.

“S&P” shall mean S&P Global Ratings, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the

term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“Securities Depositories” shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, (212) 855-3215, and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a certificate delivered to the Paying Agent.

“Superintendent” shall mean the Superintendent of the District.

“Supplemental Resolution” shall mean any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Section 39 or Section 40 hereof.

“Tax Certificate” means the Tax Certificate delivered by the District on the Date of Delivery.

“Taxable Bonds” means those Bonds, which by their terms, bear interest that is not excluded from gross income for purposes of Federal income taxation.

“Tax-Exempt Bonds” means any Bonds designated by an Authorized Officer of the District to be Tax-Exempt Bonds, which by the terms of such Bonds, bear interest that is excluded from gross income for purposes of Federal income taxation.

“Term Bond” shall mean any Bond which, by its terms, has a single maturity but is subject to mandatory sinking fund redemption prior to the date of such maturity.

SECTION 2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and vice versa. Except where the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

SECTION 3. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Authorizing Law.

SECTION 4. Resolution to Constitute Consensual Agreement. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a consensual agreement among the District and the Owners from time to time of the Bonds; and the pledge made and lien and security interest granted in this Resolution shall be for the equal benefit, protection and security of the registered owners of any and all of the G.O. Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the G.O. Bonds over any other thereof.

SECTION 5. Approval of Documents; Determination of Method of Sale and Terms of Bonds.

(a) The Authorized Officers, in consultation with Bond Counsel, the Municipal Advisor, the Underwriter and the other officers of the District are, and each of them acting alone is, hereby authorized and directed to issue and deliver the Bonds and to establish the initial aggregate principal amount thereof; *provided, however*, that such aggregate principal amount of the Bonds shall not exceed \$143,500,133.25.

(b) The form of the Contract of Purchase is hereby approved. The Authorized Officers are, and each of them acting alone is, authorized and directed to execute and deliver the Contract of Purchase to the Underwriter for and in the name and on behalf of the District, with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District including, without limitation (i) such changes as are necessary to reflect the final terms of the Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be conclusively evidenced by such Authorized Officer's execution thereof and (ii) any other documents required to be executed thereunder. The Authorized Officers are, and each of them acting alone is, hereby authorized to negotiate with the Underwriter the terms, maturities, interest rates and series of the Bonds and the purchase price of the Bonds to be paid by the Underwriter, which purchase price shall reflect an Underwriter's discount of not more than 0.45% (not including original issue discount) of the Principal Amount thereof. The interest rate on the Bonds shall not exceed the maximum allowed under law. Principal of any Current Interest Bonds shall be payable within 30 years, or as otherwise stated in the Contract of Purchase, but in no event shall the Current Interest Bonds have a maturity greater than 40 years. To the extent any of the Current Interest Bonds have a maturity greater than 30 years, the useful life of any facility financed with such bonds will equal or exceed their respective maturity. Principal of any Capital Appreciation Bonds shall be payable within 25 years. The Capital Appreciation Bonds shall have a ratio of total debt service to principal of not to exceed four to one. The Contract of Purchase shall provide that any Capital Appreciation Bond maturing more than 10 years after the Date of Delivery shall be subject to redemption prior to maturity at the option of the District, at the Accreted Value thereof, beginning no later than 10 years following the Date of Delivery.

(c) The form of the Continuing Disclosure Undertaking is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized to execute and deliver the Continuing Disclosure Undertaking on behalf of the District, with such changes therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriter. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Undertaking shall not be considered an event of default as to the Bonds and shall not be deemed to create any monetary liability on the part of the District to any other persons, including Owners of the Bonds.

(d) The form of the Preliminary Official Statement is hereby approved. This Governing Board also hereby authorizes the use and distribution by the Underwriter of: (a) the Preliminary Official Statement with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by such Authorized Officer's execution of such certificate; and (b) an Official Statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or desirable in connection with the sale of the Bonds as determined by the Authorized Officer executing the Official Statement, such determination to be conclusively evidenced by the execution and delivery of the Official Statement by such Authorized Officer; and (c) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable, such determination to be conclusively evidenced by the execution of such amendment or supplement or of a certificate as described below by such Authorized Officer. The Authorized Officers are, and each of them acting alone hereby is, authorized to approve such additions, deletions or changes to the Preliminary Official Statement and Official Statement, as are necessary or desirable to effect the purposes of this Resolution and to comply with applicable laws and to deliver copies of the Preliminary Official Statement and the Official Statement. The Authorized Officers also are, and each of them acting alone hereby is, authorized to determine whether any Preliminary Official Statement and/or Official Statement, and any amendments or supplements thereto, shall be used in connection with the sale of the Bonds. Upon approval of the Preliminary Official Statement by such Authorized Officer as evidenced by execution of a certificate substantially in the form of Exhibit B attached hereto and by this reference incorporated herein, with such changes as may be necessary or desirable, the Preliminary Official Statement shall be deemed final as of its date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

(e) This Governing Board also hereby authorizes the preparation of a paying agent agreement in connection with the Bonds, in such form as shall be determined by an Authorized Officer, such determination to be conclusively evidenced by the execution and delivery of the paying agent agreement by such Authorized Officer.

SECTION 6. Authorization of Officers. The officers of the District, including but not limited to the Superintendent, the Associate Superintendent of Business Services, the Assistant Superintendent of Facilities, Planning and Operations of the District, and their authorized designees or representatives (each, an "**Authorized Officer**" and together, the "**Authorized Officers**") are, and each of them acting alone is, hereby authorized to execute any and all certifications and documents and do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purposes.

SECTION 7. Use of Bond Proceeds. The proceeds of the Bonds shall be applied to: (a) finance the acquisition, construction, furnishing and equipping of District facilities for some or all of the Projects authorized at the Election, the bond proposition and project list approved at which shall be incorporated herein by this reference as though fully set forth in this Resolution; (b) pay capitalized interest of the Bonds, if so elected by the District's Authorized Officer; and (c) pay Costs of Issuance of the Bonds.

SECTION 8. Designation and Form; Payment.

(a) An issue of Bonds in one or more series entitled to the benefit, protection and security of this Resolution is hereby authorized. Such Bonds shall be general obligations of the District, payable as to Principal of and premium, if any, and interest from *ad valorem* property taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated the “Chino Valley Unified School District General Obligation Bonds, Election of 2016, Series 2024D” with such insertions as shall be appropriate to describe the series, federally taxable or tax-exempt status, and/or tranches. The Bonds may be issued as Current Interest Bonds and/or Capital Appreciation Bonds. The aggregate principal amount of the Bonds shall not exceed \$143,500,133.25. The Bonds may be issued as serial bonds or term bonds and shall be subject to redemption as set forth in the Contract of Purchase, subject to the provisions of this Resolution. The Authorized Officers are, and each of them acting alone is, hereby authorized, upon consultation with the Municipal Advisor, the Underwriter and Bond Counsel, to determine whether the interest on the Bonds, or on any series of Bonds, shall be subject to federal income taxes or exempt from federal income taxes.

(b) The form of the Capital Appreciation Bonds and the Current Interest Bonds shall conform substantially with the standard form of registered school district general obligation bonds, copies of which are attached hereto as Exhibit A-1 and Exhibit A-2 hereto, respectively, and incorporated herein by this reference, with such changes as are necessary to reflect the final terms of the Bonds.

(c) The Principal of and premium, if any, and interest on any Bond are payable in lawful money of the United States of America. Principal of the Bonds and premium, if any, is payable upon surrender thereof at maturity or earlier redemption at the office designated by the Paying Agent.

SECTION 9. Description of the Bonds.

(a) Terms of Current Interest Bonds. The Bonds shall be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof and shall be dated and shall mature on the dates, in the years and in the Principal Amounts, and interest shall be computed at the rates, set forth in the Contract of Purchase.

Interest on each Bond shall accrue from its dated date as set forth in the Contract of Purchase. Interest on Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof appearing on the Bond Register as of the close of business on the Record Date. Interest on each Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest thereon shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event interest shall be payable from its dated date; *provided, however*, that if at the time of registration of any Bond, interest thereon is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Bonds will be

made on each Interest Payment Date by wire transfer to the Owner thereof appearing on the Bond Register on the Record Date, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; *provided, however*, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

(b) Terms of Capital Appreciation Bonds. The Capital Appreciation Bonds will be issued in fully registered form without coupons in denominations of \$5,000 in Maturity Values or any integral multiple thereof (except that one Capital Appreciation Bond may be issued in a denomination the Maturity Value of which is not an integral multiple of \$5,000), maturing on August 1 in each of the years and in the maturity amounts as will be determined upon the sale thereof. Interest on the Capital Appreciation Bonds compounds on each Compounding Date at the respective Accretion Rates to be determined upon the sale thereof, and is payable solely at maturity or upon earlier redemption thereof as hereinafter provided.

Each Capital Appreciation Bond will be dated as of the Date of Delivery. The Accreted Value of the Capital Appreciation Bonds and any redemption premium thereon will be payable solely at maturity or earlier redemption thereof to the Owners thereof upon presentation and surrender thereof at the Office of the Paying Agent. The Accreted Value of the Capital Appreciation Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the Office of the Paying Agent.

SECTION 10. Federal Tax Covenants. This Section 10 shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“*Bonds*” means the Bonds, and any other tax-exempt obligations sold within 15 days of the Bonds that are part of the same issue pursuant to Section 1.150-1(c) of the Regulations.

“*Closing Date*” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“*Investment*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of

(i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(ii) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The District shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Tax-Exempt Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the District receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Tax-Exempt Bond, the District shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the District shall at all times prior to the last stated maturity of the Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the District or

interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the District shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take or pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the District shall not at any time prior to the final stated maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the District shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The District shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038 G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The District shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the District may commingle Gross Proceeds of the Bonds with other money of the District, provided that the District separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the District shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The District shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the initial purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the District shall pay to the United States out of the Rebate Fund, its general fund, or other appropriate fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (A) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (B) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The District shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148 3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the District shall not, at any time prior to the earlier of the stated maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The District hereby directs and authorizes the Superintendent of the District, the Associate Superintendent of Business Services of the District, either or any combination of them or their respective designees, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds.

(i) At the time the original bonds refunded by the Bonds were issued, the District reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued.

(ii) Not more than 50% of the proceeds of the original bonds refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) 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 the Bonds issued as tax-exempt bonds, the Treasurer may conclusively rely on such opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

SECTION 11. Reimbursement of Qualified Project Expenditures. It is the intent of the Governing Board to authorize the sale of the Bonds, in a total maximum aggregate principal amount not to exceed \$143,500,133.25 to finance the Project. The District has paid or expects to pay certain capital expenditures related to the Project (the “**Reimbursable Expenses**”) to which it desires to preserve its ability to reimburse with proceeds of the Bonds, as provided under section 1.150-2 of the Regulations. The reimbursement of the Reimbursable Expenses is consistent with the District’s budgetary and financial circumstances. The District reasonably expects to reimburse capital expenditures with respect to the Project with proceeds of the Bonds, and this resolution shall constitute a declaration of official intent under the Regulations. The District recognizes that reimbursement allocations to which section 1.150-2 of the Regulations applies by reason of this Resolution generally include only reimbursements of payments originally for capital expenditures made no earlier than 60 days prior to the date of adoption of this Resolution.

SECTION 12. Book-Entry System.

(a) The Bonds shall be initially issued in the form of a separate single fully registered Bond for each maturity of the Bonds.

Upon initial issuance, the ownership of each such global Bond shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Bond shall bear a legend describing restrictions on transfer, as may be prescribed by the Depository.

With respect to Bonds registered in the Bond Register in the name of the Nominee, the District shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the District shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any Redemption Notice (as defined in Section 28 below), (iii) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part, or (iv) the payment to any Participant, beneficial owner or any other person, other than the Depository, of any amount with respect to Principal of, premium, if any, and interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment of

Principal of, premium, if any, and interest on such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all Principal of, premium, if any, and interest on the Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of Principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of Principal of, premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to the Paying Agent and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions hereof with respect to Record Dates, the word Nominee in this Resolution shall refer to such new nominee of the Depository.

(b) In order to qualify the Bonds for the Depository's book-entry system, the District is hereby authorized to execute and deliver or shall have executed and delivered to the Depository a letter from the District representing such matters as shall be necessary to so qualify the Bonds (the "**Representation Letter**"). The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a) hereof or in any other way impose upon the District any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the Owners, as shown in the Bond Register. In addition to the execution and delivery of the Representation Letter, the District and its Authorized Officers are hereby authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

(c) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the District within 90 days after the District receives notice or becomes aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall cause the issuance of certificated securities representing the Bonds as provided below. In addition, the District may determine at any time that the Bonds shall no longer be lodged with a Depository and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event the District shall cause the execution and delivery of certificated securities representing the Bonds as provided below. Bonds issued in exchange for global Bonds pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall cause delivery of such certificated securities representing the Bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully registered global Bond for each of the maturities of the Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal Amount of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

(e) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

SECTION 13. Execution of the Bonds.

(a) The Bonds shall be executed in the manner required by the Authorizing Law. In case any one or more of the Authorized Officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the Authorized Officers who signed such Bonds had not ceased to hold such offices. Any of the Bonds may be signed on behalf of the District by such persons as at the time of the execution of such Bonds shall be duly authorized to hold or shall hold the proper offices in the District, although at the date borne by the Bonds such persons may not have been so authorized or have held such offices.

(b) The Bonds shall bear thereon a certificate of authentication executed manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication duly executed by the Paying Agent shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying Agent. Such certificate of the Paying Agent upon any Bond shall be conclusive evidence that the Bond so authorized has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

SECTION 14. Transfer and Exchange. The registration of any Bond may be transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond shall be endorsed or accompanied by delivery of the written instrument of transfer shown in Exhibit A hereto, duly executed by the Owner or such Owner's duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like tenor, series and maturity in the same Principal Amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether the Principal of and premium, if any, or interest on such Bond shall be overdue or not, for the purpose of receiving payment of Principal of and premium, if any, and interest on such Bond and for all other purposes, and any such payments so made to any such Owner or upon such Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like series, tenor and maturity of other authorized denominations. All Bonds surrendered in any such exchange shall thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and 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.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

SECTION 15. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like date, interest rate, maturity, Principal Amount and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like date, interest rate, maturity, Principal Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

SECTION 16. Bond Register. The Paying Agent shall keep or cause to be kept at its office sufficient books for the registration and registration of transfer of the Bonds. Upon presentation for registration of transfer, the Paying Agent shall, as above provided and under such reasonable regulations as it may prescribe subject to the provisions hereof, register or register the transfer of the Bonds, or cause the same to be registered or cause the registration of the same to be transferred, on such books. While the Bonds are held in the book-entry system, the Paying Agent is not required to keep a separate Bond Register.

SECTION 17. Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption price with

respect to such Bonds shall have become due and payable shall be transferred to the general fund of the District (the “**General Fund**”); *provided, however*, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining will be transferred to the General Fund. Thereafter, the Owners of such Bonds shall look only to the General Fund for payment of such Bonds.

SECTION 18. Application of Proceeds.

(a) Upon the sale of the Bonds and at the further written instruction of an Authorized Officer, the Treasurer is hereby directed to deposit the designated net proceeds thereof, exclusive of accrued interest and any original issue premium, into the Building Fund and the subaccounts established therein, if any. The District shall, from time to time, disburse or cause to be disbursed amounts from the Building Fund to pay the Project Costs. Amounts in the Building Fund shall be invested so as to be available for the aforementioned disbursements. The District shall keep a written record of disbursements from the Building Fund, as required by State law and the Code. Any amounts that remain in a Building Fund following the completion of the Project shall be transferred to the Debt Service Fund to be used to pay the principal of, and premium, if any, and interest on the G.O. Bonds, subject to any conditions set forth in the Tax Certificate and Section 10 of this Resolution.

(b) Accrued interest, if any, and except as shall otherwise be directed by the District in accordance with applicable law, any original issue premium received by the District from the sale of the Bonds, shall be kept separate and apart in separate funds hereby created and established within the interest and sinking fund of the District to be designated as the “Chino Valley Unified School District, Election of 2016, Series 2024D Debt Service Fund” (collectively with the interest and sinking fund of the District, the “**Debt Service Fund**”). Amounts in the Debt Service Fund may be used only for payment of principal of, premium, if any, and interest on the G.O. Bonds. The Treasurer is directed to create any accounts and subaccounts in the Debt Service Fund as provided in the Tax Certificate and Section 10 of this Resolution. Proceeds of the G.O. Bonds (and earnings from the investment thereof) deposited to the Debt Service Fund and available to pay Debt Service, and earnings from the investment of monies held in the Debt Service Fund, shall be used for the payment of the Principal of and interest on the Bonds before any other Pledged Moneys.

(c) All Pledged Taxes (defined below) shall be deposited upon collection by the County into the Debt Service Fund for the G.O. Bonds and used for the payment of the principal of, premium, if any, Accreted Value and interest on the G.O. Bonds.

(d) On or before the Business Day immediately preceding each Interest Payment Date, the District shall transfer, or cause to be transferred, from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest on the Bonds coming due (collectively, “**Debt Service**”) on such payment date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service.

(e) The District shall cause moneys to be transferred to the Rebate Fund to the extent needed to comply with the Tax Certificate and Section 10 of this Resolution. Any amounts on deposit in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to the General Fund of the District, subject to any conditions set forth in the Tax Certificate and Section 10 of this Resolution.

(f) Certain proceeds of the Bonds may be applied to pay Costs of Issuance as provided in Section 21 below.

(g) Except as required to satisfy the requirements of Section 148(f) of the Code or to comply with the provisions of the Tax Certificate and Section 10 of this Resolution, earnings from the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay the Principal of and interest on the Bonds when due.

SECTION 19. Payment of and Security for the Bonds.

(a) There shall be levied by the County on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Bonds are Outstanding in an amount sufficient, together with moneys on deposit in the Debt Service Fund and available for such purpose, to pay the principal of, premium, if any, and interest on the Bonds as it becomes due and payable, which taxes (the “**Pledged Taxes**”), when collected by the County, shall be placed in the Debt Service Fund of the District.

(b) The District hereby irrevocably pledges and grants a security interest in and lien on all of the Pledged Taxes, all revenues from the *ad valorem* property taxes collected from the levy by the County Board of Supervisors for the payment of the G.O. Bonds, all penalties and interest at any time collected with respect to the Pledged Taxes, and all proceeds derived from any of the foregoing, including all monies, securities or other funds held in or required hereby to be deposited into the Debt Service Fund from time to time (collectively, the “**Pledged Moneys**”), to the payment of the principal of and interest on the G.O. Bonds. This pledge and grant of a security interest and lien shall be valid and binding from the date hereof for the benefit of the registered owners of the G.O. Bonds and successors thereto. The Pledged Moneys shall immediately be subject to the pledge, security interest and lien created hereby, which shall immediately attach to the Pledged Moneys as the District acquires any interest therein, 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, security interest or lien, and without the need of any physical delivery, recordation, filing, or further act. The *ad valorem* property tax levy may include an allowance for a reasonably required reserve in accordance with the Tax Certificate, established for the purpose of ensuring that the tax or assessment actually collected is sufficient to pay the annual debt service requirements on the G.O. Bonds due in such year. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* property tax in accordance with this Section, Section 15140 *et seq.* of the Education Code and Section 53506 *et seq.* of the Government Code. “G.O. Bonds” for purpose of this pledge contained herein means all general obligation bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including Measure G and Measure M, as all such general obligation bonds are required by State law to be paid from the Debt Service Fund.

(c) This pledge and grant of a consensual lien and security interest is an agreement between the District and the registered owners of the G.O. Bonds to provide security for the G.O. Bonds in addition to any statutory lien that may exist, and the G.O. Bonds and each of the other bonds secured by such pledge and grant of a lien and security interest are, will be, or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

SECTION 20. Establishment and Application of Rebate Fund. There is hereby established in trust a special fund designated “Chino Valley Unified School District General Obligation Bonds 2024 Rebate Fund” (the “**Rebate Fund**”) which shall be held by the Treasurer for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys to the Rebate Fund in accordance with the provisions of the Tax Certificate and Section 10 of this Resolution. Amounts on deposit in the Rebate Fund shall only be applied to payments made to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Tax Certificate and Section 10(h) of this Resolution.

SECTION 21. Payment of Costs of Issuance. The costs of issuance of the Bonds and compensation paid to the Underwriter are hereby authorized to be paid either from premium withheld by the Underwriter upon the sale of the Bonds, or from the Principal Amount of the Bonds received by the Underwriter. To the extent costs of issuance are paid from such Principal Amount, the District may direct that a portion thereof, in an amount not to exceed 2.0% of such Principal Amount, in lieu of being deposited in the Building Fund, be deposited in a costs of issuance fund to be held by a paying agent, fiscal agent or cost of issuance custodian (the “**Paying Agent**”) of the District appointed for such purpose. Such premium or proceeds of the sale of the Bonds designated to pay all or a portion of certain costs of issuing the Bonds shall be deposited in the fund of the District known as the “Chino Valley Unified School District 2024 General Obligation Bonds Costs of Issuance Fund” (the “**Costs of Issuance Fund**”), and those proceeds shall be used solely for the purpose of paying Costs of Issuance of the Bonds. Any amounts remaining in the Costs of Issuance Fund following the earlier of the day which is 180 days following the Date of Delivery or the day on which the Paying Agent pays the final invoice for Costs of Issuance, as directed by the District, shall be transferred by the Paying Agent to the County for deposit in the Building Fund, or Debt Service Fund, as appropriate.

SECTION 22. Negotiated Sale/Method of Sale. The Bonds shall be sold by negotiated sale to the Underwriter inasmuch as: (i) such a sale will allow the District to (A) integrate the sale of the Bonds with its other outstanding general obligation bonds and other public financings undertaken, or to be undertaken, by the District in order to fund its public education facilities and (B) manage its tax levy restrictions under the provisions of Proposition 39, codified at Section 15270(a) of the Education Code; (ii) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) such a sale will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for the favorable sale of the Bonds to such market and resulting in lower tax levies against the taxpayers of the District.

SECTION 23. Engagement of Consultants; Good Faith Estimates.

(a) In accordance with Section 15146(b)(1)(C) of the Education Code, Keygent LLC, has been selected as the Municipal Advisor to the District, Norton Rose Fulbright US LLP has been selected as the District's Bond Counsel and Disclosure Counsel and Stifel, Nicolaus & Company, Incorporated has been selected to act as the Underwriter with respect to the authorization, sale and issuance of the Bonds.

(b) In accordance with SB 450 and subsection (b) of Section 15146 of the Education Code and based on a good faith estimate received by the District from the Underwriter, the District finds that (i) the true interest cost of the Bonds (as defined in Government Code Section 5852.1(a)(1)(A)) is expected to be approximately 3.670%, (ii) the total finance charge of the Bonds (as defined in Government Code Section 5852.1(a)(1)(B)) is expected to be \$1,145,737.42, which includes estimated underwriter's discount, (iii) the total proceeds expected to be received by the District from the sale of the Bonds, less the total finance charge of the Bonds, is \$142,351,467.68 and (iv) the District estimates that the total payment amount (as defined in Government Code Section 5852.1(a)(1)(D)), calculated to the final maturity of the Bonds, will be \$290,819,264.74. The information presented in this section is included in satisfaction of Government Code Section 5852.1, and shall not abrogate or otherwise limit any other provision of this Resolution. The estimated Costs of Issuance associated with the sale of the Series 2024D Bonds are approximately \$500,000.00, which includes Bond Counsel and Disclosure Counsel fees, costs of printing the Preliminary Official Statement and Official Statement, rating agency fees, Municipal Advisor fees and expenses, Paying Agent fees and other related costs. Such estimated Costs of Issuance do not include the Underwriter's discount or the premium for bond insurance, if any.

(c) If it appears in the best interests of the District to acquire credit enhancement to secure the payment of all or a portion of the principal and interest with respect to the Bonds, or obtain a legal opinion addressed to the rating agency(ies) from Bond Counsel or special revenue opinion counsel which is necessary to obtain a rating that provides for a lower cost of funds to the District, then an Authorized Officer may so provide in the Contract of Purchase.

SECTION 24. Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the Treasurer, the County Office of Education, or the Paying Agent, the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

SECTION 25. Request for Necessary County Actions. 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 an *ad valorem* property tax on all taxable property of the District sufficient to provide for payment of all principal of, redemption premium, if any, and interest on the Bonds as the same shall become due and payable as necessary for the payment of the Bonds, and the Clerk of the Governing Board is hereby authorized and directed to deliver certified copies of this Resolution to the Registrar-Recorder/County Clerk of the Board of Supervisors of the County, the Auditor-Controller of the County, and the Treasurer. The Governing Board hereby agrees to reimburse the County for any costs associated with the levy and collection of said *ad valorem* property tax, upon such documentation of said costs as the District shall reasonably request.

SECTION 26. Redemption. The Bonds shall be subject to redemption as provided in the Contract of Purchase.

SECTION 27. Selection of Bonds for Redemption.

(a) Whenever provision is made in this Resolution or in the Contract of Purchase for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given as provided herein, shall select Bonds for redemption in the manner directed by the District.

(b) With respect to any Bonds, the Paying Agent shall select such Bonds for redemption as directed by the District, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. Within a maturity, the Paying Agent will select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; *provided, however*, that the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

(c) In the event that a Term Bond is optionally redeemed, the Principal amount of each remaining sinking fund payment with respect to such Term Bond will be reduced as directed by the District in the aggregate amount equal to the amount so redeemed.

SECTION 28. Notice of Redemption. When redemption is authorized or required pursuant to this Resolution or the Contract of Purchase, the Paying Agent, upon written instruction from the District, shall give notice (each, a “**Redemption Notice**”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state (i) that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and (ii) that from and after such date, interest with respect thereto shall cease to accrue and be payable.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first-class mail, postage prepaid, at their addresses appearing on the Bond Register and to the MSRB.

(b) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first-class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories and the MSRB.

(c) Such redemption notice shall be given to such other persons as may be required by the Continuing Disclosure Undertaking.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

A Redemption Notice given hereunder may be conditioned upon the satisfaction of certain conditions and/or the receipt of sufficient moneys to pay the redemption price of the designated Bonds and may be rescinded by the District at any time prior to the scheduled date of redemption by so notifying the Paying Agent (who shall provide notice to the Owners of affected Bonds and the Information Services) in the event such conditions are not met and are not expected to be met and/or such funds are not received or are not expected to be received. A Redemption Notice may be rescinded by written notice given to the Paying Agent by the District and the Paying Agent shall provide notice of such rescission as soon thereafter as practicable in the same manner, and to the same recipients, as notice of such redemption was given, but in no event later than the date set for redemption.

SECTION 29. Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Principal Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

SECTION 30. Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside in the Debt Service Fund or deposited with a duly appointed escrow agent, in trust, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in this Resolution and the Contract of Purchase, together with interest to such redemption date, shall be held by the Paying Agent or deposited with a duly appointed escrow agent, in trust, so as to be available therefor on such redemption date, and any conditions to such redemption described in the Redemption Notice shall be met, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Resolution and the Contract of Purchase shall be cancelled upon surrender thereof and delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

SECTION 31. Paying Agent; Appointment and Acceptance of Duties.

(a) The Treasurer of the County is hereby appointed as the initial authenticating agent, bond registrar, transfer agent and paying agent, and may act through its designated agent, The Bank of New York Mellon Trust Company, N.A. (collectively, the “**Paying Agent**”). All fees and expenses incurred for services of the Paying Agent shall be the responsibility of the District and may be paid from the annual *ad valorem* property tax levy supporting the Bonds. The Paying Agent shall keep accurate records of all funds administered by it and all of the Bonds paid and discharged by it.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of principal of, premium, if any, and interest on the Bonds.

SECTION 32. Liability of Paying Agent. The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

SECTION 33. Evidence on Which Paying Agent May Act. The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

SECTION 34. Compensation. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution, all of which may, pursuant to Education Code Section 15232, be paid from the County’s annual levy of *ad valorem* property taxes.

SECTION 35. Ownership of Bonds Permitted. The Paying Agent or the Underwriter may become the Owner of any Bonds.

SECTION 36. Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The initially appointed Paying Agent may resign from service as Paying Agent at any time. Prior to such resignation, a new Paying Agent shall be appointed by the District in accordance with applicable law, which shall be the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$75,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District a written acceptance thereof. Resignation of the initial or a successor Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) Any Paying Agent appointed 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, a new Paying Agent shall be appointed in accordance with applicable law, which shall be either the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$75,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(c) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor. The District shall promptly provide notice of the name and principal corporate trust office address of the Paying Agent appointed to replace any resigned or removed Paying Agent to the Owners of the Bonds by first-class mail, postage prepaid, at their addresses appearing on the Bond Register.

SECTION 37. Investment of Certain Funds. Moneys held in all funds and accounts established hereunder shall be invested and reinvested in Authorized Investments to the fullest extent practicable as shall be necessary to provide moneys when needed for payments to be made from such funds and accounts, subject to any conditions in the Tax Certificate and Section 10 of this Resolution. All investment earnings on amounts on deposit in the Debt Service Fund shall remain on deposit in such fund.

SECTION 38. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

SECTION 39. Supplemental Resolutions with Consent of Owners. This Resolution, and the rights and obligations of the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate Principal Amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

SECTION 40. Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental

Resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms:

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

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

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

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

(e) To amend or supplement this Resolution in any other respect, *provided* such Supplemental Resolution does not, in the opinion of Bond Counsel, adversely affect the interests of the Owners.

SECTION 41. Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof from taking any action pursuant thereto.

SECTION 42. Defeasance. If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of, premium, if any, and interest on such Bonds, and when the same become due and payable;

(b) by depositing with the Paying Agent or with a duly appointed escrow agent, in an irrevocable trust, at or before maturity, cash which together with the amounts then on deposit in the Debt Service Fund (and the accounts therein other than amounts that are not available to pay Debt Service) together with the interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(c) by depositing with an institution that meets the requirements of serving as successor Paying Agent pursuant to Section 36 selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government

Series) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge such Bonds at maturity or earlier redemption thereof, for which notice has been given or provided for, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to such Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of such Bonds all sums due thereon, the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent under Section 34 hereof, and the covenants set forth in Section 10 hereof.

SECTION 43. Approval of Actions; Miscellaneous.

(a) The Authorized Officers of the District are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, statements, disclosures, notices, contracts, or other documents which they may deem necessary or advisable in order to proceed with the sale and issuance of the Bonds or otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The County, the Board of Supervisors, officers, agents, and employees shall not be responsible for any proceedings or the preparation or contents of any resolutions, certificates, statements, disclosures, notices, contracts, or other documents relating to the sale and issuance of the Bonds.

(c) The Principal or redemption price, if any, of and interest on the Bonds shall not constitute a debt or an obligation of the County, the Board of Supervisors, officers, agents, or employees, and the County, the Board of Supervisors, officers, agents, and employees thereof shall not be liable thereon. In no event shall the Principal or redemption price, if any, of and interest on any Bond be payable out of any funds or property of the County.

(d) The Clerk shall send a certified copy of this Resolution, together with the final debt service schedule for the Bonds, to the Treasurer.

SECTION 44. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Contract of Purchase, the Contract of Purchase prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Tax Certificate, the Tax Certificate prevails to the extent of the inconsistency or conflict.

SECTION 45. Application of Provisions to Capital Appreciation Bonds. Whenever in this Resolution reference is made to the payment of the principal of and interest on the Bonds, such reference includes payment of the Accreted Value and Maturity Value of the Capital Appreciation Bonds unless otherwise required by the context or by the express provisions of such reference.

SECTION 46. Effective Date. This Resolution shall take effect immediately upon its adoption.

[Remainder of Page Intentionally Left Blank.]

PASSED AND ADOPTED this 15th day of February, 2024, by the Board of Education of Chino Valley Unified School District, at Chino, California, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

**CHINO VALLEY UNIFIED SCHOOL
DISTRICT**

By: _____
President, Board of Education

Attest:

By: _____
Clerk, Board of Education

EXHIBIT A-1

FORM OF CAPITAL APPRECIATION BONDS

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D**

\$ _____ (Maturity Value) No. _____

Accretion Rate

Maturity Date

Dated Date

CUSIP

_____%

August 1, 20__

REGISTERED OWNER: CEDE & Co.

DENOMINATIONAL AMOUNT:

MATURITY VALUE:

The Chino Valley Unified School District (the “District”), a unified school district duly organized and existing under the laws of the State of California, located within the County of San Bernardino (the “County”), State of California (the “State”), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner named above, or registered assigns, the Maturity Value set forth above, on the Maturity Date set forth above. The Accreted Value (as such term is defined in the within-mentioned Resolution) of this Bond as of any date will be determined in accordance with the Table of Accreted Values set forth hereon from the Dated Date stated above, compounded semiannually on February 1 and August 1 of each year, commencing August 1, 2024 (each, a “Compounding Date”), on the basis of a 360-day year comprised of twelve 30-day months, at a rate equal to the Accretion Rate per annum set forth above. The Accreted Value hereof is payable upon presentation and surrender of this Bond at the corporate trust office of the paying agent for the Bonds (the “Paying Agent”), initially being The Bank of New York Mellon Trust Company, N.A., as agent of the Treasurer and Tax Collector of

the County, as initial paying agent. The Accreted Value hereof is payable in lawful money of the United States of America to the person in whose name this Bond is registered (the "Owner") on the Bond registration books maintained by the Paying Agent.

The Bonds are being issued in the form of Current Interest Bonds in the aggregate principal amount of \$ _____ and Capital Appreciation Bonds in the aggregate denominational amount of \$ _____ (of which this Bond is one), all subject to the terms and conditions of the Resolution of the Board of Education of the District adopted on February 15, 2024 (the "Resolution"). This Bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite vote of the electors of the District cast at a general election held on November 8, 2016 (the "Election"), upon the question of issuing bonds in the amount of \$750,000,000 and the Resolution. This Bond is issued by the District under and in accordance with the provisions of (i) Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the "Government Code"); (ii) applicable provisions of the Education Code of the State (the "Education Code"); and (iii) Article XIII A of the California Constitution (collectively, the "Act"), and pursuant to the Resolution. This Bond and the issue of which this Bond is one are payable as to both principal and interest solely from the proceeds of the levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount in accordance with Education Code Sections 15250 and 15252. Pursuant to Government Code Section 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of such *ad valorem* property taxes.

Reference is hereby made to the Resolution, a copy of which is on file at the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the Owners of the Bonds and the rights and duties of the Paying Agent and the District, to all of the provisions of which the Owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution. The Bonds were authorized by a vote of more than 55% of the qualified electors of the District voting on the proposition at a general election held therein on November 8, 2016, to determine whether such Bonds should be issued.

Reference is made to the Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner of this Bond assents, by acceptance hereof, to all of the provisions of the Resolution.

This Bond is a general obligation of the District, payable as to both principal and interest from *ad valorem* property taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the Maturity Value, or any part thereof, nor Accreted Value constitute a debt, liability or obligation of the County.

The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their maturity dates. The Bonds maturing on or after August 1, 20__ may be redeemed before maturity at the option of the District, from any source of funds, on August 1, 20__ or on any date thereafter, at a redemption price equal to the Accreted Value of such Bond as of the date fixed for redemption, without premium.

Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 of each year, commencing August 1, 20__, in the following principal amounts, at a redemption price of par, plus accrued interest to the redemption date, without premium:

<u>Mandatory Sinking Fund Payment Date</u>	<u>Mandatory Sinking Fund Payment</u>
August 1, 20__	\$
August 1, 20__	
August 1, 20__	
August 1, 20__	

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption in such order as the District may direct. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. The portion of any Bond to be redeemed in part shall be in the Maturity Value of \$5,000 or any integral multiple thereof.

This Bond is issued in fully registered form. Registration of this Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices 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 registration of transfer, a new Bond or Bonds of like tenor and maturity in the same Transfer Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of owners of at least 60% in aggregate Maturity Value of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; *provided, however*, that no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the

Accretion Rate of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which the Maturity Value and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification hereof.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, *provided* such supplemental resolution does not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the Maturity Value of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Act and that all of the proceedings of the Board of Education of the District in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Act, including the Constitution of the State, that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by said Act, and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay the Maturity Value and interest when due.

IN WITNESS WHEREOF, the Chino Valley Unified School District has caused this Bond to be executed in their official capacities by the manual or facsimile signature of the President of the Board of Education of the District and countersigned by the manual or facsimile signature of the Clerk to the Board of Education of the District as of the date stated above.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: [Form Document]
President of the Board of Education

Countersigned:

By: [Form Document]
Clerk of the Board of Education

The following Certificate of Authentication shall be printed on each Bond:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the Board of Education of the Chino Valley Unified School District.

DATED: _____, 2024

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Paying Agent

By: _____
[Form Document]
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____

Address for Payment of Interest: _____

Social Security Number or other Tax Identification No.: _____

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____, attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

Registered Owner

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature _____
guaranteed

[Bank, Trust Company or Firm]

By: _____

Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT A-2

FORM OF CURRENT INTEREST BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D**

\$ _____ No. _____

Interest Rate

Maturity Date

Dated Date

CUSIP

____%

August 1, 20__

Date of Delivery

REGISTERED OWNER: CEDE & Co.

PRINCIPAL AMOUNT:

The Chino Valley Unified School District (the "District"), a unified school district duly organized and existing under the laws of the State of California, located within the County of San Bernardino (the "County"), State of California (the "State"), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount set forth above, on the Maturity Date set forth above, together with interest thereon from the Dated Date set forth above until the Principal Amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the Interest Rate set forth above. Interest on this Bond is payable on August 1, 2024, and semiannually thereafter on the first day of February and August (each, an "Interest Payment Date") in each year to the registered owner hereof (the "Owner") from the Interest Payment Date next preceding the date on which this Bond is registered, unless it is registered after the close of business on the fifteenth calendar day of the month next preceding any Interest Payment Date (a "Record Date") and before the close of business on the immediately following Interest Payment Date, in which event it shall bear interest from such following Interest Payment Date, or unless this Bond is registered prior to the close of business on July 15, 2024, in which event it shall bear interest from its date; *provided, however*, that if at the time of registration of this Bond interest with respect

hereto is in default, interest with respect hereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. The principal amount hereof is payable at the office of The Bank of New York Mellon Trust Company, N.A., as agent of the Treasurer and Tax Collector of the County, as initial paying agent (the "Paying Agent"), in Houston, Texas. The interest hereon is payable by wire transfer to the Owner appearing on the Bond Register on the Record Date, to the account specified by the Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; *provided, however*, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent, which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

The Bonds are being issued in the form of Current Interest Bonds in the aggregate principal amount of \$_____ (of which this Bond is one) and Capital Appreciation Bonds in the aggregate denominational amount of \$_____, all subject to the terms and conditions of the Resolution. This Bond is issued by the District under and in accordance with the provisions of (i) Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State; (ii) applicable provisions of the Education Code of the State; and (iii) Article XIII A of the California Constitution (collectively, the "Act"), and pursuant to a resolution of the Board of Education of the District adopted on February 15, 2024 (the "Resolution"). Reference is hereby made to the Resolution, a copy of which is on file at the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the Owners of the Bonds and the rights and duties of the Paying Agent and the District, to all of the provisions of which the Owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution. The Bonds were authorized by a vote of more than 55% of the qualified electors of the District voting on the proposition at a general election held therein on November 8, 2016, to determine whether such Bonds should be issued.

Reference is made to the Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner of this Bond assents, by acceptance hereof, to all of the provisions of the Resolution.

This Bond is a general obligation of the District, payable as to both principal and interest from *ad valorem* property taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the principal of this Bond, or any part thereof, nor any interest or premium hereon constitute a debt, liability or obligation of the County.

The Bonds maturing on or before August 1, 20__ shall not be subject to redemption prior to their maturity dates. The Bonds maturing on or after August 1, 20__ may be redeemed before maturity at the option of the District, from any source of funds, on August 1, 20__ or on any date thereafter as a whole, or in part. For the purposes of such selection, Bonds will be deemed to consist of \$5,000 portions by principal amount, and any such portion may be separately redeemed.

Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 of each year, commencing August 1, 20__, in the following principal amounts, at a redemption price of par, plus accrued interest to the redemption date, without premium:

<u>Mandatory Sinking Fund Payment Date</u>	<u>Mandatory Sinking Fund Payment</u>
August 1, 20__	\$
August 1, 20__	
August 1, 20__	
August 1, 20__	

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption in such order as the District may direct. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. The portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

This Bond is issued in fully registered form. Registration of this Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices 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 registration of transfer, a new Bond or Bonds of like tenor and maturity in the same Transfer Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of owners of at least 60% in aggregate Principal Amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; *provided, however*, that no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which the principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification hereof.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, *provided* such supplemental resolution does not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the principal amount of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Act and that all of the proceedings of the Board of Education of the District in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Act, including the Constitution of the State, that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by said Act, and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

IN WITNESS WHEREOF, the Chino Valley Unified School District has caused this Bond to be executed in their official capacities by the manual or facsimile signature of the President of the Board of Education of the District and countersigned by the manual or facsimile signature of the Clerk to the Board of Education of the District as of the date stated above.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: [Form Document]
President of the Board of Education

Countersigned:

By: [Form Document]
Clerk of the Board of Education

The following Certificate of Authentication shall be printed on each Bond:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the Board of Education of the Chino Valley Unified School District.

DATED: _____, 2024

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Paying Agent

By: _____
[Form Document]
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____

Address for Payment of Interest: _____

Social Security Number or other Tax Identification No.: _____

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____, attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

Registered Owner

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature _____
guaranteed

[Bank, Trust Company or Firm]

By: _____

Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT B

FORM OF 15C2-12 CERTIFICATE

With respect to the proposed sale of its General Obligation Bonds, Election of 2016, Series 2024D in an aggregate principal amount of not to exceed \$143,500,133.25, the Chino Valley Unified School District (the “**District**”) has delivered to you a Preliminary Official Statement, dated as of the date hereof (the “**Preliminary Official Statement**”). The District, for purposes of compliance with Rule 15c2-12 of the Securities Exchange Commission (“**Rule 15c2-12**”), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under Rule 15c2-12.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Dated: _____, 2024

By: [Form Document]

Authorized Officer

EXHIBIT C

**DISCLOSURES REQUIRED BY EDUCATION CODE SECTIONS
15146(b)(1)(E) AND 15146(c)**

[See attached]

EXHIBIT C-1

G-17 Letter

[See attached]

PRELIMINARY OFFICIAL STATEMENT DATED AS OF [MARCH 21], 2024**NEW ISSUE—BOOK ENTRY ONLY**

RATINGS: Moody's: "___"
S&P: "___"
 (See "RATINGS" herein)

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel, under existing statutes, regulations, rulings and court decisions, and subject to the matters described in "TAX MATTERS" herein, interest on the Bonds is excluded pursuant to section 103(a) of the Internal Revenue Code of 1986 from the gross income for the owners thereof for federal income tax purposes and is not included in computing the federal alternative minimum taxable income of the owners thereof who are individuals. In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from personal income taxes of the State of California.

\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)

\$ _____
GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D

\$ _____
2024 GENERAL OBLIGATION
REFUNDING BONDS

Dated: Date of Delivery**Due: August 1, as shown on inside cover.**

The Chino Valley Unified School District (the "District") is issuing its (i) General Obligation Bonds, Election of 2016, Series 2024D (the "2024D Bonds") and (ii) 2024 General Obligation Refunding Bonds (the "Refunding Bonds"). The 2024D Bonds and the Refunding Bonds are collectively referred to as the "Bonds."

The 2024D Bonds were authorized at a bond election conducted within the District on November 8, 2016 (the "Authorization"), as more fully described herein under the caption "THE BONDS – Authority for Issuance." The proceeds of the 2024D Bonds are being applied to (i) finance the construction, acquisition, furnishing and equipping of District facilities, (ii) pay capitalized interest for the 2024D Bonds and (iii) pay certain costs of issuance associated therewith. See the caption "PLAN OF FINANCE" herein. The proceeds of the Refunding Bonds are being issued to (i) effect the current refunding of the Refunded Bonds (defined herein) issued by the District and (ii) pay certain costs of issuance associated therewith. See the captions "PLAN OF FINANCE" and "PLAN OF REFUNDING" herein.

The 2024D Bonds will be issued as current interest bonds (the "2024D Current Interest Bonds") and capital appreciation bonds (the "Capital Appreciation Bonds") and the Refunding Bonds will be issued as current interest bonds (the "Refunding Current Interest Bonds" and, together with the 2024D Current Interest Bonds, the "Current Interest Bonds").

The Bonds are dated the date of their delivery. The Bonds will mature on the dates and in the amounts and bear interest at the rates shown on the inside cover herein. Interest on the Current Interest Bonds accrues from the date of delivery of the Bonds (the "Date of Delivery"), and is payable semiannually on February 1 and August 1 of each year, commencing [August 1, 2024]. Principal of the Current Interest Bonds is due on August 1 in the years and the amounts set forth on the inside cover pages hereof. The Capital Appreciation Bonds are dated the Date of Delivery and accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing [August 1, 2024]. The Capital Appreciation Bonds are payable only at maturity (unless earlier redeemed) and will not pay interest on a current basis.

The Bonds will be issued in denominations of \$5,000 principal amount, or integral multiples thereof, and are payable as to principal amount or accreted value, interest, or redemption price at the office of The Bank of New York Mellon Trust Company, N.A., as designated paying agent bond registrar and transfer agent for the Bonds (the "Paying Agent"). The Bonds are issued in fully registered form and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Bonds as described herein under the caption "THE BONDS – Book-Entry-Only System."

The Bonds are subject to redemption prior to maturity as described herein.* See "THE BONDS – Optional Redemption" and "–Mandatory Sinking Fund Redemption" herein.

The Bonds are general obligation bonds of the District, secured and payable solely from *ad valorem* property taxes collected against taxable properties within the boundaries of the District. The Bonds are general obligations of the District only and are not obligations of the San Bernardino County (the "County"), the State of California or any of its other political subdivisions. The Board of Supervisors of the County has the power and is obligated to levy and collect *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property, which is taxable at limited rates) for the payment of the principal of, Accreted Value of, and interest on the Bonds as the same becomes due and payable.

MATURITY SCHEDULES
(On Inside Cover)

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds will be offered when, as and if issued and received by the Underwriter subject to the approval of legality by Norton Rose Fulbright US LLP, Los Angeles, Bond Counsel, and certain other conditions. Norton Rose Fulbright US LLP, Los Angeles is also acting as Disclosure Counsel for the District. Certain legal matters will be passed upon for the Underwriter by its counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California. It is anticipated that the 2024D Bonds will be available through the facilities of DTC on or about _____, 2024, and that the Refunding Bonds will be available through the facilities of DTC on or about _____, 2024.

* Preliminary; subject to change.

STIFEL

Dated: _____, 2024

MATURITY SCHEDULES*

\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS,
ELECTION OF 2016, SERIES 2024D

\$ _____ **Current Interest Serial Bonds**

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	CUSIP No.⁽¹⁾ (169583)
2024	\$	_. ____ %	_. ____ %	
2025				
2026				
2027				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041			(2)	
\$ _____ . ____ % Term Bond Maturing August 1, 20 __, Priced to Yield . ____ % ⁽²⁾ CUSIP No. ⁽¹⁾ 169583 _____				
\$ _____ . ____ % Term Bond Maturing August 1, 20 __, Priced to Yield . ____ % ⁽²⁾ CUSIP No. ⁽¹⁾ 169583 _____				

* Preliminary; subject to change.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

⁽²⁾ Yield to call at par on August 1, 20 __.

MATURITY SCHEDULES*

\$ _____^{*}
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS,
ELECTION OF 2016, SERIES 2024D

(continued)

\$ _____ Capital Appreciation Bonds

Maturity (August 1)	Denominational Amount	Accretion Rate	Yield	Maturity Value	CUSIP No.⁽¹⁾ (169583)
2028	\$	_____%	_____%	\$	
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					

* Preliminary; subject to change.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

MATURITY SCHEDULES*
(continued)

\$ _____^{*}
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
2024 GENERAL OBLIGATION REFUNDING BONDS (2014)

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	CUSIP No.⁽¹⁾ (169583)
	\$	_____%	_____%	

* Preliminary; subject to change.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

No dealer, broker, salesperson or other person has been authorized by the Chino Valley Unified School District (the "District") to provide any information or to make any representations other than as contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by this Official Statement does not constitute an offer to sell, the solicitation of an offer to buy, nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as a representation of facts.

The District maintains a website and certain social media accounts. However, the information presented therein is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. The references to internet websites in this Official Statement are shown for reference and convenience only; unless explicitly stated to the contrary, the information contained within the websites is not incorporated herein by reference and does not constitute part of this Official Statement.

The information set forth herein has been obtained from official sources which are believed to be reliable. The information and expressions of opinion 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. Although certain information set forth in this Official Statement has been provided by the San Bernardino County, the San Bernardino County has not approved this Official Statement and is not responsible for the accuracy or completeness of the statements contained in this Official Statement except for the information set forth under the caption "THE SAN BERNARDINO COUNTY POOL" herein.

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 part of, its respective responsibility 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 the completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS, BANKS OR OTHERS AT PRICES LOWER OR HIGHER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the United States Securities Act of 1933, as amended (the "Securities Act"). Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" 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 ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
San Bernardino County, State of California

Board of Education

Sonja Shaw, President
Jonathan Monroe, Vice President
Andrew Cruz, Clerk
Donald L. Bridge, Member
James Na, Member

District Administrators

Norm Enfield, Ed.D., Superintendent
Sandra H. Chen, Associate Superintendent, Business Services
Gregory J. Stachura, Assistant Superintendent, Facilities, Planning & Operations
Elizabeth A. Pensick, Director, Fiscal Services

SPECIAL SERVICES

Underwriter

Stifel, Nicolaus & Company, Incorporated
Los Angeles, California

Bond Counsel and Disclosure Counsel

Norton Rose Fulbright US LLP
Los Angeles, California

Municipal Advisor

Keygent LLC
El Segundo, California

Paying Agent and Escrow Agent

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

Verification Agent

Robert Thomas CPA, LLC
Minneapolis, Minnesota

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\$ _____ *

CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)

\$ _____ *

GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D

\$ _____ *

2024 GENERAL OBLIGATION
REFUNDING BONDS

INTRODUCTION

General

The Chino Valley Unified School District (the “District”) will issue (i) \$ _____ * aggregate principal amount of its General Obligation Bonds, Election of 2016, Series 2024D (the “2024D Bonds”) and (ii) \$ _____ * aggregate principal amount of its 2024 General Obligation Refunding Bonds (the “Refunding Bonds”). The 2024D Bonds and the Refunding Bonds are hereinafter collectively referred to as the “Bonds.”

The 2024D Bonds are being issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53506) (the “New Money Act”), and other applicable laws and regulations of the State of California (the “State”) and a resolution adopted by the Board of Education of the District (the “Board”) on _____, 2024 (the “New Money Resolution”). The Refunding Bonds are being issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the of the California Government Code (commencing with Sections 53550 and 53580, respectively) (the “Refunding Act”) and other applicable laws and regulations of the State, and pursuant to a resolution adopted by the Board on _____, 2024 (the “Refunding Resolution” and, together with the New Money Resolution, the “Resolutions”).

The proceeds of the 2024D Bonds will be applied to fund certain capital projects (the “Projects”) of the District approved by the voters at an election conducted on November 8, 2016 (the “Election”), at which more than 55% of the qualified electors of the District voted to authorize the issuance of \$750,000,000 of general obligation bonds (the “Authorization”) of the District and to the payment of costs of issuance of the 2024D Bonds. In addition to the foregoing uses, a portion of the proceeds of the 2024D Bonds will be used to pay capitalized interest for the Bonds. See “PLAN OF FINANCE.”

The proceeds of the Refunding Bonds will be applied to the (i) refunding of all or a portion of the District’s 2014 General Obligation Refunding Bonds and (ii) payment of costs of issuance of the Refunding Bonds. See “PLAN OF REFUNDING.”

The District

The District, a unified school district of the State of California (the “State”), was first established in 1878 and began operations as a unified school district on July 1, 1939. The District is located in the San Bernardino County (the “County”) and provides public education within an approximately 88 square mile area, including the City of Chino, the City of Chino Hills, the southern portion of the City of Ontario and certain unincorporated areas of the County. The District currently operates 34 schools including 20 elementary (K-6), 2 Kindergarten – 8th grade (K-8), 5 junior highs, 5 high schools, and 2 alternative schools including a virtual program. The District currently has a third K-8 school, Legacy Academy, under

* Preliminary; subject to change.

construction that is scheduled to open on or about July 2024. The District's audited financial statements for the fiscal year ended June 30, 2023, are attached hereto as APPENDIX C. For more complete information concerning the District, see the information set forth in APPENDIX A – "FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT" attached hereto.

The District's average daily attendance ("ADA") for all District programs for Fiscal Years ended June 30, 2022 and June 30, 2023 was 23,837 and 23,900, respectively. The District currently projects that the ADA for Fiscal Year ended June 30, 2024 will be 23,981. Assessed valuation of real property and improvements (full cash value) in the District increased from \$35,214,937,546 in Fiscal Year 2022-23 to \$38,610,901,388 in Fiscal Year 2023-24. However, the District's actual ADA and the future assessed valuation of taxable property may be affected by the ongoing outbreak of COVID-19. See "LEGAL AND OTHER MATTERS – Risks Related to COVID-19." The District has certain existing lease financing obligations as set forth herein under the caption APPENDIX A – "FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT – Long Term Liabilities other than OPEB and Pensions - Capital Leases" and direct and overlapping bonded indebtedness as set forth under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Direct and Overlapping Debt."

THE BONDS

Authority for Issuance

The Bonds are general obligations of the District. The 2024D Bonds were authorized pursuant to the Authorization approved at the Election. The 2024D Bonds are being issued by the District under the New Money Act and other applicable laws and regulations of the State, and pursuant to the New Money Resolution and the Authorization. The 2024D Bonds represent the fourth series of bonds issued under the Authorization.

The Refunding Bonds are being issued by the District under the Refunding Act and other applicable laws and regulations of the State, and pursuant to the Refunding Resolution. Pursuant to the Refunding Act, general obligation bonds issued for the purpose of refunding outstanding general obligation bonds previously authorized by the voters that do not increase the debt service obligation of taxpayers do not require additional voter approval, either for issuance of such Refunding Bonds or the levy of an *ad valorem* property tax sufficient to pay principal of and interest as due on the Refunding Bonds.

The Board of Supervisors of the County has the power and is obligated to levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property, which is taxable at limited rates), for the payment of principal of and Accreted Value of and interest on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

Description of the Bonds

Capital Appreciation Bonds. The Capital Appreciation Bonds shall be issued in fully registered form, in Denominational Amounts of \$5,000 Maturity Value, or any integral multiple thereof. The Capital Appreciation Bonds shall be dated as of their date of delivery and shall mature on the dates set forth on the inside cover pages hereof and in the 2024D Bonds Contract of Purchase. The Capital Appreciation Bonds will accrete in value from their Denominational Amounts on the date of delivery to their respective Maturity Values, at the Accretion Rates (defined herein) per annum set forth on the inside cover page hereof, compounded semiannually on February 1 and August 1 of each year commencing August 1, 2024. The Capital Appreciation Bonds are payable only at maturity (unless earlier redeemed) according to the amounts set forth in the Accreted Values table as shown in APPENDIX H hereto.

Interest with respect to each Capital Appreciation Bond is represented by the amount each such bond accretes in value from its respective Denominational Amount on the date of delivery to the date for which the Accreted Value is calculated. The value of a Capital Appreciation Bond as of any date (the “Accreted Value”) is computed by using a year of 360 days comprised of twelve 30-day months, discounting its Maturity Value on the basis of a constant rate (the “Accretion Rate”), compounded semiannually on February 1 and August 1 in each year to the date for which an Accreted Value is calculated, and if the date for which the Accreted Value is calculated is between February 1 and August 1, by prorating such Accreted Values to the closest prior or subsequent February 1 and August 1.

The Capital Appreciation Bonds shall be payable only upon maturity or upon the prior redemption thereof. Each Capital Appreciation Bond will have an Accreted Value at maturity (the “Maturity Value”) equal to the initial issue amount (the “Denominational Amount”) plus interest accreted and compounded to the maturity date. The Accreted Value of the Capital Appreciation Bonds is payable when due upon surrender of the Capital Appreciation Bonds at the office of the Paying Agent. As long as DTC (defined below) is the registered owner of the Bonds and DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of redemption or other notices to Owners only to DTC.

Current Interest Bonds. The Current Interest Bonds will be dated their date of delivery and will be issued in initial denominations of \$5,000 or any integral multiple thereof. The bonds issued as current interest bonds will have principal payable at the maturity dates of the respective Current Interest Bonds or their earlier redemption. Interest on each Current Interest Bond shall accrue from its dated date. Interest on the Current Interest Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each August 1 and February 1 of each year (each, an “Interest Payment Date”), commencing [August 1, 2024], to the registered owners (each, an “Owner”) thereof as of the close of business on the fifteenth calendar day of the month preceding any Interest Payment Date (a “Record Date”). Interest on each Current Interest Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest thereon shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event, interest shall be payable from its dated date; provided, however, that if at the time of registration of any Current Interest Bond interest thereon is in default, interest thereon shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Current Interest Bonds will be made on each Interest Payment Date by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date, to the Owner thereof on the Record Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Current Interest Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent, which shall not be more than 15 days and not less than ten days prior to the date of the proposed payment of defaulted interest.

Principal and Maturity Value of the Bonds shall be due and payable on August 1 in each of the years as set forth on the inside covers of this Official Statement.

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository for the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Owners or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, principal of and interest, or premium, if any, on the Bonds are payable by wire transfer of New York Clearing House or equivalent next-day funds or by wire transfer of same day funds by The Bank of New York Mellon Trust Company, N.A., as paying

agent (the “Paying Agent”), to Cede & Co., as nominee for DTC. DTC is obligated, in turn, to remit such amounts to the DTC Participants (“DTC Participants”) for subsequent disbursement to the Beneficial Owners. Payments of principal and accreted value, and premium, if any, for any Bonds shall be made only upon the surrender of such Bonds to the Paying Agent. See APPENDIX E – “BOOK ENTRY ONLY SYSTEM” herein.

Optional Redemption*

2024D Current Interest Bonds. The 2024D Current Interest Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to maturity. The 2024D Current Interest Bonds maturing on or after August 1, 20__, may be redeemed before maturity, at the option of the District, from any source of available funds, in whole or in part on any date on or after August 1, 20__, at par, together with interest accrued thereon to the date of redemption, without premium.

Capital Appreciation Bonds. The Capital Appreciation Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their stated maturity dates. The Capital Appreciation Bonds maturing on or after August 1, 20__ may be redeemed prior to their respective stated maturity dates at the option of the District, from any source of funds, in whole or in part, on February 1, 20__ or on any date thereafter, at a redemption price equal to the Accreted Value of such Capital Appreciation Bonds as of the date fixed for redemption, without premium.

Refunding Bonds. The Refunding Bonds are not subject to optional redemption prior to maturity.

Mandatory Sinking Fund Redemption*

The 2024D Current Interest Bonds maturing on August 1, 20__ (the “20__ Term 2024D Bonds”), are subject to mandatory sinking fund redemption prior to their stated maturity from mandatory sinking fund payments on any August 1 on or after August 1, 20__, at a redemption price equal to 100% of their principal amount, together with accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the aggregate principal amounts listed below:

Mandatory Sinking Fund Payment Date (August 1)	Mandatory Sinking Fund Payment
20__	\$
20__	
20__	
20__	
20__(⁽¹⁾)	
Total	\$

⁽¹⁾ Maturity.

In the event that a portion of the 20__ Term 2024D Bond is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, with respect to the portion of such 20__ Term 2024D Bond optionally redeemed.

* Preliminary; subject to change.

The 2024D Current Interest Bonds maturing on August 1, 20__ (the “20__ Term 2024D Bonds”), are subject to mandatory sinking fund redemption prior to their stated maturity from mandatory sinking fund payments on any August 1 on or after August 1, 20__, at a redemption price equal to 100% of their principal amount, together with accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the aggregate principal amounts listed below:

Mandatory Sinking Fund Payment Date (August 1)	Mandatory Sinking Fund Payment
20__	\$
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__ ⁽¹⁾	
Total	\$

⁽¹⁾ Maturity.

In the event that a portion of the 20__ Term 2024D Bond is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, with respect to the portion of such 20__ Term 2024D Bond optionally redeemed.

Selection of Bonds for Redemption

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption in such manner as the District shall direct, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; *provided, however*, that the portion of any Bond to be redeemed in part shall be in the principal amount or Maturity Value of \$5,000 or any integral multiple thereof.

Notice of Redemption

When redemption is authorized or required pursuant to the Resolutions, the Paying Agent, upon written instruction from the District, shall give notice (each, a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of any Bond to be redeemed in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price thereof, and that from and after such date, interest on Bonds shall cease to accrue.

The Paying Agent shall take the following actions with respect to each such Redemption Notice: (i) at least 20 days but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of the Bonds designated for redemption by first-class mail, postage prepaid, at their addresses appearing on the bond register; (ii) in the event the Bonds shall no longer be held in book-entry form, at least 35 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (1) first-class mail, postage prepaid, (2) telephonically confirmed facsimile transmission, or (3) overnight delivery service, to each of the Securities Depositories and the Municipal Securities Rulemaking Board (“MSRB”). Such Redemption Notice shall be given to such other persons as may be required by the Continuing Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access (“EMMA”) website located at <http://emma.msrb.org>, or any other entity designated or authorized by the Commission.

The “Securities Depositories” shall mean DTC and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories as the District may designate in a certificate delivered to the Paying Agent.

A Redemption Notice may be rescinded by written notice given to the Paying Agent by the District and the Paying Agent shall provide notice of such rescission as soon thereafter as practicable in the same manner, and to the same recipients, as notice of such redemption was given, but in no event later than the date set for redemption.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Partial Redemption of Bonds

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

“Transfer Amount” shall mean, with respect to any Bonds, the aggregate principal amount of thereof.

Effect of Notice of Redemption

Notice having been given as required in the Resolutions, and the moneys for redemption (including the interest or Accreted Value to the applicable date of redemption) having been set aside in the District’s applicable Debt Service Fund or deposited with a duly appointed escrow agent, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed, together with interest to such redemption date, shall be held by the Paying Agent or deposited with a duly appointed escrow agent, so as to be available therefor on such redemption date, and if notice of redemption thereof

shall have been given, then from and after such redemption date, interest or Accreted Value on the Bonds to be redeemed shall cease to accrue and become payable.

Transfer and Exchange

Any Bond may be exchanged for Bonds of like tenor, maturity and principal amount or Maturity Value thereof, as applicable, and transferred upon the bond registrar upon presentation and surrender of such Bond at the principal office of the Paying Agent, together with an assignment executed by the Owner or a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the principal amount or Maturity Value of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Discharge and Defeasance

All or any portion of the outstanding Bonds shall be paid and discharged in any one of the following ways:

(a) by paying or causing to be paid the principal and Accreted Value of, premium, if any, and interest on such Bonds outstanding, and when the same become due and payable;

(b) by depositing with the Paying Agent, or with a duly appointed escrow agent in an irrevocable trust, at or before maturity, cash which, together with the amounts then on deposit in the applicable Debt Service Fund plus the interest to accrue thereon without the need for further investment, is fully sufficient to pay all Bonds outstanding at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(c) by depositing with an institution which meets the requirements for acting as a successor Paying Agent pursuant to the Resolutions selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge all Bonds outstanding at maturity thereof, including any premium and all interest thereon, for which notice has been given or provided for, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under the Resolutions with respect to the affected Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of the Bonds all sums due thereon, and the obligation of the District to pay the Paying Agent amounts owing to the Paying Agent under the Resolutions.

Book-Entry Only System

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC will act as securities depository for the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Owners or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners of the Bonds. For further information regarding DTC and the book-entry system, see APPENDIX E – “BOOK-ENTRY ONLY SYSTEM” hereto.

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Debt Service Schedule

The following table summarizes the debt service requirements of the District for all its outstanding general obligation bonds and the Bonds, assuming no optional redemptions:

Year Ending (August 1)	Outstanding General Obligation Bonds ⁽¹⁾	2024D Bonds		Capital Appreciation Bonds ⁽³⁾		Refunding Bonds	
		Current Interest Bonds ⁽²⁾		Accreted			
		Principal	Interest	Principal	Interest	Principal	Interest
2024	\$35,503,463.76						
2025	37,052,043.76						
2026	37,942,936.26						
2027	39,303,331.26						
2028	36,313,981.26						
2029	37,941,256.26						
2030	39,641,631.26						
2031	41,165,681.26						
2032	26,727,681.26						
2033	27,922,681.26						
2034	29,200,531.26						
2035	30,534,118.76						
2036	31,950,237.50						
2037	33,407,187.50						
2038	34,975,537.50						
2039	36,568,037.50						
2040	38,230,287.50						
2041	39,970,587.50						
2042	41,827,437.50						
2043	43,747,087.50						
2044	45,749,175.00						
2045	47,837,987.50						
2046	49,995,287.50						
2047	40,963,150.00						
2048	42,755,800.00						
2049	44,701,737.50						
2050	46,733,512.50						
2051	49,044,200.00						
2052	51,255,800.00						
2053	53,591,050.00						
2054	56,029,100.00						
2055	58,575,000.00						
Total	\$1,307,157,537.62	\$					

⁽¹⁾ Represents all outstanding general obligation bonds of the District and excludes the bonds to be refunded by the Refunding Bonds.

⁽²⁾ Interest on the 2024D Current Interest Bonds will be payable semiannually on February 1 and August 1 of each year, commencing [August 1, 2024].

⁽³⁾ The Capital Appreciation Bonds are payable only at maturity on August 1 of the years indicated on the inside cover hereof, and interest on such Capital Appreciation Bonds is compounded semiannually on February 1 and August 1, commencing [August 1, 2024].

PLAN OF FINANCE

The proceeds of the 2024D Bonds are being applied to (i) finance the construction, acquisition, furnishing and equipping of District facilities, all as included in the Project List (defined below) approved at the Election (ii) pay capitalized interest for the 2024D Bonds, and (iii) pay certain costs of issuance associated with the 2024D Bonds.

The Project. The “Strict Accountability in Local School Construction Bonds Act of 2000,” comprising Section 15264 *et seq.* of the Education Code, controls the method by which the District will expend amounts derived from the sale of the 2024D Bonds on its capital improvements. Prior to the Election, the District prepared and submitted to the District Board for approval a master list of capital improvement projects to be built, acquired, constructed or installed with the proceeds of the 2024D Bonds (the “Project List”).

With respect to these projects included in the Project List, the District has evaluated facility needs to continue to provide for safety, class size reduction and information technology; and the District has appointed an independent citizens’ oversight committee to oversee the implementation of the projects. Several key projects include:

- *Don Lugo HS New Administration Building*
- *Don Lugo HS gymnasium and swimming pool renovation*
- *Ayala HS Performing Arts Center*
- *Districtwide classroom furniture upgrades*
- *Installation of shade shelters at every elementary and K-8 school site*
- *Installation of electronic marquees at every elementary, K-8 and junior high school site*

The allocation of 2024D Bond proceeds and the timely completion of projects could be affected by the District’s ability to receive State matching funds as well as the final costs of each project. The estimated costs for each Project may be affected by outside factors beyond the District’s control. The timing of projects will be established and shall be subject to revision by the Board of Education and will be subject to review by the citizen’s oversight committee.

Building Fund. The net proceeds from the sale of the 2024D Bonds will be paid to the County to the credit of the “Chino Valley Unified School District, Election of 2016, Series 2024D Building Fund” (the “Building Fund”), and will be applied solely for the purposes for which the 2024D Bonds are being issued. Interest earnings in the Building Fund will be retained therein. Any excess proceeds of the 2024D Bonds not needed for the authorized purposes for which such 2024D Bonds are being issued, upon written notice from the District, will be transferred to the corresponding Debt Service Fund (as defined herein) and applied to the payment of the principal and Accreted Value of and interest on the 2024D Bonds.

Investment of Proceeds. Moneys in the Building Fund and the respective Debt Service Funds (as described herein) will be invested through the County’s pooled investment fund. See “APPENDIX F – THE SAN BERNARDINO COUNTY POOL.”

PLAN OF REFUNDING

The Refunding Bonds

The net proceeds of the Refunding Bonds will be applied to: (i) refund on a current basis the District’s 2014 General Obligation Refunding Bonds (the “Prior Bonds”), as further designated below (so refunded, the “Refunded Bonds”) and (ii) pay the costs of issuance of the Refunding Bonds.

On the date of delivery of the Refunding Bonds, a portion of the net proceeds of the Refunding Bonds will be deposited into one or more Escrow Funds (each, an “Escrow Fund”) established for the purpose of paying when due and/or refunding the Refunded Bonds pursuant to that certain Escrow Agreement, dated as of [May 1], 2024 (the “Escrow Agreement”), by and between the District and The Bank of New York Mellon Trust Company, N.A., in the capacity of Escrow Agent (the “Escrow Agent”).

The net proceeds of the Refunding Bonds will be invested under the terms of the Escrow Agreement. Amounts available in the Escrow Fund will be applied (i) to pay interest and principal coming due on the Refunded Bonds on and prior to their respective maturity dates and (ii) to redeem the Refunded Bonds on their respective redemption dates, at a redemption price equal to 100% of the principal amount of the Refunded Bonds together with interest accrued thereon. The Escrow Agreement provides for the investment of the proceeds of the Refunding Bonds deposited thereunder in noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America. Robert Thomas CPA, LLC, certified public accountants (the “Verification Agent”) will verify the sufficiency of amounts so deposited and invested to provide for such payments.

**SUMMARY OF THE BONDS TO BE REFUNDED BY
THE REFUNDING BONDS**

**2014 General Obligation Refunding Bonds
Redemption Date August 1, 2024⁽¹⁾**

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number⁽²⁾</u> <u>(169583)</u>	<u>Call Price</u>
20__	\$	__%		100.00
20__				
20__				
20__				

⁽¹⁾ Preliminary; subject to change.

⁽²⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter, the Municipal Advisor nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

ESTIMATED SOURCES AND USES OF FUNDS

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

Source of Funds	2024D Bonds	Refunding Bonds	Total
Principal Amount	\$	\$	\$
Plus Original Issue Premium			
Total Sources			
Uses of Funds			
Building Fund		-	
Escrow Fund	-		
Debt Service Fund ⁽¹⁾		-	
Costs of Issuance ⁽²⁾			
Total Uses	\$	\$	\$

⁽¹⁾ Includes capitalized interest through [] 1, 20 .

⁽²⁾ Costs of Issuance include Underwriter's discount, fees and expenses of Bond and Disclosure Counsel, the Municipal Advisor, Paying Agent, Escrow Agent, Verification Agent, Rating Agency fees, demographic data, printing and other miscellaneous costs.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy such *ad valorem* property taxes, without limitation as to rate or amount, upon all property within the District subject to taxation thereby (except certain personal property which is taxable at limited rates), for the payment of principal and Accreted Value of and interest on the Bonds when due. Such *ad valorem* property taxes will be levied annually in addition to all other taxes during the period that the Bonds are outstanding in an amount sufficient to pay the principal and Accreted Value of and interest on the Bonds when due. The levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. The County, however, is not obligated to establish or maintain such a reserve for the Bonds, and the District can make no representation that such reserve will be established by the County or that such a reserve, if previously established by the County, will be maintained in the future.

Such taxes, when collected, will be placed by the County in the District's debt service funds established by the respective Resolutions (the "Debt Service Funds") for each respective series of Bonds, which funds are required to be segregated and maintained by the County and which are designated for the payment of the Bonds and interest thereon when due, and for no other purpose. Pursuant to the Resolutions, the District has pledged funds on deposit in the Debt Service Funds to the payment of the Bonds. Although the County is obligated to levy *ad valorem* property taxes for the payment of the Bonds as described above, and the County will maintain the Debt Service Funds, the Bonds are not a debt of the County.

Moneys in the Debt Service Fund, to the extent necessary to pay the principal and Accreted Value of and interest on the Bonds as the same becomes due and payable, will be transferred by the County to the Paying Agent. The Paying Agent will in turn remit the funds to DTC for remittance of such principal, accreted value and interest to its Participants (as defined herein) for subsequent disbursement to the respective Beneficial Owners of such Bonds.

The rate of the annual *ad valorem* property taxes levied by the County to repay the Bonds as described above will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control, such as general market decline in real property values, outbreak of disease, disruption in financial markets that may reduce the availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood, fire, wildfire, drought, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate.

Assessed Valuations – Constitutional and Statutory Initiatives

Article XIII A of the California Constitution. Article XIII A of the California Constitution limits the amount of any *ad valorem* property tax on real property, to 1% of the full cash value thereof, except that additional *ad valorem* property taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and on 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 or 55% of voters voting on the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment." The full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A 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.

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

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.

All taxable property is shown at full market value on the tax rolls, with tax rates 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 general tax rates reflect the \$1 per \$100 of taxable value.

Assessed Valuations of the District

The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the full value of the property, as defined in Article XIII A of the California Constitution.

The State-reimbursed exemption currently provides a credit of \$7,000 of the full value of an owner-occupied dwelling for which application has been made to the County Assessor. The revenue estimated to be lost to local taxing agencies due to the exemption is reimbursed from State sources. Reimbursement is based upon total taxes due upon such exempt value and is not reduced by any amount for estimated or actual delinquencies.

In addition, certain classes of property such as churches, colleges, not-for-profit hospitals and charitable institutions are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions.

Shown in the following tables is information relating to the assessed valuation of property in the District during the current and past five fiscal years, assessed valuation and parcels by land use, and per parcel assessed valuation of single-family homes.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
Summary of Assessed Valuations

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>Percent Change</u>
2018-19	\$26,835,059,463	\$889,385	\$936,868,795	\$27,772,817,643	8.31%
2019-20	28,539,258,515	1,713,411	1,054,816,975	29,595,788,901	6.56
2020-21	30,049,531,610	1,713,411	1,108,020,493	31,159,265,514	5.28
2021-22	31,694,276,490	1,116,786	1,101,949,988	32,797,343,264	5.26
2022-23	34,004,427,353	1,116,786	1,209,393,407	35,214,937,546	7.37
2023-24	37,207,363,435	1,216,151	1,402,321,802	38,610,901,388	9.64

Source: California Municipal Statistics, Inc.

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CHINO VALLEY UNIFIED SCHOOL DISTRICT
2023-24 Assessed Valuation and Parcels by Land Use

	2023-24 Assessed Valuation⁽¹⁾	% of Total⁽²⁾	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Agricultural/Rural	\$ 215,421,283	0.58%	319	0.54%
Commercial/Office	3,045,986,201	8.19	3,015	5.13
Industrial	6,028,096,076	16.20	1,455	2.48
Recreational	73,403,175	0.20	58	0.10
Government/Social/Institutional	<u>51,614,646</u>	<u>0.14</u>	<u>173</u>	<u>0.29</u>
Subtotal Non-Residential	\$9,414,521,381	25.30%	5,020	8.54%
<u>Residential:</u>				
Single Family Residence	\$19,557,564,312	52.56%	38,525	65.56%
Condominium/Townhome/PUD	4,696,316,116	12.62	9,760	16.61
Mobile Home	97,118,066	0.26	1,222	2.08
Mobile Home Park	81,757,766	0.22	13	0.02
2-4 Residential Units	262,396,492	0.71	522	0.89
5+ Residential Units/Apartments	1,574,569,313	4.23	532	0.91
Miscellaneous Residential	<u>9,015,236</u>	<u>0.02</u>	<u>32</u>	<u>0.05</u>
Subtotal Residential	\$26,278,737,301	70.63%	50,606	86.12%
Vacant Parcels	\$1,514,104,753	4.07%	3,139	5.34%
Total	\$37,207,363,435	100.00%	58,765	100.00%

⁽¹⁾ Local Secured Assessed Valuation, excluding tax-exempt property.

⁽²⁾ Percentages may not add due to rounding.

Source: California Municipal Statistics, Inc.

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CHINO VALLEY UNIFIED SCHOOL DISTRICT
Per Parcel 2023-24 Assessed Valuation of Single-Family Homes

	No. of Parcels	2023-24 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single-Family Residential	38,525	\$19,557,564,312	\$507,659	\$462,751

2023-24 Assessed Valuation	No. of Parcels⁽¹⁾	% of Total⁽²⁾	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999	327	0.849%	0.849%	\$ 11,996,770	0.061%	0.061%
\$50,000 - \$99,999	915	2.375	3.224	66,726,197	0.341	0.403
\$100,000 - \$149,999	891	2.313	5.537	112,685,939	0.576	0.979
\$150,000 - \$199,999	1,442	3.743	9.280	257,239,319	1.315	2.294
\$200,000 - \$249,999	2,499	6.487	15.766	567,172,559	2.900	5.194
\$250,000 - \$299,999	2,966	7.699	23.465	816,522,079	4.175	9.369
\$300,000 - \$349,999	3,185	8.267	31.733	1,038,017,428	5.307	14.676
\$350,000 - \$399,999	3,264	8.472	40.205	1,223,716,757	6.257	20.933
\$400,000 - \$449,999	3,029	7.862	48.067	1,286,270,127	6.577	27.510
\$450,000 - \$499,999	3,057	7.935	56.003	1,452,495,561	7.427	34.937
\$500,000 - \$549,999	2,850	7.398	63.400	1,494,445,716	7.641	42.578
\$550,000 - \$599,999	2,485	6.450	69.851	1,425,655,403	7.290	49.868
\$600,000 - \$649,999	2,227	5.781	75.631	1,389,799,239	7.106	56.974
\$650,000 - \$699,999	1,942	5.041	80.672	1,308,649,207	6.691	63.665
\$700,000 - \$749,999	1,544	4.008	84.680	1,117,103,213	5.712	69.377
\$750,000 - \$799,999	1,269	3.294	87.974	981,536,907	5.019	74.396
\$800,000 - \$849,999	1,062	2.757	90.731	874,554,032	4.472	78.868
\$850,000 - \$899,999	837	2.173	92.903	731,363,769	3.740	82.607
\$900,000 - \$949,999	608	1.578	94.482	561,909,187	2.873	85.480
\$950,000 - \$999,999	438	1.137	95.618	426,590,386	2.181	87.661
\$1,000,000 and greater	<u>1,688</u>	<u>4.382</u>	100.000	<u>2,413,114,517</u>	<u>12.339</u>	100.000
Total	38,525	100.000%		\$19,557,564,312	100.000%	

⁽¹⁾ Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.

⁽²⁾ Percentages may not add due to rounding.

Source: California Municipal Statistics, Inc.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
2023-24 Assessed Valuation by Jurisdiction

Jurisdiction:	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Chino	\$19,422,316,565	50.30%	\$19,484,102,477	99.68%
City of Chino Hills	15,250,154,673	39.50	\$15,250,154,673	100.00%
City of Ontario	3,095,974,842	8.02	\$40,110,908,991	7.72%
Unincorporated San Bernardino County	<u>842,455,308</u>	<u>2.18</u>	\$47,496,561,664	1.77%
Total District	\$38,610,901,388	100.00%		
San Bernardino County	\$38,610,901,388	100.00%	\$318,549,024,029	12.12%

Source: California Municipal Statistics, Inc.

Tax Rates, Levies, Collections and Delinquencies

Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property

assessed valuation (known as a “floating lien date”). For assessment and collection purposes, property is classified either as “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of “situs” growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts and community college districts. In addition, the County levies and collects additional approved property taxes and assessments on behalf of any taxing agency within the County.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of one and ½% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the County Treasurer.

Property taxes on the unsecured roll are currently due as of the January 1 lien date prior to the commencement of a fiscal year and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of 1 ½% per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the County Recorder’s office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements, bank accounts or possessory interests belonging or assessed to the taxpayer.

The County levies and collects all property taxes for property falling within its taxing boundaries.

Alternative Method of Tax Apportionment – Teeter Plan

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency.

The Teeter Plan is applicable to all tax levies for which such county acts as the tax-levying or tax-collecting agency, or for which such county’s treasury is the legal depository of the tax collections.

The *ad valorem* property tax to be levied to pay the interest on and principal of the Bonds will be subject to the Teeter Plan. The District will receive 100% of the *ad valorem* property tax levied in the County to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County.

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 for the County), the Board of Supervisors of the County receives a petition for its discontinuance joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County, in which event the Board of Supervisors of the County is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors of the County may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency or assessment levying agency in such county if the rate of secure tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency. In the event the Board of Supervisors of the County is to order discontinuance of the Teeter Plan subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which such county acts as the tax-levying or tax-collecting agency.

The County levies (except for levies to support prior voter-approved indebtedness) and collects all property taxes for property falling within the County's taxing boundaries. The County does not provide information regarding secured tax charges and delinquencies.

Tax Rates

The following table sets forth typical tax rates levied in Tax Rate Area (1-001) for fiscal years 2019-20 through 2023-24:

CHINO VALLEY UNIFIED SCHOOL DISTRICT **Typical Total Tax Rates Per \$100 of Assessed Valuation (TRA 1-001)⁽¹⁾**

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
General	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Chaffey Community College District	0.0241	0.0111	0.0177	0.0137	0.0100
Chino Valley Unified School District	0.0790	0.0897	0.0862	0.0900	0.0785
Metropolitan Water District	0.0035	0.0035	0.0035	0.0035	0.0035
Total	<u>\$1.1066</u>	<u>\$1.1043</u>	<u>\$1.1074</u>	<u>\$1.1072</u>	<u>\$1.0920</u>

⁽¹⁾ 2023-24 assessed valuation of TRA 1-001 is \$6,473,316,813 which is 16.77% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

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Largest Taxpayers

The twenty largest local secured taxpayers in the District and their assessed valuations for 2023-24 are shown in the following table.

CHINO VALLEY UNIFIED SCHOOL DISTRICT Largest 2023-24 Local Secured Taxpayers

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	% of Total ⁽¹⁾
1.	Prologis LP	Industrial	\$ 725,851,764	1.95%
2.	Watson Land Company	Industrial	720,995,867	1.94
3.	Majestic Realty Co.	Industrial	402,458,374	1.08
4.	Wal-Mart.com USA LLC	Industrial	222,865,370	0.60
5.	GLV Landowner LP	Undeveloped	207,000,000	0.56
6.	Scannell Properties #404 LLC	Industrial	188,192,181	0.51
7.	Homecoming I at the Preserve LLC	Apartments	187,117,025	0.50
8.	John Hancock Life Insurance Company	Industrial	181,517,680	0.49
9.	Chino Dunhill LLC	Shopping Center	150,000,000	0.40
10.	MLM Chino Property LLC	Shopping Center	148,430,119	0.40
11.	Ontario Ranch Venture LLC	Undeveloped	139,448,452	0.37
12.	Spectrum South No. 1-6 LLC	Industrial	136,498,611	0.37
13.	Chino Kimball Industrial LLC	Industrial	136,163,232	0.37
14.	Crossings of Chino Hills LLC	Apartments	133,171,200	0.36
15.	Homecoming IV At The Preserve LLC	Apartments	130,363,208	0.35
16.	Chino Center Inc.	Industrial	129,340,125	0.35
17.	In-N-Out Burgers	Undeveloped	124,790,324	0.34
18.	ELV Phase 1 LLC	Undeveloped	122,891,465	0.33
19.	ELV Phase 2 LLC	Undeveloped	110,189,376	0.30
20.	B9 Altitude Chino Owner LLC	Undeveloped	108,170,345	0.29
			<u>\$4,405,454,718</u>	<u>11.84%</u>

⁽¹⁾ 2023-24 Local Secured Assessed Valuation: \$37,207,363,435.
Source: California Municipal Statistics, Inc.

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District Debt

The following table is a statement of the District's direct and estimated overlapping bonded debt as of _____ 1, 2024. The debt report is included for general information purposes only. The District has not reviewed the debt report for completeness or accuracy and makes no representation in connection therewith.

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

Column 1 in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. Column 2 shows 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 shown in the table) produces the amount shown in Column 3, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

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**CHINO VALLEY UNIFIED SCHOOL DISTRICT
DIRECT AND OVERLAPPING BONDED INDEBTEDNESS**

2023-24 Assessed Valuation: \$

[To be provided by Calmuni]

Source: California Municipal Statistics, Inc.

Pledge of Tax Revenues

Pursuant to the Resolutions, the District pledges all revenues from the property taxes collected from the levy by the County Board of Supervisors for the payment of the Bonds and amounts on deposit in the Debt Service Funds of the District to the payment of the principal, accreted value or redemption price of and interest on the Bonds. This pledge is valid and binding from the date of adoption of the Resolutions for the benefit of the owners of the Bonds and successors thereto. The Resolutions provide that the property taxes and amounts held in the Debt Service Funds of the District are immediately subject to this pledge, and the pledge constitutes a lien and security interest which immediately attaches to the property taxes and amounts held in the Debt Service Funds of the District to secure the payment of the Bonds and is 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. “Bonds” for purpose of this pledge means all bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including any refunding bonds thereof, as all such Bonds are required by State law to be paid from the respective Debt Service Funds of the District.

Each Resolution provides that the pledge is an agreement between the District and the bondholders to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds and each of the other bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure or to refinance outstanding general obligation bonds.

Statutory Lien for General Obligation Bonds

Pursuant to Senate Bill 222 (2015) (“SB 222”) codified at State Government Code Section 53515 provides that all general obligation bonds issued by local agencies on or after January 1, 2016, including the Bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* property taxes. SB 222 provides that the lien will automatically arise, without the need for any action or authorization by the District or its governing board, and will be valid and binding from the time the bonds are executed and delivered. See also “LEGAL AND OTHER MATTERS – Possible Limitations on Remedies; Bankruptcy – *Statutory Lien*” herein.

Dedicated Unlimited *Ad Valorem* Property Tax Collection

Factors Affecting Assessed Valuation. The annual tax rate will be based on the assessed value of taxable property in the District. Changes in the annual debt service on the District’s outstanding general obligation bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District’s control, such as economic recession, deflation of land values, global pandemics, such as COVID-19, relocation of businesses out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, debris flow, drought, fire or other natural disaster, could cause a reduction in the assessed value of taxable property in the District and, all other factors being equal, necessitate a corresponding increase in the annual tax rate. Conversely, factors such as increased assessed value of taxable property and/or an increase in the numbers of property taxpayers within the District could, all other factors being equal, cause a corresponding decrease in the annual tax rate.

The level of property tax delinquencies is affected 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. An economic recession or depression could 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 disease or natural or manmade disaster. See also “SECURITY

AND SOURCES OF PAYMENT FOR THE BONDS - Alternative Method of Tax Apportionment – Teeter Plan” herein.

Assessment Appeals and Adjustments of Assessed Valuation. Under State law, property owners may apply for a reduction of their property tax assessment by filing an application, in form prescribed by the State Board of Equalization (the “SBE”), with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly re-appraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See “APPENDIX A – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT - CONSTITUTIONAL AND STATUTORY INITIATIVES – Article XIII A of the California Constitution” herein.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution. See “ - *Proposition 50 and Proposition 171*” below. Such reductions are subject to yearly re-appraisals by the county assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under Article XIII A.

The District does not have information regarding pending appeals of assessed valuation of property within the District. No assurance can be given that property tax appeals currently pending or in the future, or actions by county assessors, will not significantly reduce the assessed valuation of property within the District.

Effect of Natural Disaster on Assessed Valuation. Assessed valuations are subject to change in each year, and such changes may result from a variety of factors, including natural disasters.

Drought. In recent years, the State has experienced severe drought conditions. On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in California, including the County, as primary natural disaster areas due to drought. On April 12, 2021, the Governor issued a drought emergency proclamation (the “April Drought Proclamation”) which applied to two counties within the State – Mendocino and Sonoma counties. On May 10, 2021, the Governor declared a Statewide Drought State of Emergency due to the State facing serious water shortfalls, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, significantly expanding the April Drought Proclamation to 41 counties, excluding the County, within the State. The counties in the May 10, 2021 Proclamation of a State of Emergency included the Klamath River Watershed Counties, the Sacramento-San Joaquin Delta Watershed Counties and the Tulare Lake Watershed Counties. On July 8, 2021, the Governor declared a Statewide Drought State of Emergency due to the continued depletion of water supplies and other factors, and ordered State and local agency

implementation of certain provisions to adequately respond to drought conditions, expanding the April Drought Proclamation to 50 counties, excluding the County. The counties in the July 8, 2021 Proclamation of a State of Emergency included the additional nine counties of Inyo, Marin, Mono, Monterey, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, and Santa Cruz. On October 19, 2021, the Governor declared a Statewide Drought State of Emergency due to the continued depletion of water supplies and other factors, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, expanding the April Drought Proclamation to all counties in the State, including the County. On March 28, 2022, the Governor issued Executive Order N-7-22, which directed the Water Board to issue drought regulations, including a recommendation to have urban water suppliers initiate water shortage contingency plans.

Significant snowfall and precipitation in the State commencing in January 2023 have generally eliminated most of the State's drought conditions. According to the U.S. Drought Monitor, portions of the State in the far north and lower south-east regions continue to be classified in the abnormally dry category, however the majority of the State, including the County, is currently classified as having no drought conditions. In addition, in March 2023, the Governor eased drought restrictions, in part, by terminating various provisions contained in the aforementioned emergency declarations of April 2021, May 2021, July 2021 and October 2021 and in Executive Order N-7-22, including those related to recommending contingency plans for urban water suppliers.

The District cannot predict if there will be future drought conditions and related water usage restrictions imposed in the future. The District cannot predict the extent to which future drought conditions within the County or any of the adjoining counties could cause reduced economic activity within the boundaries of the District or the extent to which such drought conditions may impact District facilities or the assessed value of taxable property within the District.

Wildfire. In recent years, portions of California, including the County, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of the District. 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.

Earthquake. The District is located in a seismically active region of the State. Property values could be reduced by the complete or partial destruction of taxable property as a result of an earthquake.

Climate Change. The change in the Earth's average atmospheric temperature, generally referred to as "climate change," is expected to, among other things, increase the frequency of extreme weather events. The direct risks posed by climate change currently include or are expected to include more extreme heat events, increased incidence of wildfire and drought, rising sea levels, changes in precipitation levels, and more intense storms. As greenhouse gas emissions continue to accumulate, climate change will intensify and increase the frequency of such extreme weather events. One or more of such extreme weather events could negatively impact the assessed value of the property within the District. The District cannot predict the timing, extent, or severity of climate change and its impact on property values in the District.

The District cannot predict or make any representations regarding the effects that natural disasters, such as fire, drought, earthquakes, or other related natural or man-made conditions, have or may have on the value of taxable property within the District, or to what extent the effects said natural disasters might have had on economic activity in the District or throughout the State.

Proposition 50 and Proposition 171. On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIII A of the State Constitution to allow owners of property that was “substantially damaged or destroyed” by a disaster, as declared by the Governor (the “Damaged Property”), to transfer their existing base year value (the “Original Base Year Value”) to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the “Original Cash Value”); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50% of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the “Replacement Base Year Value”) depends on the relation of the full cash value of the replacement property (the “Replacement Cash Value”) to the Original Cash Value: if the Replacement Cash Value exceeds 120% of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120% of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIII A of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a “comparable replacement property” located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Inter-county transfers under Proposition 171 are more restrictive than intra-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a “reasonable size that is used as a site for a residence;” (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of “equal or lesser value” than the Original Cash Value.

Within the context of Proposition 171, “equal or lesser value” means that the amount of the Replacement Cash Value does not exceed either (1) 105% of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110% of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115% of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

TAX MATTERS

The delivery of the Bonds is subject to delivery of the opinions of Bond Counsel, to the effect that interest on the Bonds for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the Bonds (the “Code”), of the owners

thereof pursuant to section 103 of the Code, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. The delivery of the Bonds is also subject to the delivery of the opinions of Bond Counsel, based upon existing provisions of the laws of the State of California, that interest on the Bonds is exempt from personal income taxes of the State of California. Forms of Bond Counsel's anticipated opinions are included in Appendix B. The statutes, regulations, rulings, and court decisions on which such opinions will be based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon the representations and certifications of the District made in certificates of even date with the dates of delivery of the Bonds pertaining to the use, expenditure and investment of the proceeds of the Bonds and will assume continuing compliance with the provisions of the Resolutions relating to the Bonds by the District subsequent to the issuance of the Bonds. The Resolutions and the federal tax certificates with respect to the Bonds contain covenants by the District with respect to, among other matters, the use of the proceeds of the Bonds and the facilities and equipment financed or refinanced therewith by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, if required, the calculation and payment to the United States Treasury of any "arbitrage profits" and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Bonds.

Except as described above, Bond Counsel will express no other opinion with respect to any other federal, State or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, corporations subject to the alternative minimum tax on adjusted financial statement income, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust ("FASIT"), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Bond Counsel's opinions are not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the District described above. No ruling has been sought from the Internal Revenue Service (the "IRS") or the State of California with respect to the matters addressed in the opinions of Bond Counsel, and Bond Counsel's opinions are not binding on the IRS or the State of California. The IRS has an ongoing program of auditing the tax-exempt status of the interest on municipal obligations. If an audit of the Bonds is commenced, under current procedures, the IRS is likely to treat the District as the "taxpayer," and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the District may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent of the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than \$1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the

taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Bonds. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential impact of owning the Bonds.

Existing law may change to reduce or eliminate the benefit to Bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering of certain of the Bonds (the "Discount Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount, allocable to the holding period of such Discount Bond by the initial purchaser, will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above. Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond taking into account the semiannual compounding of accrued interest at the yield to maturity on such Discount Bond, and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, corporations subject to the alternative minimum tax on adjusted financial statement income, individuals otherwise qualifying for the earned income tax credit owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination for federal income tax purposes of accrued original issue discount on Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The purchase price of certain Bonds (the "Premium Bonds") paid by an owner may be greater than the amount payable on such Bonds at maturity. An amount equal to the excess of a purchaser's tax basis in

a Premium Bond over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Bond in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium that is amortizable each year by a purchaser is determined by using such purchaser's yield to maturity (or, in some cases with respect to a callable Bond, the yield based on a call date that results in the lowest yield on the Bond). Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

LEGAL OPINIONS

The validity of the Bonds and certain other legal matters are subject to the approving opinions of Norton Rose Fulbright US LLP, Bond Counsel to the District. Copies of the proposed forms of Bond Counsel opinions are contained in APPENDIX B herein. Compensation to be paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon the issuance of the Bonds.

LEGALITY FOR INVESTMENT

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

VERIFICATION AGENT

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter relating to the computation of the projected payments of principal and interest to retire the Refunded Bonds and yields will be verified by Robert Thomas CPA, LLC, as Verification Agent. Such computations will be based solely on assumptions and information supplied by the District and the Underwriter. 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. See "PLAN OF REFUNDING" herein.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), and Moody's Investors Service ("Moody's") have assigned their municipal bond ratings of "____" and "____" to the Bonds, respectively. Such ratings reflect only the views of S&P and Moody's, respectively, and an explanation of the significance of such ratings may be obtained as follows: S&P at Municipal Finance Department, 55 Water Street, New York, New York 10041, tel. (212) 208-8000 and Moody's, at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, tel. (212) 553-0300. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely if, in the judgment of the rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

LEGAL AND OTHER MATTERS

Continuing Disclosure

Current Undertaking.

In accordance with the requirements of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission, the District will enter into a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”) in the form of APPENDIX D hereto, on or prior to the sale of the Bonds in which the District will undertake, for the benefit of the Beneficial Owners of the Bonds, to provide certain information as set forth therein. The covenants contained in the Continuing Disclosure Undertaking have been made to assist the Underwriter in complying with the Rule. See APPENDIX D – “FORMS OF CONTINUING DISCLOSURE UNDERTAKING” hereto.

Prior Undertaking.

In the last five years, the District has complied in all material respects with the annual filing requirements of continuing disclosure undertakings executed in connection with prior securities offerings. [TO CONFIRM]

Risks Related to COVID-19

Background. The outbreak of the respiratory disease caused by a new strain of coronavirus (“COVID-19”) was declared a Pandemic by the World Health Organization, a National Emergency by then President Trump and a State of Emergency by California State Governor Newsom (the “Governor”) in March 2020. The emergency resulted in tremendous volatility in the financial markets in the United States and globally, and the onset of a U.S. and global recession.

Federal Response. In response to COVID-19 in March 2020, the U.S. Congress passed the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”). The CARES Act appropriated over \$2 trillion dedicated to various areas of the national economy, including \$13.2 billion in direct funding for elementary and secondary school emergency relief. California received approximately \$1.65 billion, with 10 percent set aside for emergencies designated by the California Department of Education.

On December 27, 2020, then President Trump signed into law the Coronavirus Response and Relief Supplemental Appropriations (“CRRSA”) Act which included approximately \$6.8 billion in California funding and required that 90%, or \$6.12 billion be distributed to California Local Educational Agencies (each, an “LEA” and, collectively, the “LEAs”) in proportion to the amount of Title I, Part A funds that each LEA received in Fiscal Year 2019-20.

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (the “American Rescue Plan”), a \$1.9 trillion COVID-19 relief package, intended to accelerate the recovery from the COVID-19 pandemic. The American Rescue Plan included approximately \$15.3 billion in California funding and required that 90%, or \$13.7 billion be distributed to LEAs in proportion to the amount of Title I, Part A funds that each LEA received in Fiscal Year 2019-20. The amount of such funding allocated to the District is described below.

State Response. Beginning in March 2020, the State began taking a variety of measures to stop the spread of COVID-19, including the Governor’s blanket shelter-in-place order, ordering all California residents to stay home except for certain necessities and other essential purposes.

On March 17, 2020, the Governor signed Senate Bill 117 (“SB 117”), for purposes of school district funding for Fiscal Year 2019-20, which effectively held school districts harmless from incurring funding losses limits associated with the average daily attendance reported to the California Department of Education due to closures from COVID-19.

On March 5, 2021, the Governor signed Assembly Bill 86 (“AB 86”), which provided approximately \$6.6 billion to accelerate the return of in-person school instruction and expand student support. AB 86 included \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic’s impact on learning. Funding was allocated proportionally on the basis of Local Control Funding Formula (“LCFF”) funding entitlements, determined as of the Fiscal Year 2020-21 second principal apportionment certification.

California fully reopened the economy on June 15, 2021. As of February 28, 2023, the Governor terminated the State of Emergency. The Governor also phased out the executive actions put in place since March 2020 as part of the pandemic response.

Impacts on the District. The District received or is expected to receive approximately [\$99,930,748] in federal and State funding, including an allocation of CARES Act funding from Elementary and Secondary School Relief (ESSER) I, CRRSA, ESSER II, American Rescue Plan, ESSER III, SB 117, AB 86. The aforementioned federal and State funding is considered one-time, restricted, emergency relief funding to address the impact COVID-19 has had on elementary and secondary schools.

As discussed herein under “APPENDIX A - FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT – District Enrollment - Local Control Funding Formula (LCFF)” and “- FUNDING OF SCHOOL DISTRICTS IN CALIFORNIA – State Budget Process,” the District receives much of its revenues from LCFF sources which are comprised of local property taxes and State moneys. There may be unknown consequences of COVID-19, which the District is unable to forecast, that may impact the District’s financial condition or the availability of State funding for school districts.

While the California State of Emergency and the National Emergency have now both been terminated, the District cannot predict if there will be further outbreaks or, what impacts any such outbreaks may have on the District’s financial condition or operations. The District is also unable to predict at this time whether any new requirements related to reducing the spread of COVID-19 will arise and materially impact its finances or operations.

Cybersecurity Risks

The District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the District’s systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. No assurance can be given that the District’s current efforts to manage cyber threats and security will, in all cases, be successful. The District cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances. The District relies on other entities and service providers in the course of operating the District, including the County with respect to the levy and collection of *ad valorem* property taxes, as well as other trustees, fiscal agents and dissemination agents. No assurance can be given that future cyber threats and attacks against other third party entities or service providers will not impact the District and the owners of the Bonds,

including the possibility of impacting the timely payments on the Bonds or timely filings pursuant to the Continuing Disclosure Undertakings.

Possible Limitations on Remedies; Bankruptcy

General. Following is a discussion of certain considerations in the event that the District should become a debtor in a bankruptcy proceeding. It is not an exhaustive discussion of the potential application of bankruptcy law to the District. The discussion is based on the United States Bankruptcy Code (“the Bankruptcy Code”) as now in effect and the few relevant judicial decisions to date. The Bankruptcy Code could be amended or construed differently in future judicial decisions (including as a result of possible future decisions in the pending analogous insolvency proceedings for the Commonwealth of Puerto Rico). Any such action could affect the possible application of bankruptcy law to the District.

State law contains a number of safeguards to protect the financial solvency of school districts. See “APPENDIX A – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT.” If the safeguards are not successful in preventing a school district from becoming insolvent, the State Superintendent of Public Instruction (the “State Superintendent”), operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the “Bankruptcy Code”) on behalf of the District for the adjustment of its debts, assuming that the District meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. Under current State law, the District is not itself authorized to file a bankruptcy proceeding, and it is not subject to an involuntary bankruptcy proceeding.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, bondholders may be prohibited from taking any action to collect any amount from the District (including *ad valorem* property tax revenues) or to enforce any obligation of the District, without the bankruptcy court’s permission, except possibly as described below in the case of pledged “special revenues.” In such a proceeding, as part of its plan of adjustment in bankruptcy, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, including the obligation of the County and the District to raise taxes if necessary to pay the Bonds, if the bankruptcy court determines that the plan is fair, equitable, not unfairly discriminatory to creditors as a whole, is in the best interests of creditors and otherwise complies with the Bankruptcy Code. There also may be other possible effects of a District bankruptcy proceeding that could result in delays or reductions in payments on the Bonds. Regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

Limitations on Plans of Adjustments. Chapter 9 of the Bankruptcy Code does not limit or impair the power of a state to control, by legislation or otherwise, a political subdivision of the state in the exercise of its political or governmental powers, including expenditures for the exercise. In addition, Chapter 9 prevents a bankruptcy court from interfering with the political or governmental powers of a political subdivision debtor, any of its property or revenues or the use or enjoyment of its income producing property, unless the political subdivision debtor confirms a plan of adjustment to that effect or consents to that action. State law provides that *ad valorem* property taxes may be levied to pay the principal and accreted value of and interest on the Bonds and other voted general obligation bonds of the District in an unlimited amount, and that proceeds of such a levy must be used for the payment of principal and accreted value of and interest on the District’s general obligation bonds, including the Bonds, and for no other purpose. Under State law, the District’s share of the 1% limited tax imposed by the County is the only *ad valorem* property tax revenue that may be raised and expended to pay liabilities and expenses of the District other than its voter-approved

debt, such as its general obligation bonds. If the District should become a debtor in a Chapter 9 proceeding, then it must propose a plan of adjustment of its debts. The plan may not become effective until confirmed by the bankruptcy court.

The court may not confirm a plan unless it finds, among other conditions, that the District is not prohibited by law from taking any action necessary to carry out the plan, and that the plan is fair, equitable, does not unfairly discriminate among creditors as a whole, is in the best interests of creditors, and is feasible. If the State law restriction on the levy and expenditure of *ad valorem* property taxes is respected in a bankruptcy case, then *ad valorem* property tax revenue levied by the County for prepayment of the Bonds could not be used by the District for any purpose under its plan other than to make payments on the Bonds and its other voted general obligation bonds. It is possible, however, that a bankruptcy court could conclude that the restriction is not required to be respected in a confirmed plan.

Statutory Lien. Pursuant to Senate Bill 222 (2015) (“SB 222”) that became effective on January 1, 2016, all general obligation bonds issued by local agencies, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* property taxes. SB 222 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 issued. As a result, the lien on debt service taxes will continue to be valid with respect to post-petition receipts of debt service taxes, should the District become a Chapter 9 debtor. The automatic stay provisions of the Bankruptcy Code would apply, however, thereby preventing bondholders from enforcing their rights to payment from such taxes (with the result that any payments becoming due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed), except as described under “--Special Revenues” below. It is also possible that the bankruptcy court could approve an alternate use of such taxes, if the bondholders are afforded protection that the court determines to be adequate.

Special Revenues. If the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, then the application by the County (or others with possession) of pledged *ad valorem* property tax revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay, and bondholders may be able to compel their immediate use to pay debt service, subject to the matters discussed below, including a recent decision by the United States Court of Appeals for the First Circuit.

“Special revenues” are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* property taxes for payment of the Bonds. The Bonds and the District’s other general obligation bonds were approved at elections held on propositions that described the projects for which such bonds may be issued. As noted above, State law prohibits the use of the proceeds of the District’s debt service tax for any purpose other than payment of its general obligation bonds, and the bond proceeds may only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* property tax revenues collected for the payment of general obligation bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

Even if the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, bondholders may not be able to compel that they be used to pay debt service during the pendency of a Chapter 9 proceeding. While the application of special revenues is exempt from the automatic stay by Section 922(d) of the Bankruptcy Code, the United States Court of Appeals for the First Circuit has interpreted that section to exempt only

voluntary applications by the debtor and voluntary applications by creditors or others of property in their possession, and not to exempt actions by creditors to compel an application by others, and has held that a bankruptcy court lacks authority to compel the application of special revenues. *In re: The Financial Oversight and Management Board for Puerto Rico*, 919 F.3d 121 (1st Cir. 2019). The U.S. Supreme Court declined to review the First Circuit decision. If the First Circuit’s interpretation is upheld and applied by courts in the Ninth Circuit and the State Superintendent (or State-appointed administrator) were to file a petition to initiate a Chapter 9 proceeding in respect of the District, the bondholders would be stayed from seeking to compel the application of pledged *ad valorem* property taxes to pay debt service on the Bonds during the pendency of the proceeding (in either federal or state court), if the County failed to do so as required by State law or was instructed not to do so by the District, which would leave bondholders with only state court remedies. Accordingly, even if the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues,” a Chapter 9 proceeding could result in a substantial delay in the payment of debt service, if the County failed to apply pledged *ad valorem* property taxes to pay debt service on the Bonds.

In addition, the Bankruptcy Code provides that any consensual lien on special revenues “derived” from a project or system is subject to necessary operating expenses of the project or system. This rule applies regardless of the provisions of transaction documents. If a bankruptcy court were to conclude that the District’s tax collections are “derived” from a District project or system, then even if pledged *ad valorem* property tax revenues are determined to be “special revenues,” the court could determine that such revenues may not be ordered (by itself or a state court) to pay debt service to the extent that they are needed to pay necessary operating expenses of the District and may lawfully be applied for that purpose.

Possession of Tax Revenues; Remedies. If the County or the District goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County or the District, as applicable, does not voluntarily pay such tax revenues to the owners of the Bonds, it is not clear what procedures the owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful.

Amounts Held in County Treasury Pool. The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the County’s Treasury Pool, as described in “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS” and “APPENDIX F – THE SAN BERNARDINO COUNTY POOL.” Should those investments suffer losses, there may be delays or reductions in payments on the Bonds.

Opinion of Bond Counsel Qualified. The proposed forms of opinion of Bond Counsel, attached hereto as APPENDIX B, are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor’s rights.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) has agreed to purchase the 2024D Bonds from the District at the purchase price of \$_____ (being the aggregate principal amount of the 2024D Bonds plus original issue premium of \$_____, and less an Underwriter’s discount of \$_____), at the rates and yields shown on the inside covers hereof.

The Underwriter has agreed to purchase the Refunding Bonds from the District at the purchase price of \$_____ (being the aggregate principal amount of the Refunding Bonds, plus original issue premium of \$_____, and less an Underwriter’s discount of \$_____), at the rates and yields shown on the inside covers hereof.

The Underwriter has, in the past, been a sponsor of the District's annual scholarship fundraising event.

[The Underwriter has entered into an agreement with its affiliate, Vining-Sparks IBG, LLC for the distribution of certain municipal securities offerings at the original issue price. Pursuant to that distribution agreement, Vining-Sparks may purchase Bonds from Stifel at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that Vining-Sparks sells.][**Confirm/update**]

MUNICIPAL ADVISOR

Keygent, LLC, a limited liability company ("Keygent") is engaged as Municipal Advisor to the District in connection with the issuance of the Bonds. The Municipal Advisor's compensation for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Keygent, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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

NO LITIGATION

No litigation is pending or threatened concerning the validity of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* property taxes or to collect other revenues or contesting the District's ability to issue the Bonds.

OTHER INFORMATION

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Resolutions are available upon request from the Assistant Superintendent of Business Services, Chino Valley Unified School District, 5130 Riverside Drive, Chino, California 91710. A fee may be charged for copying and handling.

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 Bonds.

[Remainder of page intentionally left blank.]

The execution and delivery of this Official Statement has been duly authorized by the District.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT

The following information, concerning the operations and finances of the District is not intended to and does not suggest that the Bonds are secured by the general revenues or General Fund of the District, nor is the County obligated in any way with respect to the Bonds. The Bonds are general obligation bonds of the District, secured and payable solely from ad valorem property taxes collected against taxable properties within the boundaries of the District. Prospective purchasers of the Bonds should be aware that the following discussion of the District's financial condition, its fund balances, budgets and other obligations, is intended as general information only, and no implication is made the payment of principal of or interest on the Bonds is dependent in any way upon the District's financial condition. The District neither receives nor accounts for ad valorem property taxes collected by the County to pay debt service on the Bonds. Pursuant to Section 15241 of the Education Code, all tax revenues collected for payment of debt service on general obligation bonds, including the Bonds, must be deposited into debt service fund of the District maintained within the County Treasury Pool. See the body of this Official Statement under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

General

Although the origin of the District can be traced to 1878, with its first Board election, the District began operations as a newly formed unified school district on July 1, 1939. The District is located in the San Bernardino County and provides public education within an approximately 88 square mile area, including the City of Chino, the City of Chino Hills, the southern portion of the City of Ontario and certain unincorporated areas of the County. The District currently operates 34 schools including 20 elementary (K-6), 2 Kindergarten – 8th grade (K-8), 5 junior highs, 5 high schools, and 2 alternative schools including a virtual program. The District currently has a third K-8 school, Legacy Academy, under construction that is scheduled to open on or about July 2024. The District's average daily attendance ("ADA") for all District programs for Fiscal Years ended June 30, 2022 and June 30, 2023 was 23,837 and 23,900, respectively. The District currently projects that the ADA for Fiscal Year ended June 30, 2024 will be 23,981. Assessed valuation of real property and improvements (full cash value) in the District increased from \$35,214,937,546 in Fiscal Year 2022-23 to \$38,610,901,388 in Fiscal Year 2023-24.

District Organization

The District is governed by a Board of Education (the "Board"). The Board consists of five members who are elected at-large to overlapping four-year terms at elections held in staggered years. If a vacancy arises during any term, the vacancy is filled by either an appointment by the majority vote of the remaining Board Members or by a special election. Each December, the Board elects a President, Vice President and Clerk to serve one-year terms. The years in which the current terms for each member of the Board expire are set forth on the next page.

<u>Governing Board Member</u>	<u>Office</u>	<u>Year Current Term Expires</u>
Sonja Shaw	President	2026
Jonathan Monroe	Vice President	2026
Andrew Cruz	Clerk	2024
Donald L. Bridge	Member	2024
James Na	Member	2024

Key Personnel

The following is a listing of the key administrative personnel of the District:

<u>Name</u>	<u>Title</u>
Norm Enfield, Ed.D.	Superintendent
Sandra H. Chen	Associate Superintendent, Business Services
Gregory J. Stachura	Assistant Superintendent, Facilities, Planning & Operations
Elizabeth A. Pensick	Director, Fiscal Services

Dr. Norm Enfield, Superintendent. Dr. Enfield has served as the District's Superintendent since July 1, 2018. Dr. Enfield started working in the District in 2007 as the Director of Human Resources and was promoted to Assistant Superintendent in February 2010. In January of 2014, Dr. Enfield was promoted to Deputy Superintendent, responsible for overseeing the day-to-day operation of the Chino Valley Unified School District. Dr. Enfield began his career as an elementary school teacher in Rowland Unified School District, and served as an Assistant Principal and Principal in Baldwin Park Unified School District prior to coming to Chino Valley. Dr. Enfield earned his AA degree from Mt. San Antonio College, BA degree from Cal Poly Pomona, MA degree from National University, and Ed.D. from the University of La Verne.

Sandra Chen, Associate Superintendent, Business Services. Ms. Sandra Chen began her career with the District in 1998 as the Facilities Planner/Fiscal Analyst for the Facilities, Planning, and Operations Division. In 2005, she was promoted to Director of Planning and later became the Assistant Superintendent of Facilities, Planning, and Operations from 2006-2010. In December 2010, Ms. Chen was appointed to take the business post as the Assistant Superintendent of Business Services. In 2018, she was promoted to Associate Superintendent of Business Services. Ms. Chen earned her BA degree from UC Irvine, and her MA degree from UCLA. She is also a certified chief business official from the California Association of School Business Officials.

Gregory Stachura, Assistant Superintendent, Facilities, Planning & Operations. Gregory Stachura has served as the District's Assistant Superintendent of Facilities, Planning and Operations since July 2011. Mr. Stachura started with the District's Maintenance Department in June of 1989 as a Carpenter III. He was promoted to Maintenance Department Manager in 1998, and Construction Coordinator in 2006 prior to being promoted to his current position. He attended Colorado Technical University where he earned his Bachelor of Science in Business Administration-Management. He has also earned certificates in Facilities Management/Plant Engineering and Education Facilities Planning from the University of California, Riverside and a certificate in School Business Management from California State University, Fullerton.

District Employees

As of January 16, 2024, the District employed approximately 1,499 full-time equivalent certificated professionals and 944 full-time equivalent classified employees. The contracted pupil-teacher ratio within the District is 32:1 (Kindergarten), 31:1 (First Grade), 32:1 (Grades 2 through 6), 34:1 (Grades 7 and 8), and 35:1 (Grades 9 to 12).

District employees are represented by two employee bargaining units. All certificated staff except administrative staff are represented by Associated Chino Teachers (“A.C.T.”). Classified staff (except management) are represented by California State Employees Association (“CSEA”). Currently, 100% of all full-time District employees except administrative staff and classified management are covered by collective bargaining agreements. The District has historically enjoyed a good working relationship with each of its bargaining units and has experienced no work stoppages by represented personnel in the last five years.

The District’s agreement with A.C.T. expires on June 30, 2025. The District’s agreement with CSEA is effective July 1, 2021 through June 30, 2024. The District has not concluded bargaining with all employee groups for fiscal year 2023-24. The District’s contracts with A.C.T. and CSEA contain a cap on healthcare benefits of \$10,000. The cap on healthcare benefits for management is also \$10,000.

The total accumulated employee compensated absences as of June 30, 2023, amounted to \$2,904,316, which is recorded as General Long-Term Debt.

Insurance

The District maintains insurance or self-insurance in such amounts and with such retentions and other terms providing coverages for property damage, fire and theft, general public liability and worker’s compensation, as are adequate, customary and comparable with such insurance maintained by similarly situated school districts. In addition, based upon prior claims experience, the District believes that the recorded liabilities for self-insured claims are adequate. See APPENDIX C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

District Enrollment

The District has experienced student enrollment declines in the last few years. The table on the next page sets forth the second period enrollment for the District for the fiscal years 2018-19 through 2023-24 (projected).

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CHINO VALLEY UNIFIED SCHOOL DISTRICT
K-12 Enrollment at CALPADS [PERIOD] 2 (Including Regular Education, Special Day Class,
Opportunity School, Independent Study and Continuation School)
(2018-19 through 2023-24)

<u>Year</u>	<u>Second Period Enrollment (October of each Year)</u>	<u>Increase (Decrease) from Prior Year</u>
2018-19	27,693	(342)
2019-20	27,576	(117)
2020-21	26,183	(1,393)
2021-22	25,961	(222)
2022-23	25,694	(267)
2023-24 ⁽¹⁾	25,642	(52)

⁽¹⁾ Projected.

Source: The District.

Local Control Funding Formula (LCFF). As part of the 2013-14 State Budget, State Assembly Bill 97 (Stats. 2013, Chapter 47) (“AB 97”) was enacted to establish a new system for funding school districts, charter schools and county offices of education by the implementation of the Local Control Funding Formula or LCFF, to replace the revenue limit funding system for determining State apportionments and the majority of categorical program funding. Subsequently, AB 97 was amended and clarified by Senate Bill 91 (Stats. 2013, Chapter 49). The LCFF consists primarily of base, supplemental and concentration funding that focuses resources based on a school district’s student demographics. Each school district and charter school will receive a per pupil base grant used to support the basic costs of instruction and operations. The implementation of the LCFF occurred over a period of five fiscal years, beginning in Fiscal Year 2013-14 and ending in Fiscal Year 2019-20, during which annual transition adjustments were calculated for each school district, equal to such district’s proportionate share of appropriations included in the 2013-14 State Budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. School districts had the same proportion of their respective funding gaps closed in each year, with funding amounts that varied in accordance with the size of each district’s funding gap.

The LCFF includes the following components:

- A uniform base grant for each local education agency based on four different grade spans of pupils, K-3, 4-6, 7-8, and 9-12, per unit of ADA. The Fiscal Year 2023-24 adjusted base grant amounts for each grade span are as follows: \$10,951 per ADA for K-3, \$10,069 per ADA for 4-6, \$10,367 per ADA for 7-8, and \$12,327 per ADA for 9-12. These amounts include an adjustment to the base grant to support lowering class sizes in grades K-3, and an adjustment to reflect the cost of operating career technical education programs in high schools. Unless otherwise collectively bargained for, school districts must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site so as to continue receiving its adjustment to the K-3 base grant.
- A 20% supplemental grant for students classified as English learners (“EL”), those eligible to receive a free or reduced price meal (“FRPM”) and foster youth, to reflect increased costs associated with educating those students. These supplemental grants are only

attributed to each eligible student once, and the total student population eligible for the additional funding is known as an “unduplicated count.”

- An additional concentration grant equal to 65% of a local education agency’s base grant, based on the number of unduplicated EL, FRPM and foster youth served by the local agency that comprise more than 55% of the school district’s or charter school’s total enrollment. The District is not eligible for the concentration grant.
- An “Economic Recovery Target” to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

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LCFF and the District

The following table shows a breakdown of the District’s ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment for fiscal years 2017-18 through 2023-24: [to be updated]

CHINO VALLEY UNIFIED SCHOOL DISTRICT ADA, Enrollment and EL/LI Enrollment Percentage Fiscal Years 2017-18 Through 2023-24

Fiscal Year	Average Daily Attendance ⁽¹⁾					Enrollment ⁽²⁾	
	K-3	4-6	7-8	9-12	Total ADA	Total Enrollment	% of EL/LI Enrollment ⁽³⁾
2017-18	7,560.99	6,244.94	4,337.39	8,971.01	27,114.33	28,141	49.39
2018-19 ⁽⁴⁾	7,382.88	6,000.20	4,335.01	8,798.27	26,516.36	27,590	49.40
2019-20	7,295.79	5,901.99	4,322.71	8,852.63	26,373.12	27,511	50.24
2020-21 ⁽⁵⁾⁽⁶⁾	7,295.79	5,901.99	4,322.71	8,852.63	26,373.12	26,520	49.08
2021-22 ⁽⁵⁾⁽⁶⁾	6,586.98	5,211.15	3,760.88	8,229.11	23,788.12		
2022-23							
2023-24							

(1) Except for fiscal years [2019-20, 2020-21 and 2021-22], reflects annual data.

(2) Reflects certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System (“CALPADS”) in each school year and used to calculate each school district’s unduplicated EL/LI student enrollment. Adjustments may be made to the certified EL/LI counts by the California Department of Education. CALPADS figures generally exclude preschool and adult transitional students.

(3) For purposes of calculating Supplemental and Concentration Grants, a school district’s fiscal year 2013-14 percentage of unduplicated EL/LI students was expressed solely as a percentage of its total fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment was based on the two-year average of EL/LI enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district’s percentage of unduplicated EL/LI students is based on a rolling average of such district’s EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

(4) As of June 2020, reflects P-2 data.

(5) Reflects projected ADA and enrollment.

(6) Due to the COVID pandemic, attendance reporting was not required in fiscal year 2020-21 and ADA was based on fiscal year 2019-20 figures. [Fiscal year 2021-22 reflects current year projected ADA and enrollment figures post-COVID.]

Developer Fees

The District is adjacent to three other counties – Los Angeles County lies west of the District, Riverside County lies south of the District, and Orange County lies southwest of the District. Development is occurring and being planned in five different areas within the District’s boundaries, including the unincorporated portion of the County, the City of Chino, the City of Chino Hills, the City of Ontario and the County’s Agricultural Preserve. The District receives Developer Fees per square foot pursuant to Education Code Section 17620. As of July 1, 2023, Developer Fees within the District are \$4.79 per square foot for residential housing and \$0.78 per square foot for commercial or industrial development. As of Fiscal Year 2022-23, the District collected \$5.2 million in developer fees and has budgeted developer fee collections of \$[___ million][update] for Fiscal Year 2023-24.

Significant Accounting Policies and Audited Financial Statements

The California State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 school districts. Financial transactions are accounted for in accordance with the California School Accounting Manual. Eide Bailly LLP serves as independent auditors to the

District and their report for the Fiscal Year Ended June 30, 2023, is attached hereto as APPENDIX C. The District's auditors have not specifically approved the inclusion of such report herewith.

California Assembly Bill 1200 ("A.B. 1200"), effective January 1, 1992, tightened the budget development process and interim financial reporting for school districts, enhancing the authority of the county schools superintendents' offices and establishing guidelines for emergency State aid apportionments. Many provisions affect District operations directly, while others create a foundation from which outside authorities (primarily state and county school officials) may impose actions on the District. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the county office of education 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 office of education reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the fiscal year or subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years. Each certification is based on then current projections. The District received positive certifications from the San Bernardino County Office of Education for its fiscal year 2021-22 and 2022-23 interim reports. Independently audited financial reports are prepared annually conforming 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. For the District's most recent available audited financial statements, see "APPENDIX C."

The District's General Fund finances the legally authorized activities of the District for which restricted funds are not provided. General Fund revenues are derived from such sources as State fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District has not requested its auditor to provide any review or update of such financial statements in connection with their inclusion in this Official Statement. The District's audited financial statements for prior and subsequent fiscal years can be obtained by contacting the District at 5130 Riverside Drive, Chino, California 91710, telephone (909) 628-1201. A fee may be imposed for copies and postage.

The District submitted a request for extension to file its audited financial statements for fiscal year 2022-23 with the California Department of Education ("CDE") due to the State's delay in processing J-13 waivers (attendance waivers accounting for inclement weather in fiscal year 2022-23) and ESSER II/III capital expenditure applications. [The District expects such request for extension to be approved by the CDE, and for its audited financial statements for fiscal year 2022-23 to be received by the Board on February 15, 2024.]

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General Fund

The following table describes the District's audited financial results for the fiscal years 2018-19 through 2022-23.

CHINO VALLEY UNIFIED SCHOOL DISTRICT GENERAL FUND⁽¹⁾⁽²⁾ Audited Financial Results for Fiscal Years 2018-19 through 2022-23

	<u>Fiscal Year 2018-19</u>	<u>Fiscal Year 2019-20</u>	<u>Fiscal Year 2020-21</u>	<u>Fiscal Year 2021-22</u>	<u>Fiscal Year 2022-23</u>
REVENUES					
LCFF Sources	\$247,229,949	\$252,857,260	\$253,668,542	\$264,992,495	\$294,844,114
Federal revenues	12,007,743	11,200,541	29,717,730	41,091,969	32,774,651
Other State revenues	40,221,325	28,772,933	39,235,598	41,735,537	85,053,466
Other local revenues	<u>17,047,722</u>	<u>18,311,400</u>	<u>15,503,788</u>	<u>18,887,521</u>	<u>27,639,070</u>
TOTAL REVENUES	\$316,506,739	\$311,142,134	\$338,125,658	\$366,707,522	\$440,311,301
EXPENDITURES					
Instruction	\$191,006,091	\$187,626,045	\$194,896,132	\$216,592,715	\$224,544,463
Instruction-Related Activities:					
Supervision of instruction	9,194,511	10,050,053	9,525,169	10,405,361	13,422,130
Instructional library, media and Technology	7,907,980	7,688,828	5,844,760	7,718,795	6,552,213
School site administration	21,624,636	21,828,890	21,525,348	22,823,957	25,787,746
Pupil Services					
Home-to-school transportation	5,998,426	6,602,174	4,916,299	7,753,697	8,174,995
Food services	1,830	717	773,798	1,984	22,399
All other pupil services	18,924,620	19,572,461	20,989,588	23,722,002	26,830,019
General Administration					
Data processing	574,195	397,624	394,419	404,991	384,112
All other administration	12,408,481	11,191,367	12,690,406	12,087,503	16,250,179
Plant Services	24,168,774	25,133,078	28,407,893	30,102,716	38,561,699
Facility Acquisition and Construction	1,730,433	3,836,268	4,225,299	17,400,209	9,166,549
Ancillary Services	4,427,126	3,819,230	2,909,638	3,984,663	4,429,446
Community Services	1,054,638	1,096,955	855,061	910,496	1,092,236
Other Outgo	4,740,171	4,080,093	4,156,560	4,436,014	4,383,183
Enterprise Services	1,804,514	1,757,652	1,186,697	1,409,870	2,123,849
Debt Service					
Principal	205,004	165,891	374,493	621,664	600,586
Interest and other	<u>1,376</u>	<u>-</u>	<u>-</u>	<u>49,407</u>	<u>33,022</u>
TOTAL EXPENDITURES	\$305,762,806	\$304,847,326	\$313,671,560	\$360,426,044	\$382,358,826
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,743,933	6,294,808	24,454,098	6,281,478	57,952,475
NET FINANCING SOURCES (USES)	<u>(109,554)</u>	<u>(200,000)</u>	<u>(1,427,728)</u>	<u>(2,609,800)</u>	<u>(5,016,614)</u>
NET CHANGE IN FUND BALANCE	\$10,634,379	\$ 6,094,808	\$23,026,370	\$ 3,671,678	\$52,935,861
BEGINNING FUND BALANCE	\$85,921,889	\$ 96,556,268	\$102,651,076	\$125,677,446	\$129,349,124
ENDING FUND BALANCE	<u>\$96,556,268</u>	<u>\$102,651,076</u>	<u>\$125,677,446</u>	<u>\$129,349,124</u>	<u>\$182,284,985</u>

(footnotes on next page)

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ For financial reporting purposes, the audited financial statements include Fund 20 in the total. The interfund transfer between Fund 01 and Fund 20 in 2020-21 gets eliminated as a result of the consolidation.

Source: The District

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Adopted and 2nd Interim Budget

The following table describes the District's General Fund Adopted Budgets for the fiscal years 2019-20 through 2023-24, along with the 2023-24 Second Interim Budget.

CHINO VALLEY UNIFIED SCHOOL DISTRICT						
2019-20 through 2023-24 General Fund Adopted Budgets ⁽¹⁾⁽²⁾ and Second Interim Budget for 2023-24 ⁽¹⁾⁽³⁾						
	2019-20	2020-21	2021-22	2022-23	2023-24	2023-24
	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Second Interim Budget</u>
BEGINNING FUND BALANCE	\$ 88,042,537	\$97,620,900	\$98,795,517	\$86,320,671	\$114,590,576	
REVENUES						
LCFF Sources	\$249,944,552	\$230,337,851	\$266,403,147	\$280,315,284	\$310,210,483	
Federal Revenues	11,991,433	23,770,869	28,985,315	39,232,359	31,692,706	
Other State Revenues	21,349,927	7,919,316	29,965,676	35,468,554	45,132,902	
Other Local Revenues	<u>13,089,854</u>	<u>16,764,344</u>	<u>16,328,246</u>	<u>20,592,534</u>	<u>21,403,578</u>	
Total Revenues	\$296,375,766	\$278,792,380	\$341,682,384	\$375,608,731	\$408,439,669	
EXPENDITURES						
Certificated Salaries	\$137,903,880	\$142,914,934	\$152,885,083	\$156,754,436	\$158,713,346	
Classified Salaries	41,907,298	44,359,183	45,344,058	48,522,581	53,153,214	
Employee Benefits	73,239,738	61,335,231	84,120,952	92,503,832	92,634,952	
Books and Supplies	21,711,233	23,901,660	32,998,541	58,943,198	81,975,664	
Services and Operating Expenditures	31,656,174	28,010,521	29,395,353	27,463,951	33,177,470	
Capital Outlay	2,548,620	14,281	13,017,383	5,816,000	19,442,995	
Other Transfers	4,918,359	4,621,896	4,712,121	4,848,768	5,046,550	
Direct Support/Indirect Costs	<u>(482,779)</u>	<u>(482,498)</u>	<u>(482,891)</u>	<u>(278,403)</u>	<u>(281,214)</u>	
Total Expenditures	\$313,402,523	\$304,675,208	\$361,990,600	\$394,574,363	\$443,862,977	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (17,026,757)	\$ (25,882,828)	\$ (20,308,216)	\$ (44,375,113)	\$ (64,277,789)	
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	-	-	-	-	-	
Operating Transfers Out	300,000	300,000	5,800,000	25,409,481	28,854,481	
Other Sources (Uses)	-	-	-	-	-	
Contributions	-	-	-	-	-	
Total Other Sources (Uses)	\$ (300,000)	\$ (300,000)	\$ (5,800,000)	\$ (25,409,481)	\$ (28,854,481)	
NET INCREASE (DECREASE) IN FUND BALANCE	(17,326,757)	(26,182,828)	(26,108,216)	(44,375,113)	(64,277,789)	
ENDING FUND BALANCE	\$ 70,715,780	\$ 71,438,072	\$72,687,301	\$41,945,558	\$50,312,787	

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ Adopted Budgets are based on Estimated Actuals of the prior year. This table shows the District's adopted General Fund budget in June of each year.

⁽³⁾ 2023-24 Second Interim Budget reflects actual activities through January 31, 2024.]

Source: The District.

State Pension Trusts; Retirement System

The following information on PERS and STRS (as defined below) has been obtained from publicly available sources and has not been independently verified by the District, is not guaranteed as to the accuracy or completeness of the information and is not to be construed as a representation by the District, the Underwriter or the Municipal Advisor. Furthermore, the summary data below should not be read as current or definitive, as recent losses on investments made by the retirement systems generally may have increased the unfunded actuarial accrued liabilities stated below.

The assets and liabilities of the funds administered by PERS and STRS, as well as certain other retirement funds administered by the State, are included in the financial statements of the State for the year ended June 30, 2022 as fiduciary funds. Both PERS and STRS have unfunded actuarial accrued liabilities in the tens of billions of dollars. The amount of unfunded actuarially accrued liability will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution.

STRS and PERS each issue separate comprehensive annual financial reports that include financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, P.O. Box 15275, Sacramento, California 95851-0275 and copies of the PERS annual financial report and actuarial valuations may be obtained from the PERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information presented in these reports is not incorporated by reference in this Official Statement.

STRS. The District participates in the California State Teachers' Retirement System ("STRS"). STRS is a defined benefit plan that covers all full-time certificated employees and some classified employees, which are employees employed in a position that does not require a teaching credential from the State. STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the "STRS Defined Benefit Program"). The STRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions are established by State legislation in accordance with the State Teachers' Retirement Law. STRS is operated on a Statewide basis and, based on publicly available information, has substantial unfunded liabilities. Additional funding of STRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282.

As part of the 2014-15 State Budget, the Legislature enacted AB 1469 (Chapter 47, Statutes of 2014) ("AB 1469"), a comprehensive funding solution intended to eliminate the projected STRS unfunded liability on the STRS Defined Benefit Program by 2046. Under AB 1469, the funding plan began in Fiscal Year 2014-15 and will be phased in over several years. The employer contribution rate increased by 1.85% of covered payroll annually beginning July 1, 2015 and will continue to increase until the employer contribution rate is 19.10% of covered payroll. Beginning in Fiscal Year 2021-22 through Fiscal Year 2045-46, AB 1469 authorizes the STRS Board to adjust the employer contribution up or down 1 percentage point each year, but no higher than 20.25% total and no lower than 8.25%, to eliminate the remaining unfunded obligation that existed on July 1, 2014.

In addition, the STRS Board is authorized to modify the percentages paid by employers and employees for Fiscal Year 2021-22 and each fiscal year thereafter in order to eliminate STRS' unfunded liability by June 30, 2046 based upon actuarial recommendations. The STRS Board would also have the authority to reduce employer and State contributions if they are no longer necessary.

The actuarial assumptions and methods adopted by the STRS Board for funding the STRS Defined Benefit Program include: the “Entry Age Normal Cost Method”, with the actuarial gains/losses and the unfunded actuarial obligation amortized over a closed period ending June 30, 2046, an assumed 7.25% investment rate of return (net of investment and administrative expenses) for Fiscal Year 2015-16 and a 7.00% investment rate of return (net of investment and administrative expenses) for Fiscal Year 2016-17, an assumed 3.00% interest on member accounts (based on the STRS Board’s short-term interest crediting policy), projected 3.50% general wage growth, of which 2.75% is due to inflation and 0.75% is due to expected gains in productivity, and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases.

Based on the multi-year STRS Experience Analysis (spanning from July 1, 2015, through June 30, 2018) (the “2020 Experience Analysis”), on January 31, 2020, the STRS Board adopted a new set of actuarial assumptions that were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2019 (the “2019 STRS Actuarial Valuation”). While no changes were made to the actuarial assumptions discussed above, which were established as a result of the 2017 Experience Study, certain demographic changes were made, including: (i) lowering the termination rates to reflect a continued trend of lower than expected teachers leaving their employment prior to retirement, and (ii) adopting changes to the retirement rates for both employees hired before the Implementation Date and after the Implementation Date to better reflect the anticipated impact of years of service on retirements. The 2019 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

The STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2022 (the “2022 STRS Actuarial Valuation”) reports that the unfunded actuarial obligation decreased by approximately \$1.17 billion since the STRS Defined Benefit Program Actuarial Valuation as of June 30, 2021 (the “2021 STRS Actuarial Valuation”) and the funded ratio increased by 1.4% to 74.4% over such time period. The increase in the funded ratio is primarily due to the recognition of deferred investment gains from prior years, primarily the investment gain from Fiscal Year 2020-21.

According to the 2022 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations and the unfunded actuarial obligation is projected to be amortized by June 30, 2046, with a projected ending funded ratio of 100.3%. This finding assumes adjustments to contribution rates in line with the funding plan and policies adopted by the STRS Board, a 7.00% investment rate of return and the future recognition of the currently deferred asset gains.

The actuary for the STRS Defined Benefit Program notes in the 2022 STRS Actuarial Valuation that the decrease in unfunded actuarial obligation represents a net actuarial gain of \$1.273 billion since the unfunded actuarial obligation was expected to be \$89.825 billion based on the 2021 STRS Actuarial Valuation. Although the 2022 STRS Actuarial Valuation notes that the current assumptions underlying the results of the actuarial valuation provide a reasonable estimate of future expectations, future experience can differ from such assumptions to some extent. There are a number of factors that affect future valuation results, and differences between actual experience and assumption for these factors will likely cause increases or decreases in the plan’s future funding level and calculated supplemental contribution rates. Of such factors, the one with the greatest potential risk is future investment returns, while payroll variation can also have a significant impact on valuation results.

On July 29, 2022, after the release of the 2021 STRS Actuarial Valuation, STRS reported a negative 1.3% net return on investments for Fiscal Year 2021-22, which is STRS’ first negative return on investments since Fiscal Year 2008-09. The negative 1.3% net return on investments is less than the assumed annual rate of return on investments of 7.00%. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District

cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to STRS will not significantly increase in the future.

The STRS Board established the employer contribution rates applicable for the period July 1, 2023 to June 30, 2024, based on the 2022 STRS Actuarial Valuation and STRS Employer Directive 2023-03, dated June 2, 2023. The contribution rate for Fiscal Year 2023-24 is 19.10%.

The District's employer contributions to STRS for Fiscal Years ended June 30, 2020 through June 30, 2023 (together with the projection for Fiscal Year ended June 30, 2024) are set forth in the table below, and equal 100 percent of the required contributions for each year. See APPENDIX C – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 for additional information.

CHINO VALLEY UNIFIED SCHOOL DISTRICT STRS CONTRIBUTIONS

Fiscal Years Ended June 30	District Employer Contributions
2020	\$ 40,793,531
2021	37,020,641
2022	42,341,665
2023	44,769,935
2024 ⁽¹⁾	45,769,260

⁽¹⁾ Projected.

Source: The District

PERS. The District also participates in the State Public Employees' Retirement System ("PERS"). PERS is a defined benefit plan that covers classified personnel who work four or more hours per day. Benefit provisions are established by State legislation in accordance with the Public Employees' Retirement Law. The contribution requirements of the plan members are established by State statute. The actuarial methods and assumptions used for determining the rates are based on those adopted by Board of Administration of PERS (the "PERS Board").

Active plan miscellaneous members hired on or before December 31, 2012 are required to contribute 7.0% of their monthly salary and those hired on or after January 1, 2013 are required to contribute 8.0% of their monthly salary (effective July 1, 2022). The required contribution rate is the difference between the actuarially determined rate and the contribution rate of employees. The actuarial methods and assumptions used for determining the rates are based on those adopted by the PERS Board. School districts are currently required to contribute to PERS at an actuarially determined rate, which was 11.847%, 13.888% and 15.531% of eligible salary expenditures for Fiscal Years 2015-16, 2016-17 and 2017-18 respectively, 18.062% of eligible salary expenditures for Fiscal Year 2018-19 and 19.721% of eligible salary for Fiscal Year 2019-20. The Fiscal Year 2020-21 State Budget redirected State funding paid to PERS in Fiscal Year 2019-20 towards long-term unfunded liabilities to reduce employer contribution rates in Fiscal Years 2020-21 and 2021-22. As a result, the PERS employer contribution rate was 20.7% in Fiscal Year 2020-21 and 22.91% in Fiscal Year 2021-22. The State's supplanting payments made under this redirection of funding expired at the end of Fiscal Year 2021-22. The CalPERS employer contribution rate was 25.37% for Fiscal Year 2022-23. The CalPERS employer contribution rate is 26.68% for Fiscal Year 2023-24.

The District participates in the PERS Schools Pool Plan. According to the PERS Schools Pool Actuarial Valuation as of June 30, 2022 (the “2022 PERS Schools Pool Actuarial Valuation”) for the PERS Schools Pool Plan, the actuarial funding method used is the “Entry Age Actuarial Cost Method.” The 2022 PERS Schools Pool Actuarial Valuation assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2022 PERS Schools Pool Actuarial Valuation reflects a discount rate of 6.80% compounded annually (net of investment and administrative expenses) as of June 30, 2022.

According to the 2022 PERS Schools Pool Actuarial Valuation, the funded ratio is 67.9% on a market value of assets basis, demonstrating a decrease of 10.4% from the funded ratio of 78.3% reported in the PERS Schools Pool Actuarial Valuation as of June 30, 2021. This decrease is mainly due to investment return in Fiscal Year 2021-22 being lower than expected. In the 2022 PERS Schools Pool Actuarial Valuation, the employer contribution rate for Fiscal Year 2024-25 is projected to be 27.8%, the contribution rate for Fiscal Year 2025-26 is projected to be 28.5%, the contribution rate for Fiscal Year 2026-27 is projected to be 28.9%, the contribution rate for Fiscal Year 2027-28 is projected to be 30.3%, and the contribution rate for Fiscal Year 2028-29 is projected to be 30.1%. The projected contribution rates in the 2022 PERS Schools Pool Actuarial Valuation assume an investment return of 6.80% each year, net of investment and administrative expenses. The projections assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits or funding will occur during the projection period.

The 2022 PERS Schools Pool Actuarial Valuation notes that the investment return for Fiscal Year 2021-22 was approximately negative 6.1% reduced for administrative expenses, which is lower than the assumed annual rate of return on investments of 6.8% and is PERS’ first negative return on investments since Fiscal Year 2008-09. This negative return led to an investment loss, in part generating new unfunded liability and increasing the unfunded liability component of the required employer contribution rate to be amortized over the next 20 years. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2022 PERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District’s required contributions to PERS will not significantly increase in the future. On July 19, 2023, PERS reported a 5.8% preliminary net return on investments for Fiscal Year 2022-23.

The District’s employer contribution to PERS for Fiscal Years ended June 30, 2020 through June 30, 2023 (together with the projection for Fiscal Year ended June 30, 2024) are set forth in the table on the next page, and equal 100 percent of the required contributions for each year. See APPENDIX C – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 for additional information.

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
PERS CONTRIBUTIONS**

Fiscal Years Ended June 30	District Employer Contributions
2020	\$8,166,449
2021	8,521,946
2022	9,840,754
2023	12,383,255
2024 ⁽¹⁾	14,167,263

⁽¹⁾ Projected.

Source: The District

Both PERS and STRS are operated on a Statewide basis and, based on available information, both PERS and STRS have unfunded actuarial accrued liabilities. (Additional funding of STRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282.) The amounts of the pension/award benefit obligation (PERS) or actuarially accrued liability (STRS) will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution. The District is unable to predict what the amount of liabilities will be in the future, or the amount of the contributions which the District may be required to make.

California Public Employees' Pension Reform Act of 2013. The Governor signed the California Public Employee's Pension Reform Act of 2013 (the "Reform Act") into law on September 12, 2012. The Reform Act affects both STRS and PERS, most substantially as they relate to new employees hired after January 1, 2013 (the "Implementation Date"). As it pertains to STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2% "age factor" (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to PERS and STRS including the following:

- (a) all new participants enrolled in PERS and STRS after the Implementation Date are required to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary,
- (b) STRS and PERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for STRS members who retire with 25 years of service), and
- (c) "pensionable compensation" is capped for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for STRS and PERS members not participating in social security.

GASB Statement Nos. 67 and 68

In June 2012, the Governmental Accounting Standards Board (“GASB”) approved two related statements that change how State and local governments report and account for the pension benefits provided to their employees. Statement No. 67, “Financial Reporting for Pension Plans,” addresses financial reporting for state and local government pension plans and Statement No. 68, “Accounting and Financial Reporting for Pensions,” establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these Statements will change how governments calculate and report the costs and obligations associated with pensions and are designed to improve the reporting of pension information while increasing the transparency, consistency, and comparability of pension information across governments. The Statements relate only to accounting and financial reporting and do not extend to how governments approach pension plan funding. Governments will now report a pension liability on the face of their financial statements. Previously, the difference between a government’s total pension obligation and assets available for benefits — often called the unfunded liability — was disclosed in notes, but did not appear on the face of the financial statements. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

For more information, see the fiscal year ended June 30, 2023 audited financial statements of the District included in Appendix C hereto.

Post-Employment Benefits

In June 2004, the Governmental Accounting Standards Board (“GASB”) pronounced Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions. The pronouncement required public agency employers providing other postemployment benefits (“OPEB”) to retirees to recognize and account for the costs for providing these benefits on an accrual basis and provide footnote disclosure on the progress toward funding the benefits (“GASB 45”). In June 2015, GASB issued Statement Nos. 74 and 75, respectively, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pension Plans and Pensions, respectively*. The objectives of these statements are to (i) improve the usefulness of information related to postemployment benefits other than pensions (other postemployment benefits or “OPEB”) included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability and (ii) improve accounting and financial reporting by State and local governments for OPEB, respectively. GASB Statement No. 74 replaces Statements No. 43 and 57 and Statement No. 75 replaces GASB Statement No. 45.

The Medicare Premium Payment (“MPP”) Program is a cost-sharing multiple-employer other postemployment benefit plan. STRS administers the MPP Program, through the Teachers’ Health Benefit Fund. The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the Defined Benefit Program who were retired or been receiving a disability allowance prior to July 1, 2012, and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services on a monthly basis. The District’s proportionate share of the net MPP Program OPEB liability of \$1,270,729 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021. See APPENDIX C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

The District's total OPEB liability of \$48,401,644 for the Plan (defined below) was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021. The District transferred \$61.9 million to its Fund 20 in fiscal year 2020-21 through fiscal year 2022-23 to address its OPEB liability.

Annual OPEB Cost and Net OPEB Obligation

The District's defined benefit OPEB plan (the "Plan") provides OPEB for eligible certificated, classified, and management employees of the District. The authority to establish and amend the benefit terms and financing requirements are governed by collective bargaining agreements with plan members. See APPENDIX C – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 for additional information.

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the Plan. The Governing Board has the authority to establish and amend the benefit terms as contained with the negotiated labor agreements. As of June 30, 2021, the valuation date, there were 2,312 plan participants total, with 194 of those plan participants being inactive employees or dependents receiving benefits, and the remaining 2,118 plan participants being active employees.

Long Term Liabilities other than OPEB and Pensions

A schedule of the District's changes in long-term debt for the year ended June 30, 2023 is shown below:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due Within One Year
General obligation bonds	\$682,369,867	\$2,074,351	\$(7,000,000)	\$677,444,218	\$10,160,000
Unamortized debt premiums	42,364,310	-	(2,717,780)	39,646,530	-
Leases	968,178	477,603	(641,915)	803,866	481,697
Financed purchase agreements	1,147,339	-	(232,495)	914,844	234,670
Compensated absences	3,219,647	358,858	-	3,578,505	-
Claims liability	29,420	14,939	(19,877)	24,482	19,877
	<u>\$730,098,761</u>	<u>\$2,925,751</u>	<u>\$(10,612,067)</u>	<u>\$722,412,445</u>	<u>\$10,896,244</u>

Source: The District

See "APPENDIX C" herein for more detailed information regarding the District's long-term liabilities.

Leases

The District has entered into agreements to lease various portable buildings and equipment. As of June 30, 2023, the District recognized right-to-use assets totaling \$836,611 and lease liabilities totaling \$803,866 related to these agreements. The District is required to make principal and interest payments through January 2027 and the lease agreements have a discount rate of 4.0%.

The remaining principal and interest payment requirements for the lease obligation debt as of June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$481,697	\$27,320	\$509,017
2025	281,849	11,175	293,024
2026	<u>40,320</u>	<u>404</u>	<u>40,724</u>
	\$803,866	\$38,899	\$842,765

Source: The District

The District may enter into additional lease obligations.

FUNDING OF SCHOOL DISTRICTS IN CALIFORNIA

State Budget Process

General. The District's operating income consists primarily of two components: a State portion funded from the State's general fund and a locally-generated portion derived from the District's share of the 1% local *ad valorem* property tax authorized by the State Constitution. School districts may be eligible for other special categorical funding, including for State and federal programs. The District received approximately \$294.8 million or 67% of its General Fund revenues from the State (comprised of LCFF (as defined herein) and other State Revenue), for Fiscal Year 2022-23. For Fiscal Year 2023-24, the District budgeted to receive approximately 75% or \$310.8 million General Fund revenues from the State. Accordingly, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect District operations. Job losses and recession may affect State revenues and in turn, State funding of schools.

State funding is guaranteed to a minimum level for school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs under "Proposition 98," a constitutional and statutory initiative 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). See "CONSTITUTIONAL AND STATUTORY INITIATIVES – Proposition 98" herein.

The State's Proposition 98 funding mandate normally commands about 45% of all State general fund revenues. Because education funding constitutes such a large part of the State's general fund expenditures, it is at the heart of annual budget negotiations and adjustments.

Adoption of Annual State Budget. According to the State Constitution, the Governor of the State (the "Governor") must propose a budget to the State Legislature no later than January 10 of each year. Under an initiative constitutional amendment approved by the State's voters on November 2, 2010 as "Proposition 25," a final budget must be adopted by a simple majority vote (rather than a two-third majority, as was the case prior to the passage of Proposition 25) of each house of the Legislature no later than June 15, although this deadline has been routinely breached in the past. (Tax increases continue to require a two-thirds majority vote.) The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. 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.

Prior to the passage of Proposition 25, there were instances where the State Legislature failed to pass a budget in a timely fashion, and the District cannot predict what circumstances may cause a similar failure in future years. In each year where the State budget lags adoption of the District's budget, it will be necessary for the District's staff to review the consequences of the changes, if any, at the State level from the proposals in the Governor's May Revision for that year, and determine whether the District's budget will have to be revised. The District cannot predict the final outcome of State budget negotiations, the impact future State budgets will have on District finances and operations or what actions the State Legislature and the Governor may take to respond to changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors which the District cannot control.

Court Decision on State Payments Pending Budget Adoption. When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each 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. The Controller has posted guidance as to what can and cannot be paid during a budget impasse at its website: www.sco.ca.gov (such website is not incorporated herein by reference). Should the Legislature fail to pass the 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 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 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 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 more accurate information regarding the various factors becomes available. The guaranteed amount will generally 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 a "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 State Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as a "maintenance factor."

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 temporarily deferring apportionments of Proposition 98 funds one Fiscal Year to the next; by permanently deferring the year-end apportionment from June 30 to July 2; by suspending Proposition 98, and by proposing to amend the Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District's principal funding formulas and revenue sources are derived from the budget of the State of California. **The following information concerning the State of California's budgets has been obtained from publicly available information which the District believes to be reliable; however, the State has not entered into any contractual commitment with the District, the County, the Underwriter, Bond Counsel and Disclosure Counsel nor the Owners of the Bonds to provide State budget information to the District or the owners of the Bonds. Additional information regarding State budgets is available at various State-maintained websites including www.dof.ca.gov, which website is not incorporated herein by reference.**

2023-24 State Budget. On June 27, 2023, Governor Newsom signed into law the Fiscal Year 2023-24 State Budget (the “2023-24 Budget”). The 2023-24 Budget totals approximately \$310.8 billion while closing a shortfall of more than \$30 billion. The 2023-24 Budget does not draw from the reserves to close the shortfall, but rather includes an increase of \$600 million to the reserve account compared to the amount expected to be set aside pursuant to the May Revision. The 2023-24 Budget includes \$37.8 billion in budgetary reserves, which include: \$22.3 billion in the Budget Stabilization Account (the “Rainy Day Fund”) for fiscal emergencies; \$10.8 billion in the Public School System Stabilization Account (“PSSSA”) (the “rainy-day” fund used to lessen the impact of State revenue volatility on K-12 schools and community colleges); \$900 million in the Safety Net Reserve (used to maintain benefits and services for CalWORKs and Medi-Cal participants during economic downturns); and \$3.8 billion in the State’s operating reserve. The Rainy Day Fund is now at its constitutional maximum (10 percent of General Fund revenues).

The Fiscal Year 2022-23 winter atmospheric river storms caused a tax filing delay by the Internal Revenue Service (and a conforming State delay) affecting over 99 percent of the State’s tax filers in 55 of the State’s 58 counties. As a result, the 2023-24 Budget projects a delay of \$42 billion in tax receipts into October 2023 – \$28.4 billion from personal income tax and \$13.3 billion from corporation tax – representing nearly one-fourth of the 2022-23 Fiscal Year’s total projected personal income tax, and nearly one-third of the 2022-23 Fiscal Year’s corporation tax. The 2023-24 Budget closes the \$31.7 billion shortfall through fund shifts (\$9.3 billion), reductions and pullbacks (\$8.1 billion), funding delays (\$7.9 billion), revenue and internal borrowing (\$6.1 billion) and trigger reductions (\$340 million).

K-12 Funding and Proposition 98 Guarantee. The 2023-24 Budget includes total funding of \$129.2 billion (\$79.5 billion General Fund and \$49.7 billion other funds) for all K-12 education programs. The 2023-24 Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the Local Control Funding Formula (“LCFF”), special education, transitional kindergarten, nutrition, and preschool. Proposition 98 funding for Fiscal Year 2023-24 is approximately \$108.3 billion for K-12 public schools and community college districts.

Rainy Day Fund. The 2023-24 Budget includes payments of approximately \$4.8 billion, \$1.8 billion, and \$902 million into the PSSSA for Fiscal Years 2021-22, 2022-23, and 2023-24, respectively, for a balance of more than \$10.8 billion at the end of Fiscal Year 2023-24. Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the PSSSA is equal to or greater than 3 percent of the total K-12 share of the Proposition 98 Guarantee. The balance of \$9.9 billion in Fiscal Year 2022-23 triggers school district reserve caps beginning in Fiscal Year 2023-24.

Local Control Funding Formula. The 2023-24 Budget provides an LCFF cost-of-living adjustment (“COLA”) of 8.22 percent, that when combined with declining enrollment adjustments, increases year-over-year discretionary funds available to local educational agencies (“LEAs”) by approximately \$3.4 billion. The 2023-24 Budget also reflects the utilization of approximately \$1.6 billion one-time Proposition 98 General Fund to support the overall costs of the LCFF in Fiscal Year 2023-24, and provides an increase of \$80 million ongoing Proposition 98 General Fund to support county offices of education serving students in juvenile court and other alternative school settings. Also, to address and improve student group and school site equity gaps within an LEA, the 2023-24 Budget provides \$300 million ongoing Proposition 98 General Fund to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps, and \$2 million ongoing Proposition 98 General Fund to support the critical work of the new Equity Leads within the statewide system of support.

Other significant features of the 2023-24 Budget affecting K-12 public schools include the following:

- **Literacy.** The 2023-24 Budget provides \$250 million one-time Proposition 98 General Fund to build upon the existing Literacy Coaches and Reading Specialists Grant Program; requires LEAs to begin screening students in kindergarten through second grade for risk of reading difficulties by the 2025-26 school year and provides \$1 million one-time Proposition 98 General Fund to support this effort; and provides \$1 million one-time Proposition 98 General Fund to create a Literacy Roadmap to help educators navigate and use literary resources provided by the State.
- **Educator Workforce.** To further reduce barriers for those interested in entering the teaching profession, the 2023-24 Budget reflects statutory changes to:
 - Increase the Teacher and School Counselor Residency Grant Program per-candidate allocation to grantee LEAs from \$25,000 to \$40,000 to better support the successful implementation of this program and require a minimum stipend or salary of \$20,000 be provided to residents to better enable them to afford to pursue this exemplary pathway.
 - Allow residency candidates to complete their service requirements in eight years instead of five years, and provide flexibility for candidates to fulfill their service requirement by allowing them to teach in schools outside of their sponsoring district.
 - Allow teachers who were unable to finish their credential because they could not take the Teaching Performance Assessment during the COVID-19 pandemic to meet this requirement through completion of a Commission on Teacher Credentialing (“CTC”)-approved induction program, or through two years of satisfactory teacher evaluations.
 - Authorize the CTC to issue a comparable California credential to any U.S. military servicemember or their spouse who possesses a valid out-of-state teaching or services credential to provide instruction or services in California public schools when the candidate is relocated to California on military orders.
 - Require the CTC to evaluate how transcript reviews can be conducted to assess basic skills and subject matter competence for teaching candidates to complete their credentialing requirements without the need to take state-mandated exams to prove competence.
 - Establish the Diverse Educators Pipeline Initiative and provide \$10 million one-time Proposition 98 General Fund for grants to LEAs to provide culturally relevant support and mentorship for educators to become school administrators.
- **State Preschool.** The 2023-24 Budget appropriates the following amounts to fund any adjustments related to reimbursement for preschool providers, subject to a ratified agreement: (1) \$343.1 million Proposition 98 General Fund and \$20,000 non-Proposition 98 General Fund from Fiscal Year 2022-23; (2) \$369.3 million Proposition 98 General Fund and \$126.1 million General Fund from Fiscal Year 2023-24; and (3) \$445.7 million Proposition 98 General Fund and \$186.5 million General Fund from Fiscal Year 2024-25. The 2023-24 Budget suspends the annual COLA applicable to the State Preschool Program in Fiscal Years 2023-24 and 2024-25. Additionally, the 2023-24 Budget includes the following significant adjustments:
 - Beginning October 1, 2023, the 2023-24 Budget limits family fees to 1 percent of a family’s monthly income and prohibits fee assessment for families with an adjusted monthly income below 75 percent of the State median income. The 2023-24 Budget also authorizes State Preschool Program family fee debt accrued but remaining uncollected prior to October 1, 2023 to be forgiven.

- The 2023-24 Budget adjusts the planned ramp up of incrementally requiring State Preschool Program providers to serve at least 10 percent students with disabilities over Fiscal Years 2022-23, 2023-24 and 2024-25 by delaying Fiscal Years 2023-24 and 2024-25 to Fiscal Years 2025-26 and 2026-27.
- The 2023-24 Budget reallocates \$4.4 million non-Proposition 98 General Fund and \$5.3 million Proposition 98 General Fund from the Fiscal Year 2021-22 State Budget to continue to waive family fees from July 1, 2023 through September 30, 2023, and provides roughly \$112 million in available federal funds to provide temporary stipends for State Preschool Program employees.
- The 2023-24 Budget authorizes State Preschool Program providers to be reimbursed for each child's maximum authorized care, instead of their utilized care, from July 1, 2023 to September 30, 2023.
- ***Transitional Kindergarten.*** The 2023-24 Budget provides approximately \$357 million ongoing Proposition 98 General Fund to support the first year (2022-23 school year) of expanded eligibility for transitional kindergarten, shifting from all children turning five-years-old between September 2 and December 2 to all children turning five-years-old between September 2 and February 2. To support the second year (2023-24 school year) of expanded transitional kindergarten eligibility, shifting age eligibility from all children turning five-years-old between September 2 and February 2 to all children turning five-years-old between September 2 and April 2, the 2023-24 Budget provides approximately \$597 million ongoing Proposition 98 General Fund. Additionally, the 2023-24 Budget provides \$283 million Proposition 98 General Fund and \$165 million Proposition 98 General Fund to support the first year and second year, respectively, of adding one additional certificated or classified staff person to every transitional kindergarten class.
- ***Arts, Music, and Instructional Materials Discretionary Block Grant.*** The 2023-24 Budget decreases one-time Proposition 98 General Fund support for the Arts, Music, and Instructional Materials Block Grant by \$200 million, taking total one-time program support from approximately \$3.5 billion to approximately \$3.3 billion. The Arts and Music in Schools: Funding Guarantee and Accountability Act (Proposition 28) will provide approximately \$938 million ongoing Proposition 98 General Fund beginning in Fiscal Year 2023-24.
- ***Learning Recovery Emergency Block Grant.*** The 2023-24 Budget delays approximately \$1.1 billion one-time Proposition 98 General Fund for the Learning Recovery Emergency Block Grant to Fiscal Years 2025-26, 2026-27, and 2027-28.
- ***Zero-Emission School Buses.*** The 2023-24 Budget delays \$1 billion one-time Proposition 98 General Fund to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission to Fiscal Years 2024-25 and 2025-26.
- ***California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (FDK Program).*** The Fiscal Year 2021-22 State Budget included \$100 million one-time General Fund and reflected an additional \$550 million in Fiscal Year 2023-24 to support the FDK Program. The 2023-24 Budget delays the Fiscal Year 2023-24 planned \$550 million investment for this program to Fiscal Year 2024-25.

- ***School Facility Program.*** The 2023-24 Budget provides approximately \$2 billion one-time General Fund, which is \$100 million less than previously planned, to support the School Facility Program in Fiscal Year 2023-24.
- ***Categorical Program Cost-of-Living Adjustments.*** The 2023-24 Budget provides approximately \$556.3 million ongoing Proposition 98 General Fund to reflect an 8.22-percent COLA for specified categorical programs.
- ***Nutrition.*** The 2023-24 Budget provides an additional \$154 million ongoing Proposition 98 General Fund and an additional \$110 million one-time Proposition 98 General Fund to fully fund the universal school meals program in Fiscal Years 2022-23 and 2023-24.
- ***Bipartisan Safer Communities Act, Stronger Connections Program.*** The 2023-24 Budget provides \$119.6 million one-time federal funds to support LEA activities related to improving school climate and safety through the Stronger Connections Program.
- ***Charter School Facility Grant Program.*** The 2023-24 Budget provides a one-time investment of \$30 million Proposition 98 General Fund to support eligible facilities costs.
- ***Bilingual Teacher Professional Development Program.*** The 2023-24 Budget provides \$20 million one-time Proposition 98 General Fund, to be available through Fiscal Year 2028-29, to support the Bilingual Teacher Professional Development Program.
- ***Commercial Dishwasher Grants.*** The 2023-24 Budget provides \$15 million one-time Proposition 98 General Fund to support grants to LEAs to acquire and install commercial dishwashers.
- ***Restorative Justice Practices.*** The 2023-24 Budget provides \$7 million one-time Proposition 98 General Fund to provide support for LEAs opting to implement the restorative justice best practices that will be developed and posted on the Department of Education’s website by June 1, 2024, pursuant to Chapter 914, Statutes of 2022 (AB 2598).
- ***Golden State Teacher Grant Program.*** The 2023-24 Budget provides \$6 million one-time federal funds to support grants to teacher candidates enrolled in a special education teacher preparation program who agree to teach at a high-need school site.
- ***K-12 High Speed Network.*** The 2023-24 Budget provides \$3.8 million ongoing Proposition 98 General Fund to support the K-12 High Speed Network program.
- ***Reversing Opioid Overdoses.*** The 2023-24 Budget provides \$3.5 million ongoing Proposition 98 General Fund for all middle schools, high schools, and adult school sites to maintain at least two doses of naloxone hydrochloride or another medication to reverse an opioid overdose on campus for emergency aid.
- ***After School Education and Safety Programs.*** The 2023-24 Budget provides \$3 million one-time federal funds for Save the Children, which supports after school programs in rural districts.
- ***Student Friendly Services.*** The 2023-24 Budget provides \$2 million ongoing Proposition 98 General Fund to support the California College Guidance Initiative.

- ***Social Emotional Learning Resources.*** The 2023-24 Budget provides \$1 million one-time General Fund for the community-based organization Beyond Differences to support LEAs in implementing social-emotional learning practices.

Governor’s Proposed 2024-25 State Budget. Governor Newsom released the Proposed State 2024-25 Budget (the “Proposed 2024-25 Budget”) on January 10, 2024. The Proposed 2024-25 Budget totals about \$291.5 billion, with general fund revenues projected to be \$16 billion lower than the 2023 budget act and an estimated budget gap of \$37.9 billion in Fiscal Year 2024-25. The Proposed 2024-25 Budget’s estimated budget gap is mostly due to extraordinary prior-year revenue shortfalls. The substantial decline in the stock market has driven down stock-based compensation and capital gains, impacting personal income and the tax revenue generated from income tax. Further, the delayed tax filing of November 16, 2023 by the Internal Revenue Service (and conforming State delay), which affected over 99 percent of State’s taxpayers, limited the tax and revenue data available that resulted in an abbreviated timeline to prepare the State budget.

The Proposed 2024-25 Budget does propose to draw from the State’s reserve accounts as a component to close the budget gap. In light of the withdrawal from the reserves, the State is projected to end Fiscal Year 2024-25 with available general fund reserves that include: \$11.1 billion in the Rainy Day Fund for fiscal emergencies; \$3.9 billion in the PSSSA; and \$3.4 billion in the Special Fund for Economic Uncertainties, the State’s operating reserve. The Proposed 2024-25 Budget includes draws from the reserves (\$13.1 billion), spending reductions (\$8.5 billion), borrowing internally from special funds (\$5.7 billion), funding delays (\$5.1 billion), fund shifts (\$3.4 billion), and deferrals (\$2.1 billion) to address the budget problem.

Proposition 98 Guarantee. Proposition 98 funding for Fiscal Year 2024-25 is approximately \$109.1 billion (approximately \$126.8 billion in total funding from all sources) for K-12 schools and California community colleges. Revised estimates of General Fund revenues result in notable adjustments in Proposition 98 minimum guarantees: \$98.3 billion in Fiscal Year 2022-23, \$105.6 billion in Fiscal Year 2023-24, and \$109.1 billion in Fiscal Year 2024-25, totaling a decrease of \$11.3 billion over the three-year period relative to the 2023 budget act. The Proposed 2024-25 Budget reflects a decrease of \$113 million Proposition 98 General Fund monies for school districts and county offices of education in Fiscal Year 2023-24, and a decrease of \$996 million ongoing Proposition 98 General Fund monies for school districts and county offices of education in Fiscal Year 2023-24, as a result of increased offsetting property taxes. K-12 funding per-pupil totals \$17,653 in Proposition 98 General Fund monies and \$23,519 per-pupil when accounting for all funding sources.

Rainy Day Fund. Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the PSSSA is equal to or greater than 3 percent of the total K-12 share of the Proposition 98 guarantee. The revised PSSSA of more than \$5.7 billion at the end of Fiscal Year 2023-24 continues to trigger school district reserve caps in Fiscal Year 2024-25.

Educational Revenue Augmentation Fund. Commencing in 1992, the Educational Revenue Augmentation Fund (“ERAF”) shifted property tax revenues to K-12 schools and community colleges on a per-average daily attendance basis to all non-basic aid school districts, with the intent of directing proportionally more ERAF towards districts that have less property tax revenues on a per-average daily attendance basis. Charter schools are not explicitly addressed within the ERAF distribution. The Proposed 2024-25 Budget proposed statutory changes to clarify that charter schools are eligible to receive ERAF.

LCFF and Costs of Living Adjustment. The Proposed 2024-25 Budget includes a LCFF COLA of 0.76 percent, that combined with growth adjustments, result in \$1.4 billion in additional discretionary funds for local educational agencies. To fully fund the increase, the Proposed 2024-25 Budget provides to support

ongoing LCFF costs of approximately \$2.8 billion withdrawals from the PSSSA in Fiscal Year 2023-24, \$2.2 billion withdrawals from the PSSSA in Fiscal Year 2024-25, and using available reappropriation and revision funding totaling \$38.6 million in Fiscal Year 2024-25. An increase of \$65 million ongoing Proposition 98 General Fund monies is included for specified categorical programs outside of the LCFF, including Special Education, Child Nutrition, State Preschool, Youth in Foster Care, Mandates Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.

Significant features of the Proposed 2024-25 Budget affecting K-12 schools in California include the following:

- ***Instructional Continuity.*** Proposed statutory changes to allow local education agencies to provide attendance recovery opportunities to students to make up lost instructional time, thereby offsetting student absences and mitigating learning loss and chronic absenteeism, in light of challenges such as severe climate events, illness, or other barriers that impact attendance. Additionally, the Proposed 2024-25 Budget includes \$6 million one-time Proposition 98 General Fund monies to research and develop hybrid remote learning to support students' attendance, and investigate and allow local educational agencies to report individual absences in a manner that allows for, at a minimum, local and statewide disaggregation of absences related to emergency events that prevent students from attending school.
- ***State Preschool Program.*** The California State Preschool Program provides access to subsidized preschool for income eligible three- and four-year-olds. The Proposed 2024-25 Budget includes \$53.7 million Proposition 98 General Fund monies. These are in addition to approximately \$140.6 million General Fund and \$206.3 million Proposition 98 General Fund identified in the 2023 budget act to support the recently ratified collective bargaining agreement with childcare providers.
- ***Teacher Preparation and Professional Development.*** To address teacher staffing shortages, the Proposed 2024-25 Budget includes proposals intended to improve access to the educator pipeline, including completion of bachelor's degree as satisfying the basic skills requirement. Further, to support training for educators to administer literacy screenings, as required by the 2023 budget act, the Proposed 2024-25 Budget proposes \$25 million ongoing Proposition 98 General Fund monies through the K-12 mandate block grant. To assist students meet the new mathematic framework implemented by the State Board of Education, the Proposed 2024-25 Budget proposes \$20 million one-time Proposition 98 General Fund monies for a county office of education to work with the University of California, as well as other well-qualified governmental or non-profit providers, to develop and provide training for mathematics coaches and leaders who can in turn provide training and support to math teachers to deliver high-quality instruction.
- ***School Facility Program.*** To address the estimated budget shortfall, the planned allocation and investment in the School Facility Program for Fiscal Year 2024-25 is proposed to be reduced from \$875 million to \$375 million one-time General Fund monies.
- ***Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program.*** To address the projected budget shortfall, the Proposed 2024-25 Budget delays the Fiscal Year 2024-25 planned \$550 million investment to Fiscal Year 2025-26 for the State's Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program.
- ***Zero-Emission School Buses.*** The Proposed 2024-25 Budget maintains \$500 million one-time Proposition 98 General Fund monies to support greening school bus fleets through programs

operated by the California Air Resources Board and the California Energy Commission in Fiscal Year 2024-25.

- ***Curriculum-Embedded Performance Tasks for Science.*** An increase of \$7 million one-time Proposition 98 General Fund monies to support inquiry-based science instruction and assessment through the development of a bank of curriculum-embedded performance tasks. Once developed, these performance tasks will be used to develop and measure a student's science subject matter knowledge and critical thinking skills through real world investigations and simulations.
- ***Cradle-to-Career Data System.*** An increase of \$5 million ongoing Proposition 98 General Fund monies to support the California College Guidance Initiative.
- ***Nutrition.*** An increase of \$122.2 million ongoing Proposition 98 General Fund monies to fully fund the universal school meals program in Fiscal Year 2024-25. Over 845 million meals are projected to be served through this program in Fiscal Year 2024-25.
- ***Broadband Infrastructure Grant.*** An increase of \$5 million one-time non-Proposition 98 General Fund monies to extend the program through 2029. The initial funding for this program was one-time through June 30, 2024. In addition to providing fiber broadband connectivity to the most poorly connected school sites, this funding would also be available for joint projects connecting schools, local libraries and telehealth providers to high-speed fiber broadband.
- ***K-12 High Speed Network.*** An increase of \$3.2 million ongoing Proposition 98 General Fund monies to support the K-12 High Speed Network program.
- ***Parks Access.*** An increase of \$2.1 million ongoing Proposition 98 General Fund monies for a county office of education to enable fourth graders attending public schools to access California state parks.
- ***Inclusive College Technical Assistance Center.*** An increase of \$2 million ongoing Proposition 98 General Fund monies to establish a Technical Assistance Center to: assist local educational agencies with the development and submittal of federal comprehensive transition and postsecondary program applications, so that students can apply for the Free Application for Federal Student Aid; facilitate collaboration between local educational agencies and institutions of Higher Education to support students, including those with intellectual disabilities, and their parents to plan for postsecondary transition; and assist local educational agencies with the identification of potential funding sources and student financial assistance opportunities.
- ***Homeless Education Technical Assistance Centers.*** An increase of \$1.5 million ongoing Proposition 98 General Fund monies to maintain support for Homeless Education Technical Assistance Centers that were first established through the American Rescue Plan Act's, Homeless Children and Youth Program.
- ***State Special Schools Infrastructure Support.*** An increase of \$3.4 million General Fund, of which \$380,000 is ongoing, to replace critical servers, maintain warranty coverage for network infrastructure, and refresh laptops, tablets, and workstations for students and staff at the State Special Schools and Diagnostic Centers.

Legislative Analyst's Comments on the Proposed 2024-25 Budget. On January 13, 2024, the Legislative Analyst's Office ("LAO") offered initial comments on the Proposed 2024-25 Budget. In light of the policy changes and reductions in spending, the LAO observes that the administration has solved a larger budget problem at \$58 billion, which is roughly \$10 billion lower than the LAO's initial fiscal outlook estimate. The largest of these policy changes impacts schools and community colleges – down \$14.3 billion over the budget window. The Governor's budget solutions focus on spending and nearly all are one-time and temporary. Spending-related solutions (including both school and community college spending and other spending) total \$41 billion and represent nearly three-quarters of the total solutions. In addition, the Governor's budget includes \$13 billion in reserve withdrawals, which represent nearly one-quarter of the total; \$4 billion in cost shifts; and about \$400 million in revenue-related solutions. The Proposed 2024-25 Budget's revenue projections is \$15 billion higher than the LAO's fiscal outlook, and while it is plausible, the LAO cautions it is optimistic. Although the reserve withdrawals are reasonable and spending-related solutions is warranted, the LAO states that the Proposed 2024-25 Budget lacks a plan for implementing proposed reductions to schools and community colleges, and some other solutions are unlikely to yield the anticipated savings. Further, the State faces significant deficits in the coming years, likely necessitating difficult decisions in the future, such as reductions to core services and/or revenue increases.

The Proposed 2024-25 Budget runs the risk of understating the degree of fiscal pressure facing the State in the future. To mitigate these challenges, the LAO recommends the legislature develop this year's budget with a focus on future years. Specifically, the legislature should: (1) plan for lower revenues, (2) maintain a similar reserve withdrawal, (3) develop a plan for school and community college funding, (4) maximize reductions in one-time spending, and (5) apply a higher bar for any discretionary proposals and contain ongoing service level.

The LAO will continue to publish their analysis of the Proposed 2024-25 Budget as they continue to receive and review information regarding portions of the Proposed 2024-25 Budget.

Future Budgets. The District cannot predict how State income or State education funding will vary over the term of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Future State budgets will be affected by national and State economic conditions, and other factors over which the District will have no control. To the extent that the State budget process results in reduced revenues, deferred revenues or increased expenses for the District, the District will be required to make adjustments to its budget and cash management practices. In the event current or future State Budgets decrease the District's revenues or increase required expenditures by the District from the levels assumed by the District, the District will be required to generate additional revenues, curtail programs or services, or use its reserve funds to ensure a balanced budget. As the Bonds are payable from *ad valorem* property taxes, the State budget is not expected to have an impact on the payment of the Bonds.

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" or www.ebudget.ca.gov. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.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.

The State Constitution requires that from all State revenues there will first be set apart the moneys to be applied by the State for support of the public school system and public institutions of higher education. As discussed below, school districts in the State receive a significant portion of their funding from State

appropriations. Accordingly, the State's economic condition can affect the economic condition of California school districts.

Tax Relief for Disasters. The Internal Revenue Service ("IRS") and California Franchise Tax Board ("FTB") may grant individuals and businesses additional time to file or pay taxes when a major disaster in their area is declared by the federal or state government. California generally follows the IRS extended deadlines to file and pay taxes. Impacted taxpayers may also be eligible to claim a disaster loss on their tax return.

California Severe Winter Storms and Tax Year (2022) Disasters. California individuals and businesses impacted by the 2022-23 winter storms qualified for an extension to file and pay taxes until November 16, 2023. This included the following for residents and businesses in the County:

- Individuals whose tax returns and payments were due on April 18, 2023.
- Quarterly estimated tax payments due January 17, 2023, March 15, 2023, April 18, 2023, June 15, 2023, and September 15, 2023.
- Business entities whose tax returns were normally due on March 15 and April 18.
- Pass-through entity (PTE) elective tax payments due on March 15, 2023 and June 15, 2023.

The District is unable to predict whether the tax return filing and payment extensions will have a material adverse effect on the financial condition of the District and the local economy.

Ad Valorem Property Taxes

Taxes are levied for each Fiscal Year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a "floating lien date"). For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed property and locally assessed property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of "situated" growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts. In addition, the County levies and collects additional voter-approved property taxes and assessments on behalf of any taxing agency within the County.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a ten percent penalty attaches to any delinquent payment. In addition, property on the secured roll secured by the assessee's fee ownership of land with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Those properties on the secured roll that become tax-defaulted on June 30 of the Fiscal Year that are not secured by the assessee's fee ownership of land are transferred to the unsecured roll and are then subject to the Treasurer's enforcement procedures (*i.e.*, seizures of money and property, liens and judgments). Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of one and one-half percent per month to the time

of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the Treasurer.

Property taxes on the unsecured roll are currently due as of the January 1 lien date prior to the commencement of a Fiscal Year and become delinquent, if unpaid, on August 31. A ten percent penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of one and one-half percent per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements, bank accounts or possessory interests belonging or assessed to the taxpayer.

The County levies and collects all property taxes for property falling within its taxing boundaries.

CONSTITUTIONAL AND STATUTORY INITIATIVES

Article XIII A of the California Constitution. On June 6, 1978, California voters approved Proposition 13, which added Article XIII A to the California Constitution ("Article XIII A"). Article XIII A limits the amount of any *ad valorem* property tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* property taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and (as a result of an amendment to Article XIII A approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property that has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness and (as a result of a constitutional amendment approved by California voters on November 7, 2000) on bonded indebtedness for school, community college and county office of education facilities and equipment approved by 55 percent of the voters voting on the bond measure. See "Proposition 39" below. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-1976 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 two percent per year to account for inflation. This system results in widely varying amounts of tax on similarly situated properties based on differences in the taxpayer's date of acquisition of the property. On June 18, 1992, the United States Supreme Court issued a decision upholding the constitutionality of Article XIII A (*Nordlinger v. Hahn*, 112 S. Ct. 2326, 120 L. Ed. 2d 1 (1992)).

Article XIII A 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.

Other amendments to the California Constitution have implemented and modified limits on reassessment of property value upon transfers. Most recently, Proposition 19 limits people who inherit family properties from keeping a low property tax base resulting from the 2% restriction on increases, unless they use the home as their primary residence, but it also allows homeowners who are over 55 years of age, disabled, or victims of a wildfire or natural disaster to transfer their assessed value of their primary home to a newly purchased or newly constructed replacement primary residence up to three times.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the State 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 XIII A. 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 XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The one percent property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the two percent 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.

Article XIII B of the California Constitution. An initiative to amend the California Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979 thereby adding Article XIII B to the California Constitution ("Article XIII B"). Under Article XIII B state and local governmental entities have an annual "appropriations limit" and are not permitted to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the appropriations limit. Article XIII B does not affect the appropriations 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 1978-1979 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 XIII B, 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.

The District's 2022-23 "appropriations limit" was \$185,127,756 and the "appropriations limit" for 2023-24 is estimated to be \$191,452,624 (as of June 30, 2023). Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State's allowable limit.

Article XIII C and Article XIII D of the California Constitution. On November 5, 1996, the voters of the State approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIII C and XIII D to the State Constitution, 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. Among other things, XIII C 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. Article XIII C also provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4.

Article XIII C also provides that the initiative power shall not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Legislation adopted in 1997 provides that Article XIII C shall not be construed to mean that any owner or beneficial owner of a municipal security assumes the risk of or consents to any initiative measure that would constitute an impairment of contractual rights under the contracts clause of the U.S. Constitution.

Article XIII D deals with assessments and property-related fees and charges. Article XIII D explicitly provides that nothing in Article XIII C or XIII D shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District.

Proposition 62. In 1986, California voters adopted Proposition 62, a statutory initiative which amended the California Government Code by the addition of Sections 53720-53730. Proposition 62 requires that (i) any local tax for general governmental purposes (a “general tax”) must be approved by a majority vote of the electorate; (ii) any local tax for specific purposes (a “special tax”) must be approved by a two-thirds vote of the electorate; (iii) any general tax must be proposed for a vote by two-thirds of the legislative body; and (iv) proceeds of any tax imposed in violation of the vote requirements must be deducted from the local agency’s property tax allocation. Provisions applying Proposition 62 retroactively from its effective date to 1985 are unlikely to be of any continuing importance; certain other restrictions were already contained in the Constitution.

Most of the provisions of Proposition 62 were affirmed by the 1995 California Supreme Court decision in *Santa Clara County Local Transportation Authority v. Guardino*, which invalidated a special sales tax for transportation purposes because fewer than two-thirds of the voters voting on the measure had approved the tax. Following the California Supreme Court’s decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* (“La Habra”). In this case, the court held that public agency’s continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Proposition 98. In 1988, California 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, primarily by guaranteeing State funding for K-12 school districts and community college districts (collectively, “K-14 districts”).

Under Proposition 98 (as modified by Proposition 111, which was enacted on June 5, 1990), K-14 districts are guaranteed the greater of (d) in general, a fixed percent of the State’s General Fund (the “State General Fund”) revenues (“Test 1”), (e) the amount appropriated to K-14 schools in the prior year, adjusted for changes in the cost-of-living (measured as in Article XIII B by reference to State per capita personal income) and enrollment (“Test 2”), or (f) a third test, which would replace Test 2 in any year when the percentage growth in per capita State General Fund revenues from the prior year plus one-half of one percent is less than the percentage growth in State per capita personal income (“Test 3”). Under Test 3, schools would receive the amount appropriated in the prior year adjusted for changes in enrollment and per capita State General Fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 would become a “credit” to schools which would be the basis

of payments in future years when per capita State General Fund revenue growth exceeds per capita personal income growth. Legislation adopted prior to the end of the 1988-89 Fiscal Year, implementing Proposition 98, determined the K-14 districts' funding guarantee under Test 1 to be 40.3% of the State General Fund tax revenues, based on 1986-87 appropriations. However, that percentage has been adjusted to 35% to account for a subsequent redirection of local property taxes whereby a greater proportion of education funding now comes from local property taxes.

Proposition 98 permits the State Legislature by a two-thirds vote of both houses, with the Governor's concurrence, to suspend the K-14 districts' minimum funding formula for a one-year period. In the fall of 1989, the Legislature and the Governor utilized this provision to avoid having 40.3% of revenues generated by a special supplemental sales tax enacted for earthquake relief go to K-14 districts. Proposition 98 also contains provisions transferring certain State tax revenues in excess of the Article XIII B limit to K-14 districts.

Application of Proposition 98

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. One major reason is that Proposition 98 minimum funding levels under Test 1 and Test 2 are dependent on State General Fund revenues. In past Fiscal Years, the State made actual allocations to K-14 districts based on an assumption of State General Fund revenues at a level above that which was ultimately realized. In such years, the State has considered the amounts appropriated above the minimum as a loan to K-14 districts, and has deducted the value of these loans from future years' estimated Proposition 98 minimum funding levels. The State determined that there were loans to K-14 districts of \$1.3 billion during Fiscal Year 1990-91, \$1.1 billion during Fiscal Year 1991-92, \$1.3 billion during Fiscal Year 1992-93 and \$787 million during Fiscal Year 1993-94. These loans have been combined with the K-14 1992-93 loans into one loan totaling \$1.760 billion. The State proposed that repayment of this loan would be from future years' Proposition 98 entitlements, and would be conditioned on maintaining current funding levels per pupil for K-12 schools.

In 1992, a lawsuit, California Teachers' Association et al. v. Gould, was filed, which challenged the validity of the off-budget loans. As part of the negotiations leading to the 1995-96 Budget Act, an agreement was reached to settle this case. The agreement provides that both the State and K-14 districts share in the repayment of prior years' emergency loans to schools. Of the total \$1.76 billion in loans, the State will repay \$935 million, while K-14 districts will repay \$825 million. The State share of the repayment will be reflected as expenditures above the current Proposition 98 base calculation. The K-14 districts' share of the repayment will count as appropriations that count toward satisfying the Proposition 98 guarantee, and thus are treated as from "below" the current base. Repayments are spread over the eight-year period of 1994-95 through 2001-02 to mitigate any adverse fiscal impact. In April 1996, a court settlement was reached and \$360 million in appropriations from the 1995-96 Fiscal Year was disbursed to districts in August 1996.

Proposition 39

On November 7, 2000, voters approved Proposition 39 called the "Smaller Classes, Safer Schools and Financial Accountability Act" (the "Smaller Classes Act"). The Smaller Classes Act amends Section 1 of Article XIII A, Section 18 of Article XVI of the California Constitution and Section 47614 of the California Education Code. With respect to school districts, community colleges and county offices of education and effective upon its passage, Section 18(b) of Article XVI allows an alternative means of seeking voter approval for bonded indebtedness by 55 percent of the vote, rather than the two-thirds majority required under Section 18 of Article XVI of the Constitution. The reduced 55 percent voter requirement applies only if the bond measure submitted to the voters includes, among other items: 1) a

restriction that the proceeds of the bonds may be used for “the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities,” 2) a list of projects to be funded and a certification that the school district board has evaluated “safety, class size reduction, and information technology needs in developing that list”; and 3) that annual, independent performance and financial audits will be conducted regarding the expenditure and use of the bond proceeds.

Section 1(b)(3) of Article XIII A has been added to except from the one percent *ad valorem* property tax limitation under Section 1(a) of Article XIII A of the Constitution levies to pay bonds approved by the 55 percent of the voters, subject to the restrictions explained above.

The Legislature enacted AB 1908, Chapter 44, which became effective upon passage of Proposition 39. AB 1908 amends various sections of the Education Code. Under amendments to Sections 15268 and 15270 of the Education Code, the following limits on *ad valorem* property taxes apply in any single election: 1) for a school district, indebtedness shall not exceed \$30 per \$100,000 of taxable property; 2) for a unified school district, indebtedness shall not exceed \$60 per \$100,000 of taxable property; and, 3) for a community college district, indebtedness shall not exceed \$25 per \$100,000 of taxable property. Finally, AB 1908 requires that a citizens’ oversight committee must be appointed who will review the use of the bond funds and inform the public about their proper usage.

Jarvis v. Connell

On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California). The Court of Appeal held that a final budget bill, an emergency appropriation, a self-executing authorization pursuant to state statutes (such as continuing appropriations) or the California Constitution or a federal mandate is necessary for the State Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District’s budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the California Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Proposition 1A and Proposition 22

Beginning in Fiscal Year 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 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 or diverting revenues to any other local government, including school and community college districts, or from temporarily shifting property taxes from cities, counties and special districts to K-14 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 is 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. Because Proposition 22 reduces the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

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. Redevelopment agencies, through the California Redevelopment Association ("CRA") engaged in litigation to block the transfer of payments and recoup certain payments already made under certain legislation passed in July 2009 that is beyond the reach of Proposition 22, known as "ABX4 26." Because Proposition 22 reduced the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State has to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State are more directly dependent upon the State's general fund.

Redevelopment Agency Dissolution. On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos*, finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in California were dissolved as of February 1, 2012, and all net tax increment revenues, after payment of redevelopment bonds debt service and administrative costs, will be distributed to cities, counties, special districts and K-14 school districts. The Court also found that ABx1 27, a companion bill to ABx1 26, violated the California Constitution, as amended by Proposition 22. ABx1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to K-14 school districts and county offices of education, totaling \$1.7 billion statewide. The District is unable to predict what affect the implementation of ABx1 26 will have on the District's future receipt of tax increment revenues. As a result of the dissolution of California redevelopment agencies and ABx1 26, the tax increment previously paid to redevelopment agencies shall first be used to pay pass-through payments to other taxing entities and second to pay the redevelopment agencies enforceable obligations; with the remaining revenue (if any) paid to the taxing entities by the County Auditor-Controller in the same proportion as other tax revenue. The California Department of Finance estimates the amount the District is expected to receive once the pass-through payments are made and enforceable obligations paid, then reduces its funding allocation to the District by such amount. See the table below for the District's receipts from redevelopment agency tax increment distributions for Fiscal Years 2014-15 through 2023-24.

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 from January 1, 2012 through the end of 2018, and (b) increased the sales and use tax by one-quarter percent for a period of four years from January 1, 2013

through the end of 2016. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see “CALIFORNIA CONSTITUTIONAL AND STATUTORY INITIATIVES – Proposition 98” herein). 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 voters on November 8, 2016, extends by twelve 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 tax increases imposed by Proposition 30. Revenues from the tax increase will be allocated to school districts and community colleges in the State.

Proposition 2

Proposition 2, also known as The Rainy Day Budget Stabilization Fund Act (“Proposition 2”) was approved by California voters on November 4, 2014. Proposition 2 provides for changes to State budgeting practices, including revisions to certain conditions under which transfers are made into and from the State’s Budget Stabilization Account (the “Stabilization Account”) established by the California Balanced Budget Act of 2004 (also known as Proposition 58). Commencing in Fiscal Year 2015-16 and for each Fiscal Year thereafter, the State is required to make an annual transfer to the Stabilization Account in an amount equal to 1.5% of estimated State general fund revenues (the “Annual Stabilization Account Transfer”). For a Fiscal Year in which the estimated State general fund revenues allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues, supplemental transfers to the Stabilization Account (a “Supplemental Stabilization Account Transfer”) are also required. Such excess capital gains taxes, which are net of any portion thereof owed to K-14 school districts pursuant to Proposition 98, are required to be transferred to the Stabilization Account.

In addition, for each Fiscal Year, Proposition 2 increases the maximum size of the Stabilization Account to 10% of estimated State general fund revenues. Such excess amounts are to be expended on State infrastructure, including deferred maintenance, in any Fiscal Year in which a required transfer to the Stabilization Account would result in an amount in excess of the 10% threshold. For the period from Fiscal Year 2015-16 through Fiscal Year 2029-30, Proposition 2 requires that half of any such transfer to the Stabilization Account (annual or supplemental), shall be appropriated to reduce certain State liabilities, including repaying State interfund borrowing, reimbursing local governments for State mandated services, making certain payments owed to K-14 school districts, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. After Fiscal Year 2029-30, the Governor and the Legislature are given discretion to apply up to half of any required transfer to the Stabilization Account to the reduction of such State liabilities and any amount not so applied shall be transferred to the Stabilization Account or applied to infrastructure, as set forth above.

Accordingly, the conditions under which the Governor and the Legislature may draw upon or reduce transfers to the Stabilization Account are impacted by Proposition 2. Unilateral discretion to suspend transfers to the Stabilization Account are not retained by the Governor. Neither does the Legislature retain discretion to transfer funds from the Stabilization Account for any reason, as was previously provided by law. Instead, the Governor must declare a “budget emergency” (defined as an emergency within the meaning of Article XIII B of the Constitution) or a determination that estimated resources are inadequate to fund State general fund expenditure, for the current or ensuing Fiscal Year, at a level equal to the highest level of State spending within the three immediately preceding Fiscal Years,

and any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the Stabilization Account are limited to the amount necessary to address the budget emergency, and no draw in any Fiscal Year may exceed 50% of the funds on deposit in the Stabilization Account, unless a budget emergency was declared in the preceding Fiscal Year.

Proposition 2 also provides for the creation of a Public School System Stabilization Account (the “Public School System Stabilization Account”) into which transfers will be made in any Fiscal Year in which a Supplemental Stabilization Account Transfer is required, requiring that such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. Transfers to the Public School System Stabilization Account are only to be made if certain additional conditions are met, including that: (i) the minimum funding guarantee was not suspended in the immediately preceding Fiscal Year, (ii) the operative Proposition 98 formula for the Fiscal Year in which a Public School System Stabilization Account transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the Fiscal Year in which a Public School System Stabilization Account transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the Fiscal Year in which a Public School System Stabilization Account transfer might be made is higher than the immediately preceding Fiscal Year, as adjusted for ADA growth and cost of living. Under Proposition 2, the size of the Public School System Stabilization Account is capped at 10% of the estimated minimum guarantee in any Fiscal Year, and any excess funds must be paid to K-14 school districts. Any reductions to a required transfer to, or draws upon, the Public School System Stabilization Account, are subject to the budget emergency requirements as described above. However, in any Fiscal Year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living, Proposition 2 also mandates draws on the Public School System Stabilization Account.

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 ADA of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the State Education Code, or (b) for school districts with an ADA that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the State 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.

The District, which has an ADA of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 2% of its General Fund expenditures and other financing uses.

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 ADA.

The Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the State 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 Bonds as and when due.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 8, 2016. Proposition 51 authorizes the sale and issuance of \$9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

K-12 School Facilities. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school districts lack sufficient local funding, it may apply for additional state grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school (\$500 million) and technical education (\$500 million) facilities. Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, schools that cannot cover their local share for these two types of projects may apply for state loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, state grants are capped at \$3 million for a new facility and \$1.5 for a modernized facility. Charter schools must be deemed financially sound before project approval.

Community College Facilities. Proposition 51 includes \$2 billion for community college district facility projects, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then decides which projects to submit to the State legislature and Governor based on a scoring system that factors in the amount of local funds contributed to the project. The Governor and State legislature will select among eligible projects as part of the annual state budget process.

The District makes no guarantees that it will either pursue or qualify for Proposition 51 State facilities funding.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 1A, 2, 22, 26, 30, 39, 51, 55, 98 and 111 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 revenues. The nature and impact of these measures cannot be anticipated by the District.

APPENDIX B

FORMS OF BOND COUNSEL OPINIONS

Upon issuance and delivery of the 2024D Bonds, Norton Rose Fulbright US LLP, Bond Counsel, proposes to deliver its final approving opinion substantially in the following form:

[Closing Date]

Board of Education
Chino Valley Unified School District
5130 Riverside Drive
Chino, California 91710

Re: Chino Valley Unified School District (San Bernardino County, California) General Obligation Bonds, Election of 2016, Series 2024D

Ladies and Gentlemen:

We have acted as Bond Counsel to the Chino Valley Unified School District (the “District”), in connection with the issuance by the District of \$ _____ aggregate principal amount of its General Obligation Bonds, Election of 2016, Series 2024D (the “2024D Bonds”). The 2024D Bonds are issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, as amended, and the resolution adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). All terms used herein and not otherwise defined shall have the meanings given to them in the Resolution.

As bond counsel, we have examined copies certified to us as being true and complete copies of the proceedings of the District for the authorization and issuance of the 2024D Bonds, including the Resolutions and the Tax Exemption Certificate of the District dated the date hereof (the “Tax Certificate”). Our services as such bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection we have also examined such certificates of public officials and officers of the District as we have considered necessary for the purposes of this opinion.

Certain agreements, requirements and procedures contained or referred to in the Resolutions, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, the defeasance of the 2024D Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any 2024D Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the 2024D Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by any parties other than the District. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained

in the Resolution and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the 2024D Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the 2024D Bonds, the Resolutions and the Tax Certificate may be subject to bankruptcy, insolvency, reorganization, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the foregoing documents. We express no opinion and make no comment with respect to the sufficiency of the security or the marketability of the 2024D Bonds. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the 2024D Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The 2024D Bonds constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

2. The Resolution has been duly adopted and constitutes a valid and binding obligation of the District.

3. It is further our opinion, based upon the foregoing, that pursuant to section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance with the provisions of the Resolution and the Tax Certificate and in reliance upon the representations and certifications of the District made in the Tax Certificate pertaining to the use, expenditure, and investment of the proceeds of the 2024D Bonds, when the 2024D Bonds are delivered to and paid for by the initial purchasers thereof, interest on the 2024D Bonds for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

In our opinion, under existing law, interest on the 2024D Bonds is exempt from personal income taxes of the State of California.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the 2024D Bonds. Ownership of tax-exempt obligations such as the 2024D Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individuals otherwise qualifying for the earned income tax credit, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions

to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service or the State of California; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Respectfully submitted,

Upon issuance and delivery of the Refunding Bonds, Norton Rose Fulbright US LLP, Bond Counsel, proposes to deliver its final approving opinion substantially in the following form:

[Closing Date]

Board of Education
Chino Valley Unified School District
5130 Riverside Drive
Chino, California 91710

Re: Chino Valley Unified School District (San Bernardino County, California) 2024 General
Obligation Refunding Bonds

Ladies and Gentlemen:

We have acted as Bond Counsel to the Chino Valley Unified School District (the “District”), in connection with the issuance by the District of \$ _____ aggregate principal amount of 2024 General Obligation Refunding Bonds (the “Refunding Bonds”). The Refunding Bonds 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 (commencing with Section 53550 and 53580, respectively), and the resolution adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). All terms used herein and not otherwise defined shall have the meanings given to them in the Resolution.

As bond counsel, we have examined copies certified to us as being true and complete copies of the proceedings of the District for the authorization and issuance of the Refunding Bonds, including the Resolution and the Tax Exemption Certificate of the District dated the date hereof (the “Tax Certificate”). Our services as such bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection we have also examined such certificates of public officials and officers of the District as we have considered necessary for the purposes of this opinion.

Certain agreements, requirements and procedures contained or referred to in the Resolution, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, the defeasance of the Refunding Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any Refunding Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the Refunding Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by any parties other than the District. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Refunding Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Refunding Bonds, the Resolution and the Tax Certificate

may be subject to bankruptcy, insolvency, reorganization, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the foregoing documents. We express no opinion and make no comment with respect to the sufficiency of the security or the marketability of the Refunding Bonds. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Refunding Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Refunding Bonds constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

2. The Resolution has been duly adopted and constitutes a valid and binding obligation of the District.

3. It is further our opinion, based upon the foregoing, that pursuant to section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance with the provisions of the Resolution and the Tax Certificate and in reliance upon the representations and certifications of the District made in the Tax Certificate pertaining to the use, expenditure, and investment of the proceeds of the Refunding Bonds, when the Refunding Bonds are delivered to and paid for by the initial purchasers thereof, interest on the Refunding Bonds for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

In our opinion, under existing law, interest on the Refunding Bonds is exempt from personal income taxes of the State of California.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Refunding Bonds. Ownership of tax-exempt obligations such as the Refunding Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individuals otherwise qualifying for the earned income tax credit, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service or the State of California; rather, such opinions

represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Respectfully submitted,

APPENDIX C
AUDITED FINANCIAL STATEMENTS
OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

APPENDIX D

FORMS OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Disclosure Undertaking”) is executed and delivered by Chino Valley Unified School District (the “District”) as of _____, 2024 in connection with the execution and delivery of its General Obligation Bonds, Election of 2016, Series 2024D (the “Bonds”). The Bonds are being issued pursuant to a Resolution, adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the respective Resolution.

In consideration of the execution and delivery of the Bonds by the District and the purchase of such Bonds by the Underwriter described below, the District hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the District for the benefit of the Bondholders and in order to assist Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) in complying with Rule 15c2-12(b)(5) (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SECTION 2. Additional Definitions. In addition to the above definitions and the definitions set forth in the Resolution, 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 4 and 5 of this Disclosure Undertaking.

“Bondholder” or “Holder” means any holder of the Bonds or any beneficial owner of the Bonds so long as they are immobilized with DTC.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” shall mean the District, or, any alternate or successor dissemination agent, designated in writing by the Superintendent or Assistant Superintendent of Business Services (or otherwise by the District), which Dissemination Agent has evidenced its acceptance in writing. Initially, and in the absence of the specific designation of a successor or alternate Dissemination Agent, the Dissemination Agent shall be Koppel & Gruber Public Finance.

“Financial Obligation” as used in this Disclosure Undertaking is defined in the Rule as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a 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 to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Event” means any of the events listed in Section 6 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access (“EMMA”) website located at <http://emma.msrb.org>, or any other entity designated or authorized by the Commission.

SECTION 3. CUSIP Numbers and Final Official Statement. The CUSIP Numbers for the Bonds have been assigned. The Final Official Statement relating to the Bonds is dated _____, 2024.

SECTION 4. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent (if other than the District), not later than 240 days after the end of the District's fiscal year (currently ending June 30), commencing on or prior to February 25, 2025 with the report for the fiscal year ending June 30, 2024, to provide to the MSRB, in a format prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 5 of this Disclosure Undertaking. As of the date of this Certificate, the format prescribed by the MSRB is the Electronic Municipal Market Access system. Information regarding requirement for submissions to EMMA is available at <http://emma.msrb.org>.

The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 5 of this Disclosure Undertaking; provided that the audited financial statements of the District may be submitted, when and if available, separately from the balance of the relevant Annual Report. If the District does not have audited financial statements available when it submits the relevant Annual Report, it shall submit unaudited financial statements, as described in Section 5(a) below.

(b) Not later than 15 Business Days prior to the filing date required in paragraph (a) above for providing the Annual Report to the MSRB, 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 paragraph (a) above, the District shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent (if other than the District) shall:

(i) determine each year prior to the date for providing the Annual Report the format for filing with the MSRB; and

(ii) file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided to the MSRB.

SECTION 5. Content of Annual Report. The District's Annual Report shall contain or incorporate by reference the following:

(a) Financial information including the general purpose financial statements of the District for the preceding fiscal year, prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. If audited financial information is not available by the time the Annual Report is required to be filed pursuant to Section 4(a) hereof, the financial information included in the Annual Report may be unaudited, and the District will provide audited financial information to the MSRB as soon as practical after it has been made available to the District.

(b) Operating data, including the following information with respect to the District's preceding fiscal year (to the extent not included in the audited financial statements described in paragraph (a) above):

- (i) State funding received by the District for the last completed fiscal year;
- (ii) enrollment of the District for the last completed fiscal year;
- (iii) outstanding District indebtedness, as of the last completed fiscal year;

- (iv) assessed valuation of taxable property within the District for the current fiscal year;
- (v) largest local secured taxpayers within the District for the current fiscal year; and
- (vi) the District's adopted budget for the current fiscal year.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or to the Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each other document so incorporated by reference.

SECTION 6. Reporting of Designated Listed Events.

(a) The District agrees to provide or cause to be provided to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) Business Days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on any debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on any credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations 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 purposes of item (ix) above, the described event shall be deemed to occur when any of the following shall occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the United States 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 governing body and officials or officers in possession but subject to the supervision and orders of a court or other governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or

liquidation by a court or governmental authority have 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, not later than ten (10) business days after the occurrence of the event:

- (i) Unless described in paragraph 6(a)(v) hereof, other material notices or determinations 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 Owners;
- (iii) Optional, unscheduled or contingent Bond calls;
- (iv) Release, substitution or sale of property securing repayment of the Bonds, if applicable;
- (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; or
- (vii) Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent.
- (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 security holders.

(c) If the District determines that the occurrence of a Listed Event described in Section 6(b) hereof is material under applicable federal security laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB 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 Undertaking shall terminate when the District is no longer an obligated person with respect to the Bonds, as provided in the Rule, upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Dissemination Agent. The Superintendent or Assistant Superintendent of Business Services may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist in carrying out the District's obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is no other designated Dissemination Agent in place, the District shall act as the Dissemination Agent.

The Dissemination Agent, if other than the District, shall be paid compensation for its services provided hereunder, and reimbursement for its costs and expenses. The Dissemination Agent shall not be responsible for the form or content of any document provided by the District hereunder.

SECTION 9. Amendment. Notwithstanding any other provision of this Disclosure Undertaking, the District may amend this Disclosure Undertaking under the following conditions, provided no amendment to this Disclosure Undertaking shall be made that affects the rights, duties or obligations of the Dissemination Agent without its written consent:

(a) The amendment may be made only 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 obligated person, or type of business conducted;

(b) This Disclosure Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Holders, as determined either by parties unaffiliated with the District or another obligated person (such as the Bond Counsel) or by the written approval of the Bondholders; provided, that the Annual Report containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

SECTION 10. Additional Information. If the District chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Undertaking, the District shall have no obligation under this Disclosure Undertaking to update such information or to include it in any future disclosure or notice of occurrence of a Designated Material Event.

Nothing in this Disclosure Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Designated Material Event, in addition to that which is required by this Disclosure Undertaking.

SECTION 11. Default. The District shall give notice to the MSRB of any failure to provide the Annual Report when the same is due hereunder, which notice shall be given prior to July 1 of that year. In the event of a failure of the District to comply with any provision of this Disclosure Undertaking, any Bondholder 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 Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the District to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriter and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Record Keeping. The District shall maintain records of all Annual Reports and notices of material Listed Events including the content of such disclosure, the names of the entities with whom such disclosure were filed and the date of filing such disclosure.

SECTION 14. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of California, applicable to contracts made and performed in such State of California.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

Dated: _____, 2024

ACCEPTED:

KOPPEL & GRUBER PUBLIC FINANCE,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Chino Valley Unified School District

Name of Issue: \$_____ General Obligation Bonds, Election of 2016, Series 2024D

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the above-named Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 4(a) of the Disclosure Undertaking dated _____, 2024. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

[ISSUER/DISSEMINATION AGENT]

By: _____

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Disclosure Undertaking”) is executed and delivered by Chino Valley Unified School District (the “District”) as of _____, 2024 in connection with the execution and delivery of its 2024 General Obligation Refunding Bonds (the “Bonds”). The Bonds are being issued pursuant to a Resolution, adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the respective Resolution.

In consideration of the execution and delivery of the Bonds by the District and the purchase of such Bonds by the Underwriter described below, the District hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the District for the benefit of the Bondholders and in order to assist Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) in complying with Rule 15c2-12(b)(5) (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SECTION 2. Additional Definitions. In addition to the above definitions and the definitions set forth in the Resolution, 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 4 and 5 of this Disclosure Undertaking.

“Bondholder” or “Holder” means any holder of the Bonds or any beneficial owner of the Bonds so long as they are immobilized with DTC.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” shall mean the District, or, any alternate or successor dissemination agent, designated in writing by the Superintendent or Assistant Superintendent of Business Services (or otherwise by the District), which Dissemination Agent has evidenced its acceptance in writing. Initially, and in the absence of the specific designation of a successor or alternate Dissemination Agent, the Dissemination Agent shall be Koppel & Gruber Public Finance.

“Financial Obligation” as used in this Disclosure Undertaking is defined in the Rule as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a 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 to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Event” means any of the events listed in Section 6 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access (“EMMA”) website located at <http://emma.msrb.org>, or any other entity designated or authorized by the Commission.

SECTION 3. CUSIP Numbers and Final Official Statement. The CUSIP Numbers for the Bonds have been assigned. The Final Official Statement relating to the Bonds is dated _____, 2024.

SECTION 4. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent (if other than the District), not later than 240 days after the end of the District's fiscal year (currently ending June 30), commencing on or prior to February 25, 2025 with the report for the fiscal year ending June 30, 2024, to provide to the MSRB, in a format prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 5 of this Disclosure Undertaking. As of the date of this Certificate, the format prescribed by the MSRB is the Electronic Municipal Market Access system. Information regarding requirement for submissions to EMMA is available at <http://emma.msrb.org>.

The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 5 of this Disclosure Undertaking; provided that the audited financial statements of the District may be submitted, when and if available, separately from the balance of the relevant Annual Report. If the District does not have audited financial statements available when it submits the relevant Annual Report, it shall submit unaudited financial statements, as described in Section 5(a) below.

(b) Not later than 15 Business Days prior to the filing date required in paragraph (a) above for providing the Annual Report to the MSRB, 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 paragraph (a) above, the District shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent (if other than the District) shall:

(i) determine each year prior to the date for providing the Annual Report the format for filing with the MSRB; and

(ii) file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided to the MSRB.

SECTION 5. Content of Annual Report. The District's Annual Report shall contain or incorporate by reference the following:

(a) Financial information including the general purpose financial statements of the District for the preceding fiscal year, prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. If audited financial information is not available by the time the Annual Report is required to be filed pursuant to Section 4(a) hereof, the financial information included in the Annual Report may be unaudited, and the District will provide audited financial information to the MSRB as soon as practical after it has been made available to the District.

(b) Operating data, including the following information with respect to the District's preceding fiscal year (to the extent not included in the audited financial statements described in paragraph (a) above):

(i) State funding received by the District for the last completed fiscal year;

(ii) enrollment of the District for the last completed fiscal year;

- (iii) outstanding District indebtedness, as of the last completed fiscal year;
- (iv) assessed valuation of taxable property within the District for the current fiscal year;
- (v) largest local secured taxpayers within the District for the current fiscal year; and
- (vi) the District's adopted budget for the current fiscal year.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or to the Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each other document so incorporated by reference.

SECTION 6. Reporting of Designated Listed Events.

(a) The District agrees to provide or cause to be provided to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) Business Days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on any debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on any credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations 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 purposes of item (ix) above, the described event shall be deemed to occur when any of the following shall occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the United States 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 governing body and officials or officers in possession but subject to the supervision and orders of a court or other

governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority have 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, not later than ten (10) business days after the occurrence of the event:

- (i) Unless described in paragraph 6(a)(v) hereof, other material notices or determinations 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 Owners;
- (iii) Optional, unscheduled or contingent Bond calls;
- (iv) Release, substitution or sale of property securing repayment of the Bonds, if applicable;
- (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; or
- (vii) Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent.
- (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 security holders.

(c) If the District determines that the occurrence of a Listed Event described in Section 6(b) hereof is material under applicable federal security laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB 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 Undertaking shall terminate when the District is no longer an obligated person with respect to the Bonds, as provided in the Rule, upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Dissemination Agent. The Superintendent or Assistant Superintendent of Business Services may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist in carrying out the District's obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is no other designated Dissemination Agent in place, the District shall act as the Dissemination Agent.

The Dissemination Agent, if other than the District, shall be paid compensation for its services provided hereunder, and reimbursement for its costs and expenses. The Dissemination Agent shall not be responsible for the form or content of any document provided by the District hereunder.

SECTION 9. Amendment. Notwithstanding any other provision of this Disclosure Undertaking, the District may amend this Disclosure Undertaking under the following conditions, provided no amendment to this Disclosure Undertaking shall be made that affects the rights, duties or obligations of the Dissemination Agent without its written consent:

(a) The amendment may be made only 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 obligated person, or type of business conducted;

(b) This Disclosure Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Holders, as determined either by parties unaffiliated with the District or another obligated person (such as the Bond Counsel) or by the written approval of the Bondholders; provided, that the Annual Report containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

SECTION 10. Additional Information. If the District chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Undertaking, the District shall have no obligation under this Disclosure Undertaking to update such information or to include it in any future disclosure or notice of occurrence of a Designated Material Event.

Nothing in this Disclosure Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Designated Material Event, in addition to that which is required by this Disclosure Undertaking.

SECTION 11. Default. The District shall give notice to the MSRB of any failure to provide the Annual Report when the same is due hereunder, which notice shall be given prior to July 1 of that year. In the event of a failure of the District to comply with any provision of this Disclosure Undertaking, any Bondholder 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 Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the District to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriter and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Record Keeping. The District shall maintain records of all Annual Reports and notices of material Listed Events including the content of such disclosure, the names of the entities with whom such disclosure were filed and the date of filing such disclosure.

SECTION 14. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of California, applicable to contracts made and performed in such State of California.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

Dated: _____, 2024

ACCEPTED:

KOPPEL & GRUBER PUBLIC FINANCE,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Chino Valley Unified School District

Name of Issue: \$_____ 2024 General Obligation Refunding Bonds

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the above-named Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 4(a) of the Disclosure Undertaking dated _____, 2024. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

[ISSUER/DISSEMINATION AGENT]

By: _____

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

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 or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Participants are on file with DTC.

General

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has 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. *The foregoing internet address is included for reference only, and the information on this internet site is not incorporated by reference herein.*

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners

are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District (or the Paying Agent on behalf thereof) 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 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, printed certificates for the Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Discontinuation of Book-Entry Only System; Payment to Beneficial Owners

In the event that the book-entry system described above is no longer used with respect to the Bonds, the following provisions will govern the payment, transfer and exchange of the Bonds.

The principal of the Bonds and any premium and interest upon the redemption thereof prior to maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the office of the Paying Agent, initially located in Houston, Texas. Interest on the Bonds will be paid by the Paying Agent by check or draft mailed to the person whose name appears on the registration books of the Paying Agent as the registered owner, and to that person's address appearing on the registration books as of the close of business on the Record Date. At the written request of any registered owner of at least \$1,000,000 in aggregate principal, payments shall be wired to a bank and account number on file with the Paying Agent as of the Record Date.

Any Bond may be exchanged for a Bond of any authorized denomination of like tenor upon presentation and surrender at the office of the Paying Agent, initially located in Houston, Texas, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred only on the Bond registration books upon presentation and surrender of the Bond at such office of the Paying Agent together with an assignment executed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations requested by the owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Neither the District nor the Paying Agent will be required to exchange or transfer any Bond during the period from the Record Date through the next Interest Payment Date.

APPENDIX F

THE SAN BERNARDINO COUNTY POOL

The following information concerning the San Bernardino County Treasury Pool (the “Treasury Pool”) has been provided by the Treasurer and has not been confirmed or verified by the District, the Municipal Advisor or the Underwriter. Neither the District, the Municipal Advisor nor the Underwriter has made an independent investigation of the investments in the Treasury Pool nor any assessment of the current County investment policy. The value of the various investments in the Treasury Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer may change the investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Treasury Pool will not vary significantly from the values described herein. Finally, neither the District, the Municipal Advisor nor the Underwriter makes any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained is correct as of any time subsequent to its date. Further information may be obtained from the Treasurer at the following website: <http://www.sbcounty.gov/ATC/Treasurer/>. However, the information presented on such website is not incorporated into this Official Statement by any reference.

APPENDIX G

CERTAIN DATA CONCERNING THE REGIONAL ECONOMY OF THE CHINO VALLEY UNIFIED SCHOOL DISTRICT

General

The District lies within San Bernardino County (the “County”) and includes property within three cities, Ontario, Chino and Chino Hills (collectively, the “Cities”). Major economic indicators, such as employment, sales and housing starts, are not available for the District. The following economic information regarding the County and the Cities is provided as a description of the regional economy.

San Bernardino County, located in Southern California, was established by an act of the State Legislature on May 23, 1853, forming the County from the eastern part of Los Angeles County. The County encompasses an area of over 22,000 square miles and includes seventeen incorporated cities.

A large and well-diversified economy ranging from agriculture to scientific equipment characterizes the County. It is widely known for its temperate climate, geographical location, and its educational and recreational facilities.

The County is the largest county in the State and the United States, encompassing 20,000 square miles. The County is bordered on the west by Los Angeles County, on the north by Kern and Inyo Counties and on the east and south by the County of Riverside. Composed essentially of three topographic regions - valley, mountain and desert - elevation in the County ranges from a high of 11,502 feet above sea level to a low of 181 feet above sea level. The Mojave Desert makes up much of the County, including the Mojave National Preserve in the eastern part of the County. The western part of the county includes the San Bernardino National Forest.

Population

Historical population figures for the Cities of Chino, Chino Hills, and Ontario, the County and the State are set forth in the table below.

POPULATION

Year	Chino	Chino Hills	Ontario	San Bernardino County	California
2019	87,743	82,863	178,606	2,165,876	39,605,361
2020	91,547	78,472	175,427	2,181,654	39,538,223
2021	90,322	78,222	176,206	2,179,007	39,286,510
2022	92,334	77,601	178,682	2,180,777	39,078,674
2023	93,137	77,058	180,717	2,182,056	38,940,231

As of January 1 for 2019, 2021-2023. As of April 1 for 2020.

Source: State of California, Department of Finance, Population Estimates for Cities, Counties and State.

Principal Employers

The following table lists the principal employers in the County ranked by number of employees.

PRINCIPAL EMPLOYERS San Bernardino County 2021-22

<u>Employer Name</u>	<u>Number of Employees</u> ⁽¹⁾⁽²⁾
San Bernardino County	5,000-9,999
Amazon	5,000-9,999
Loma Linda University Medical Center	5,000-9,999
Staters Brothers	1,000-5,000
Burlington Distribution Corp	1,000-5,000
Environmental Systems Research	1,000-5,000
FedEx Ground	1,000-5,000
Inland Empire Health Plan	1,000-5,000
San Antonio Community Hospital	1,000-5,000
San Manuel Indian Bingo and Casino	1,000-5,000

⁽¹⁾ Data represents estimated number of employees.

⁽²⁾ Due to the confidentiality of reporting number of employees, ranges have been provided.

Source: San Bernardino County 'Annual Comprehensive Financial Report' for the fiscal year ended June 30, 2022.

Industry

The County employment centers around services, retail trade and government. The following table shows the estimated number of labor force by industry group for the Riverside -San Bernardino-Ontario Metropolitan Statistical Area and the County for the period from 2018 through 2022.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Civilian Labor Force	2,045,200	2,075,200	2,095,800	2,125,300	2,160,600
Civilian Employment	1,957,500	1,991,200	1,888,900	1,968,700	2,071,200
Civilian Unemployment	87,700	84,000	206,900	156,600	89,400
Civilian Unemployment Rate	4.3%	4.0%	9.9%	7.4%	4.1%
Total Farm	14,500	15,400	14,100	13,700	13,900
Total Nonfarm	1,506,600	1,552,700	1,495,800	1,575,100	1,660,300
Total Private	1,249,400	1,291,500	1,247,800	1,333,100	1,410,900
Goods Producing	206,800	209,700	202,200	207,700	216,400
Mining and Logging	1,200	1,200	1,300	1,400	1,600
Construction	105,200	107,200	104,900	110,100	115,200
Manufacturing	100,400	101,300	96,000	96,100	99,600
Service Providing	1,299,800	1,343,100	1,293,700	1,367,400	1,443,900
Trade, Transportation and Utilities	379,400	395,100	406,900	443,200	464,500
Wholesale Trade	66,100	67,700	65,600	67,400	69,700
Retail Trade	181,200	180,700	168,800	177,000	180,600
Transportation, Warehousing and Utilities	132,100	146,600	172,500	198,800	214,200
Information	11,400	11,500	9,600	9,700	10,200
Financial Activities	44,600	45,000	44,100	45,200	46,800
Professional and Business Services	151,400	157,900	154,800	169,400	179,100
Educational and Health Services	239,500	250,300	248,800	254,300	266,400
Leisure and Hospitality	170,600	175,900	141,300	160,200	179,600
Other Services	45,800	46,200	40,200	43,600	47,900
Government	257,200	261,200	248,000	242,000	249,400
Total, All Industries	1,521,100	1,568,100	1,509,900	1,588,800	1,674,200

Note: Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households and persons involved in labor-management trade disputes. Employment reported by place of work. Items may not add to total due to independent rounding. The "Total, All Industries" data is not directly comparable to the employment data found in this Appendix G.

Source: State of California, Employment Development Department, Industry Employment & Labor Force – by Annual Average, March 2022 Benchmark.

Employment

The table below lists recent employment and unemployment figures for the County.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT⁽¹⁾ COUNTY OF SAN BERNARDINO 2018-2022

<u>Year</u>	<u>Labor Force</u>	<u>Employment⁽²⁾</u>	<u>Unemployment⁽³⁾</u>	<u>Unemployment Rate (%)</u>
2018	955,100	915,800	39,200	4.1
2019	967,100	929,800	37,400	3.9
2020	974,700	880,900	93,800	9.6
2021	992,200	918,600	73,600	7.4
2022	1,008,500	967,200	41,300	4.1

Note: Data is not seasonally adjusted.

(1) Annual averages, unless otherwise specified.

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

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

Source: California Employment Development Department, Local Area Unemployment Statistics.

Commercial Activity

Commercial activity is an important contributor to the County's economy. The table below shows the County's taxable transactions from 2018-2022.

TAXABLE SALES COUNTY OF SAN BERNARDINO (Dollars in Thousands)

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services</u>					
Motor Vehicle and Parts Dealers	\$5,225,645	\$5,250,487	\$5,443,825	\$6,831,493	\$6,753,609
Home Furnishings & Appliance Stores	1,411,829	1,360,696	1,377,292	1,600,838	1,584,670
Building Material/Garden Equipment and Supplies	1,947,555	2,067,762	2,572,112	2,765,799	2,742,221
Food and Beverage Stores	1,457,929	1,515,920	1,678,489	1,802,817	1,867,972
Gasoline Stations	3,784,769	3,686,424	2,803,749	4,344,230	5,477,070
Clothing and Clothing Accessories/Others	2,336,827	2,486,386	2,107,972	3,032,918	2,977,482
General Merchandise Stores	3,618,710	3,724,380	4,078,967	4,729,193	4,866,993
Food Services and Drinking Places	3,693,545	3,892,261	3,438,490	4,565,359	4,956,526
Other Retail Group	3,428,976	3,601,588	5,244,381	8,673,264	8,821,515
Total Retail and Food Services	26,905,784	27,585,905	28,745,277	38,345,912	40,048,059
<u>All other outlets</u>	<u>\$13,648,240</u>	<u>\$14,182,842</u>	<u>\$14,520,235</u>	<u>\$17,032,185</u>	<u>\$19,944,787</u>
Total All Outlets	\$40,554,024	\$41,768,748	\$43,265,512	\$55,378,097	\$59,992,846

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Counties by Type of Business.

**TAXABLE SALES
CITY OF ONTARIO, CALIFORNIA
(Dollars in Thousands)**

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services:</u>					
Motor Vehicle and Parts Dealers	\$1,476,857	\$1,490,992	\$1,499,220	\$2,038,472	\$2,056,583
Home Furnishings and Appliance Stores	213,477	213,804	190,178	210,221	215,726
Building Material/Garden Equipment and Supplies	239,649	390,564	450,558	469,604	523,968
Food and Beverage Stores	90,855	95,115	106,685	110,384	115,387
Gasoline Stations	620,835	612,899	403,921	621,247	841,033
Clothing and Clothing Accessories Stores	651,409	658,969	380,854	652,958	754,605
General Merchandise Stores	220,380	219,008	236,236	402,562	751,060
Food Services and Drinking Places	451,266	472,257	363,513	499,836	570,339
Other Retail Group	885,444	800,019	785,828	792,918	983,682
Total Retail and Food Services	4,850,172	4,953,629	4,416,993	5,798,203	6,812,383
<u>All other outlets:</u>	<u>\$3,088,952</u>	<u>\$3,232,525</u>	<u>\$3,167,144</u>	<u>\$3,767,053</u>	<u>\$4,040,181</u>
Totals All Outlets	\$7,939,125	\$8,186,154	\$7,584,137	\$9,565,256	\$10,852,564

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

**TAXABLE SALES
CITY OF CHINO, CALIFORNIA
(Dollars in Thousands)**

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services:</u>					
Motor Vehicle and Parts Dealers	\$130,667	\$119,815	\$96,497	\$136,719	\$150,901
Home Furnishings and Appliance Stores	66,382	70,771	55,509	73,721	69,696
Building Material/Garden Equipment and Supplies	66,326	66,962	76,194	81,413	83,391
Food and Beverage Stores	45,842	51,494	60,944	59,788	62,434
Gasoline Stations	132,639	137,149	102,153	157,324	192,289
Clothing and Clothing Accessories Stores	96,748	96,889	67,870	109,012	108,436
General Merchandise Stores	250,945	241,936	239,433	262,338	267,757
Food Services and Drinking Places	165,770	169,805	150,835	191,551	215,491
Other Retail Group	117,835	111,104	95,152	113,339	140,229
Total Retail and Food Services	1,073,154	1,065,926	944,589	1,185,205	1,290,625
<u>All other outlets:</u>	<u>\$1,466,393</u>	<u>\$1,431,622</u>	<u>\$1,662,759</u>	<u>\$1,598,059</u>	<u>\$1,827,514</u>
Totals All Outlets	\$2,539,547	\$2,497,548	\$2,607,348	\$2,783,264	\$3,118,138

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

**TAXABLE SALES
CITY OF CHINO HILLS, CALIFORNIA
(Dollars in Thousands)**

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services:</u>					
Motor Vehicle and Parts Dealers	\$12,175	\$11,800	\$9,600	\$12,269	\$14,518
Home Furnishings and Appliance Stores	17,168	11,293	9,500	14,111	12,065
Building Material/Garden Equipment and Supplies	31,172	31,909	43,007	40,829	37,837
Food and Beverage Stores	40,851	38,588	42,541	42,955	42,905
Gasoline Stations	99,623	99,943	67,407	111,268	125,077
Clothing and Clothing Accessories Stores	39,955	36,102	23,126	33,793	30,299
General Merchandise Stores	132,601	137,533	123,831	148,901	170,241
Food Services and Drinking Places	166,366	174,424	140,522	190,606	220,704
Other Retail Group	57,670	54,282	50,041	61,501	63,288
Total Retail and Food Services	597,582	595,873	509,577	656,233	716,935
<u>All other outlets:</u>	<u>\$126,875</u>	<u>\$119,412</u>	<u>\$121,158</u>	<u>\$160,800</u>	<u>\$212,646</u>
Totals All Outlets	\$724,456	\$715,285	\$630,735	\$817,033	\$929,582

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

Building Activity

In addition to annual building permit valuations, the numbers of permits for new dwelling units issued each year from 2018 through 2022 are shown in the following tables for the County and the Cities.

SAN BERNARDINO COUNTY BUILDING PERMIT VALUATIONS For Years 2018 through 2022 (Valuations in Thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$1,455,281	\$1,450,638	\$1,139,459	\$1,484,898	\$1,463,811
Non-Residential	<u>1,080,130</u>	<u>1,377,100</u>	<u>1,064,696</u>	<u>1,165,646</u>	<u>2,083,951</u>
Total	\$2,535,411	\$2,827,738	\$2,204,155	\$2,650,544	\$3,547,762
Units					
Single Family	3,311	4,096	3,631	4,376	3,701
Multiple Family	<u>1,775</u>	<u>1,884</u>	<u>910</u>	<u>2,636</u>	<u>2,852</u>
Total	5,086	5,980	4,541	7,012	6,553

Note: Totals may not equal sums due to rounding.

Source: California Homebuilding Foundation CHF|CIRB.

CITY OF ONTARIO BUILDING PERMIT VALUATIONS For Years 2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$517,398,634	\$328,837,354	\$114,158,739	\$163,586,222	\$126,844,227
Non-Residential	<u>185,202,363</u>	<u>268,018,615</u>	<u>125,536,668</u>	<u>294,622,805</u>	<u>246,686,420</u>
Total	\$702,600,997	\$596,855,969	\$239,695,407	\$458,209,027	\$373,530,647
Units					
Single Family	1,056	1,091	472	531	382
Multiple Family	<u>273</u>	<u>322</u>	<u>74</u>	<u>659</u>	<u>325</u>
Total	1,329	1,413	546	1,190	707

Note: Totals may not equal sums due to rounding.

Source: California Homebuilding Foundation CHF|CIRB.

CITY OF CHINO
BUILDING PERMIT VALUATIONS
For Years 2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$180,370,273	\$134,437,064	\$123,389,439	\$195,657,039	\$200,753,973
Non-Residential	<u>136,375,157</u>	<u>112,260,719</u>	<u>291,329,951</u>	<u>125,449,620</u>	<u>115,926,351</u>
Total	\$316,745,430	\$246,697,783	\$414,719,390	\$321,106,659	\$316,680,324
Units					
Single Family	378	520	448	465	488
Multiple Family	<u>454</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>154</u>
Total	832	520	448	465	642

Note: Totals may not equal sums due to rounding.
Source: California Homebuilding Foundation CHF|CIRB.

CITY OF CHINO HILLS
BUILDING PERMIT VALUATIONS
For Years 2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$84,244,200	\$19,733,046	\$18,466,030	\$12,806,945	\$13,676,822
Non-Residential	<u>26,845,829</u>	<u>10,275,178</u>	<u>24,849,230</u>	<u>17,330,586</u>	<u>8,352,323</u>
Total	\$111,090,029	\$30,008,224	\$43,315,260	\$30,137,531	\$22,029,145
Units					
Single Family	177	32	42	33	14
Multiple Family	<u>68</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>42</u>
Total	245	32	42	33	56

Note: Totals may not equal sums due to rounding.
Source: California Homebuilding Foundation CHF|CIRB.

APPENDIX H

ACCRETED VALUES TABLE

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D**

§ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Obligation Bonds, Election of 2016, Series 2024D

CONTRACT OF PURCHASE

_____, 2024

Board of Education
Chino Valley Unified School District
5130 Riverside Drive
Chino, California 91710

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”), offers to enter into this Contract of Purchase (the “Contract of Purchase”) with the Chino Valley Unified School District (the “District”), which, upon the District’s acceptance hereof, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Contract of Purchase 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. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (as defined herein) or, if not defined in the Official Statement, in the Resolution (as defined herein).

Inasmuch as the sale contemplated hereby represents a negotiated transaction, the District acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the District and the Underwriter and that the Underwriter has financial and other interests that differ from those of the District, (ii) the Underwriter is acting solely as a principal and not acting as a municipal advisor, financial advisor or fiduciary to the District and has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters), (iii) the only obligations the Underwriter has to the District with respect to the transaction contemplated hereby expressly are set forth in this Contract of Purchase, except as otherwise provided by applicable rules and regulations of the Securities and Exchange Commission (“SEC”) or the rules of the Municipal Securities Rulemaking Board (“MSRB”), and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The District acknowledges that it has previously provided the Underwriter with an acknowledgment of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB.

1. Purchase and Sale of the Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, 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 \$ _____ aggregate principal amount of the District's General Obligation Bonds, Election of 2016, Series 2024D (the "Bonds").

The Bonds shall accrue interest at the rates, shall mature in the years and shall be subject to redemption as shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall be dated the date of delivery thereof (the "Date of Delivery"). The Bonds issued as current interest bonds (the "Current Interest Bonds") shall bear interest from such date of delivery payable semiannually on February 1 and August 1, commencing August 1, 2024. The Bonds issued as capital appreciation bonds (the "Capital Appreciation Bonds") shall accrete in value from the date of delivery, compounded semiannually on February 1 and August 1 of each year, commencing on August 1, 2024.

The Underwriter shall purchase the Bonds at a price of \$ _____ (which is equal to the principal amount of the Bonds of \$ _____, plus [net] original issue premium of \$ _____, and less an Underwriter's discount of \$ _____). Certain costs of issuance of the Bonds shall be paid by the District in accordance with Section 12 hereof.

2. The Bonds. The Bonds shall otherwise be as described in the Official Statement, and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on February 15, 2024 (the "Resolution"), this Contract of Purchase, and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Contract of Purchase and the Resolution. The Bonds shall bear CUSIP numbers; be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). The Bonds shall initially be issued in authorized denominations of five thousand dollars (\$5,000) principal amount, or any integral multiple thereof.

3. Use of Documents. The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, the Continuing Disclosure Undertaking (as defined herein), this Contract of Purchase, the Preliminary Official Statement (as defined herein), the Official Statement, the Resolution 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 Contract of Purchase.

4. Public Offering of Bonds; Establishment of Issue Price. The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the inside cover of the Official Statement and Exhibit A hereto.

(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 Norton Rose Fulbright US LLP ("Bond Counsel"), 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 Keygent LLC, the District's municipal advisor (the

“Municipal Advisor”) and any notice or report to be provided to the District may be provided to the Municipal Advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price 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 Contract of Purchase, 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 the Closing Date 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. 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 Contract of Purchase 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 Contract of Purchase, the maturities, if any, of the Bonds for which 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 (5th) 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 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 retail or other 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:

(A) (i) 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 (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) 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

(C) 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 retail or other 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 retail or other 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 retail or other 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 retail or other third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail or other third-party distribution agreement, to comply with its corresponding 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 Bond.

(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 Contract of Purchase by all parties.

5. Review of Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2024 (the “Preliminary Official Statement”). The District represents that it has duly authorized and prepared the Preliminary Official Statement for use by the Underwriter in connection with the sale of the Bonds, and that it has deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, redemption provisions, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “SEC”) promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”).

The Underwriter agrees that prior to the time the 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 electronic distribution (or other equally prompt

means) not later than the first business day following the date upon which each such request is received.

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing.

6. **Closing.** At 9:00 A.M., California Time, on _____, 2024 or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the “Closing”), the District will deliver or cause to be delivered to the Underwriter, through the facilities of DTC in New York, New York, 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 registered in the name of Cede & Co., as nominee of DTC, and at the offices of Bond Counsel in Los Angeles, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price set forth in Section 1 hereof in immediately available funds by wire transfer to the account or accounts designated by the District.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The District is a unified 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) Due Authorization. (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 District has full legal right, power, and authority to enter into this Contract of Purchase and the Continuing Disclosure Undertaking, to adopt the Resolution, to perform its obligations under each such document or instrument, to approve the Official Statement, and to carry out and effectuate the transactions contemplated by this Contract of Purchase, the Continuing Disclosure Undertaking and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in, the Bonds, the Resolution, the Continuing Disclosure Undertaking and this Contract of Purchase have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Contract of Purchase, assuming the due authorization, execution and delivery by the other party thereto, and the Continuing Disclosure Undertaking, constitute valid and legally binding obligations of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as their enforcement may be subject to the application of equitable principles or the exercise of judicial discretion in appropriate cases if equitable remedies are sought, and by the limitations on legal remedies against public agencies in the State; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Contract of Purchase.

(c) Consents. 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, the execution and delivery of this Contract of Purchase and the Continuing Disclosure

Undertaking, the adoption of the Resolution, or the consummation of the other transactions effected or contemplated herein or hereby, which have not been taken or obtained, 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) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986, as amended, with respect to the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Contract of Purchase, the Continuing Disclosure Undertaking, the Resolution and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under the State Constitution or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a 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) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, 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 of the titles of the officials of the District to such offices; or (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, the collection or levy of *ad valorem* property taxes contemplated by the Resolution, and the application thereof to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Contract of Purchase, the Continuing Disclosure Undertaking or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Resolution, this Contract of Purchase, or the Continuing Disclosure Undertaking; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Contract of Purchase, the Continuing Disclosure Undertaking or the Resolution, (b) declare this Contract of Purchase to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes and the exemption of such interest on the Bonds from State personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District, nor any other person or entity on behalf of the District, will have issued in the name and on behalf of the District, 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) Interim Financial Report. The District has not received a qualified or negative certification in its most recent interim report pursuant to Education Code Section 42130 *et seq.*

(i) Certificates. 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.

(j) Continuing Disclosure. In accordance with the requirements of the Rule and pursuant to the Resolution, at or prior to the Closing, the District shall have duly authorized, executed and delivered a continuing disclosure undertaking with respect to the Bonds (the “Continuing Disclosure Undertaking”) on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Undertaking shall be substantially in the form attached to the Official Statement as Appendix D. Except as otherwise disclosed in the Official Statement, the District has not, within the past five years, failed to comply in a material respect with any of its previous undertakings pursuant to the Rule to provide annual reports or notice of certain listed events.

(k) Official Statement Accurate and Complete. The Preliminary Official Statement, at the date thereof and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. As of the date thereof and as of the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

(l) Levy of Tax. The District hereby agrees to take any and all actions as may be required by San Bernardino County (the “County”) or otherwise necessary in order to arrange for the levy and collection of *ad valorem* property taxes, payment of the Bonds, and the deposit and investment of Bond proceeds. In particular, the District hereby agrees to provide to the Auditor-Controller and Treasurer-Tax Collector (or equivalent official) of the County a copy of the Resolution, a copy of Exhibit A hereto, and the full debt service schedule for the Bonds, in accordance with Education Code Section 15140(c) and policies and procedures of the County.

(m) No Material Adverse Change. The financial statements of, and other financial information regarding, the District in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

8. **Covenants of the District.** The District covenants and agrees with the Underwriter that:

(a) Securities Laws. 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 it is not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution;

(c) Official Statement. 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 Contract of Purchase 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, inside front cover page, and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the "Official Statement") in such quantities as may be requested by the Underwriter not later than seven (7) business days following the date this Contract of Purchase is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is twenty-five (25) days following the End of the Underwriting Period;

(e) References. References herein to the Preliminary Official Statement and the Official Statement include the cover, inside front cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto; and

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, at its own expense, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Contract of Purchase, the “End of the Underwriting Period” is used as defined in the Rule and shall occur on the later of (A) the date of Closing or (B) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the date of Closing, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the date of Closing.

9. Representations, Warranties and Agreements of the Underwriter. The Underwriter represents to and agrees with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Contract of Purchase and to take any action under this Contract of Purchase required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in Government Code Section 53590(c) or MSRB Rule G-23, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

10. Conditions to Closing. The Underwriter has entered into this Contract of Purchase 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 date of Closing. The Underwriter’s obligations under this Contract of Purchase are, and shall be subject, at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. 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 date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Contract of Purchase;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Contract of Purchase, the Continuing Disclosure Undertaking 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 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 their obligations required under or specified in the Resolution, this Contract of Purchase or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Contract of Purchase (and not reversed on appeal or otherwise set aside), or shall be pending, or, to the best knowledge of the District, threatened, which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Banking Moratorium. There has not been declaration of a general banking moratorium by federal, New York or State authorities, or a general suspension of trading on any national securities exchange;

(e) Exchange Trading Restrictions. There has been no 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;

(f) General Obligation Bond Offering Invalidity. No order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, 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;

(g) Marketability. Between the date hereof and the Closing, the market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter, by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or passed by either House of Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds;
or

(ii) 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;

(2) legislation enacted by the State legislature or a decision rendered by a State Court, or a ruling, order, or regulation (final or temporary) made by a State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof;

(3) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status to any rating of the District's outstanding indebtedness (without regard to any insurance) by a national rating agency;

(4) there shall have occurred (i) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(5) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

(6) 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 contained 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;

(7) any fact or event shall exist or have existed that requires or has required an amendment of or supplement to the Official Statement;

(8) there shall have occurred any materially adverse change in the affairs or financial condition of the District;

(9) 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, its property, 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

(10) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided

shall be prohibited by any applicable law, governmental authority, board, agency or commission.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive sufficient copies of the following documents in each case dated as of the date of Closing and satisfactory in form and substance to the Underwriter:

(1) Opinion of Bond Counsel. An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, and addressed to the District in substantially the form set forth in the Preliminary Official Statement as Appendix B;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the opinion described in Section 10(e)(1) above;

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel in form and substance satisfactory to the Underwriter, dated the date of Closing and addressed to the District and the Underwriter, substantially to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions “INTRODUCTION,” “THE BONDS,” “TAX MATTERS,” and “LEGAL MATTERS – Continuing Disclosure – Current Undertaking,” to the extent they purport to summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Undertaking, and the form and content of Bond Counsel’s approving opinion with respect to the treatment of interest on the Bonds under California and federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to (i) any information contained in Appendices C, E, F, G or H to the Official Statement, (ii) financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, including in any of the appendices thereto, (iii) information with respect to DTC or its book-entry only system included therein, (iv) any CUSIP numbers or information relating thereto, (v) the District’s compliance with its obligations to file annual reports or provide notice of the events described in the Rule, (vi) any information with respect to the Underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption “UNDERWRITING”; and (vii) any information with respect to the rating on the Bonds and the rating agency referenced therein, including but not limited to information under the caption “RATINGS”;

(ii) the Continuing Disclosure Undertaking and this Contract of Purchase have each been duly authorized, executed and delivered by the District, and assuming due authorization, execution and delivery by all the other parties thereto, constitute legal, valid and binding agreements of the District and are enforceable in accordance with their respective terms, except

as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as such enforcement may be subject to the application of equitable principles, and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(4) Disclosure Counsel Letter. A letter of Norton Rose Fulbright US LLP, dated the date of Closing and addressed to the District and the Underwriter, substantially to the effect that based on such counsel's participation in conferences with representatives of the Underwriter, the Municipal Advisor to the District, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel's attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for provided that Bond Counsel need not express any opinion with respect to (i) any information contained in Appendices C, E, F, G or H to the Official Statement, (ii) financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, including in any of the appendices thereto, (iii) information with respect to The Depository Trust Company or its book-entry only system included therein, (iv) any CUSIP numbers or information relating thereto, (v) the District's compliance with its obligations to file annual reports or provide notice of the events described in Rule 15c2-12 promulgated under the Securities Act of 1934, (vi) any information with respect to the Underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption "UNDERWRITING"; and (vii) any information with respect to the ratings on the Bonds and the rating agency referenced therein, including but not limited to information under the caption "RATINGS");

(5) District Certificates. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Contract of Purchase, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Resolution, the Continuing Disclosure Undertaking and this Contract of Purchase to be complied with by the District prior to or concurrently with the Closing, and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Preliminary Official Statement and Official Statement and on such basis certify that the Preliminary

Official Statement, as of its date did not, and the Official Statement, as of its date and as of the date of Closing, did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Contract of Purchase substantially conform to the descriptions thereof contained in the Resolution, (vi) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading, and (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to the best knowledge of such officials, threatened against the District, contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the District on behalf of the District or the due adoption of the Resolution;

(6) Arbitrage. A nonarbitrage certificate of the District in form satisfactory to Bond Counsel, with respect to the Bonds;

(7) Ratings. Evidence satisfactory to the Underwriter that (i) the Bonds shall have been rated “__” by Moody’s Investors Service and “__” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and (ii) that such rating has not been revoked or downgraded;

(8) Resolution. A certificate, together with fully executed copies of the Resolution, of the Secretary to or Clerk of the Board of Education of the District to the effect that:

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

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

(9) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(10) Certificate of the Paying Agent. A certificate of The Bank of New York Mellon Trust Company, N.A., as the paying agent for the Bonds (the “Paying Agent”), signed by a duly authorized officer thereof, and in form and substance satisfactory to the Underwriter, substantially to the effect that no litigation is pending or, to the best of the Paying Agent’s knowledge, threatened (either in state or federal courts) (i) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (ii) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(11) Continuing Disclosure Undertaking. An executed copy of the Continuing Disclosure Undertaking, substantially in the form presented in the Official Statement as Appendix D thereto;

(12) Underwriter's Counsel Opinion. The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as counsel to the Underwriter, in a form and substance satisfactory to the Underwriter; and

(13) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or 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 and of the Official Statement, 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.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter as provided in Section 6 herein, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Sections 12(c) and 14 hereof.

If the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Contract of Purchase or if the Underwriter's obligations shall be terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase may be cancelled 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, if by telephone, 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.

11. 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) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

12. Expenses. (a) To the extent that the transactions contemplated by this Contract of Purchase are consummated, the District shall pay (or cause to be paid), and the Underwriter shall be under no obligation to pay, the following costs of issuance with respect to the Bonds, including but not limited to the following: (i) the fees and disbursements of the District's Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees for the Bond rating; (iv) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (v) the initial fees of the Paying Agent and Fiscal Agent (as defined herein); (vi) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; (vii) the fees and expenses of the District's Municipal Advisor; and (viii) all other fees and expenses incident to the issuance and sale of the Bonds. The District hereby authorizes the Underwriter to wire a portion of the purchase price for the Bonds not to exceed \$_____ to The Bank of New York Mellon Trust

Company, N.A., as fiscal agent for the District (the “Fiscal Agent”), for the payment of such costs. In the event that following payment of the expenses set forth above, there is any portion remaining, such remaining amount shall be deposited into the Building Fund (as defined in the Resolution) for the Bonds. All costs in excess of the not-to-exceed amounts described above shall be paid by the District from legally available funds.

(b) Notwithstanding any of the foregoing, the Underwriter shall pay all out of pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP fees, the fees and disbursement of counsel to the Underwriter, and other expenses (except those expressly provided above) without limitation, except travel and related expenses attributable to District personnel in connection with the Bond ratings.

(c) Notwithstanding Section 10(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriter for any costs described in Subsection 12(a)(vi) above that are attributable to District personnel.

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.

13. **Notices.** Any notice or other communication to be given under this Contract of Purchase (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 Chino Valley Unified School District, 5130 Riverside Drive, Chino, California 91710, Attention: Associate Superintendent, Business Services, or if to the Underwriter, to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071, attention: Robert Barna, Managing Director.

14. **Parties in Interest; Survival of Representations and Warranties.** This Contract of Purchase when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Contract of Purchase 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 Contract of Purchase 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 Contract of Purchase.

15. **Execution in Counterparts.** This Contract of Purchase 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 BLANK]

16. **Applicable Law.** This Contract of Purchase shall be interpreted, governed and enforced in accordance with the laws of the State applicable to contracts made and performed in such State.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Underwriter**

By: _____
Authorized Representative

The foregoing is hereby agreed to and accepted at _____ p.m., California Time, as of the date first above written:

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Associate Superintendent,
Business Services

EXHIBIT A

\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Obligation Bonds, Election of 2016, Series 2024D

\$ _____ Serial Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule *</u>	<u>Hold-the- Offering- Price Rule</u>
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\$ _____ Term Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering- Price Rule</u>
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\$ _____ Capital Appreciation Serial Bonds

<u>Maturity (August 1)</u>	<u>Denominational Amount</u>	<u>Accretion Rate</u>	<u>Yield</u>	<u>Maturity Value</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold the Offering Price Rule</u>
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\$ _____ Capital Appreciation Term Bonds

<u>Maturity (August 1)</u>	<u>Denominational Amount</u>	<u>Accretion Rate</u>	<u>Yield</u>	<u>Maturity Value</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold the Offering Price Rule</u>
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* 10% of each maturity of the Bonds sold to the public on the sale date.

⁽¹⁾ Yield to call at par on August 1, 20__.

Redemption Provisions

[To Come]

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

§ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Obligation Bonds, Election of 2016, Series 2024D

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (the “Stifel”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the [General Rule] Maturities.*** As of the date of this certificate, for each Maturity of the [General Rule] Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***[Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule I (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Purchase Agreement, the Underwriting Group has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. ***Defined Terms.***

(a) *[General Rule Maturities]* means those Maturities of the Bonds listed in Schedule A hereto [as the “General Rule Maturities.”]

(b) *[Hold-the-Offering-Price Maturities]* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

(c) *[Holding Period]* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2024), or (ii) the date on which an Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means Chino Valley Unified School District.

(e) *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.

(f) *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. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) [Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.]

(h) *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 representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

STIFEL, NICOLAUS & COMPANY
INCORPORATED

By:_____

Name:_____

Dated: _____, 2024

SCHEDULE A

IDENTIFICATION OF GENERAL RULE MATURITIES AND HOLD-THE-OFFERING-PRICE MATURITIES

\$_____ Serial Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering- Price Rule</u>
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\$_____ Term Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering -Price Rule</u>
--------------------------------	-----------------------------	--------------------------	--------------	--------------	----------------------	---

* 10% of each maturity of the Bonds sold to the public on the sale date.

⁽¹⁾ Yield to call at par on August 1, 20__.

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(see attached)

B-B-1

4858-5244-9687v1/000000-2709

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Gregory J. Stachura, Assistant Superintendent, Facilities, Planning,
and Operations

**SUBJECT: RESOLUTION 2023/2024-37 OF THE BOARD OF EDUCATION OF
THE CHINO VALLEY UNIFIED SCHOOL DISTRICT OF THE
COUNTY OF SAN BERNARDINO, CALIFORNIA AUTHORIZING
THE ISSUANCE AND SALE OF ITS 2024 GENERAL OBLIGATION
REFUNDING BONDS, IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$20,000,000, AND APPROVING CERTAIN
OTHER MATTERS RELATING TO SAID BONDS**

=====

BACKGROUND

The District has an opportunity to lower the interest costs and reduce the annual debt service on a portion of its outstanding Measure M, General Obligation Bonds, 2002 Election, 2003 Series B Bonds, and 2005 Series C Bonds, and 2006 Series D Bonds, which would result in an estimated present value savings, in today's market, of approximately 10.17% or \$1,952,616 to the District's taxpayers.

Stifel, Nicolaus & Company, Incorporated, the Underwriter, and Norton Rose Fulbright US LLP, Bond Counsel, have prepared the necessary legal documentation to proceed with the refunding process. The following documents, each of which is a necessary part of the proposed refunding of the District's Measure M, General Obligation Bonds, 2002 Election, 2003 Series B Bonds, 2005 Series C Bonds and 2006 Series D Bonds, are on file with the Clerk of the Board.

- Escrow Agreement
- Purchase Contract
- Preliminary Official Statement, including the Continuing Disclosure Undertaking

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California adopt Resolution 2023/2024-37, Authorizing the issuance and sale of its 2024 General Obligation Refunding Bonds, in an aggregate principal amount not to exceed \$20,000,000, and approving certain other matters relating to said bonds.

FISCAL IMPACT

\$1,952,616 estimated present value savings to taxpayers.

NE:SHC:GJS:cb

**RESOLUTION 2023/2024-37 OF THE BOARD OF EDUCATION OF THE
CHINO VALLEY UNIFIED SCHOOL DISTRICT OF THE COUNTY OF
SAN BERNARDINO, CALIFORNIA AUTHORIZING THE ISSUANCE
AND SALE OF ITS 2024 GENERAL OBLIGATION REFUNDING BONDS,
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$20,000,000, AND APPROVING CERTAIN OTHER MATTERS
RELATING TO SAID BONDS**

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RESOLUTION 2023/2024-37 OF THE BOARD OF EDUCATION OF THE CHINO VALLEY UNIFIED SCHOOL DISTRICT OF THE COUNTY OF SAN BERNARDINO, CALIFORNIA AUTHORIZING THE ISSUANCE AND SALE OF ITS 2024 GENERAL OBLIGATION REFUNDING BONDS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000, AND APPROVING CERTAIN OTHER MATTERS RELATING TO SAID BONDS

WHEREAS, a duly called election was held in the Chino Valley Unified School District, a unified school district duly organized and existing under the laws of the State of California (the “**District**”), County of San Bernardino (the “**County**”), State of California, on March 5, 2002 (the “**2002 Election**”), and thereafter canvassed pursuant to law; and

WHEREAS, at the 2002 Election, there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum aggregate principal amount of \$150,000,000 to finance the projects described in the proposition (“**Measure M**”) payable from the levy of an *ad valorem* property tax against the taxable property in the District (the “**2002 Authorization**”); and

WHEREAS, as authorized at the 2002 Election, the Board of Education of the District (the “**Governing Board**”) has previously approved the issuance, among other series, (i) \$35,000,000 aggregate initial principal amount of the District’s General Obligation Bonds, 2002 Election, Series B on July 17, 2003 (the “**2003B Bonds**”), (ii) \$25,000,000 aggregate initial principal amount of the District’s General Obligation Bonds, 2002 Election, 2005 Series C on December 7, 2005 (the “**2005C Bonds**”); and \$49,999,999.20 aggregate initial principal amount of the District’s General Obligation Bonds, 2002 Election, 2006 Series D on November 30, 2006 (the “**2002D Bonds**”); and

WHEREAS, a duly called election was held in the District on November 8, 2016 (the “**2016 Election**”), and thereafter canvassed pursuant to law; and

WHEREAS, at the 2016 Election, there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum aggregate principal amount of \$750,000,000 to finance the projects described in the proposition (“**Measure G**”) payable from the levy of an *ad valorem* property tax against the taxable property in the District (the “**2016 Authorization**”); and

WHEREAS, in 2014, to effect the advance refunding of a portion of the 2005C Bonds, the Governing Board approved the issuance of \$22,425,000 aggregate initial principal amount of the District’s 2014 General Obligation Refunding Bonds (the “**Prior Bonds**”), of which \$19,200,000 (excluding the Prior Bond maturing on August 1, 2024, which is not subject to redemption prior to its maturity date) of initial principal amount is presently outstanding and subject to refunding; 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**”) (commencing with Sections 53550 and 53580, respectively), the District is authorized to issue, or cause to be issued, general obligation bonds to refund all or a portion of the Prior Bonds (once refunded, the “**Refunded Bonds**”); and

WHEREAS, the Governing Board has now determined that conditions in the financial markets have become favorable for the refunding of the Refunded Bonds and that prudent management of the fiscal affairs of the District necessitates the issuance of its 2024 General Obligation Refunding Bonds, in one or more series or tranches on a federally taxable or tax-exempt (the “**Bonds**” or the “**Refunding Bonds**”), resulting in substantial savings to the taxpayers of the District; and

WHEREAS, pursuant to Section 53558(a) of the Government Code, the District is authorized to deposit certain proceeds of the sale of the Bonds in escrow in an amount sufficient to pay the principal of and interest and redemption premiums, if any, on the Refunded Bonds as they become due or at designated dates prior to maturity, and to use certain proceeds of the Bonds to pay the costs of issuance of the Bonds; and

WHEREAS, this Governing Board has determined that it is desirable to sell the Bonds pursuant to a negotiated sale to Stifel, Nicolaus & Company, Incorporated, as underwriter of the Bonds (the “**Underwriter**”) pursuant to a Contract of Purchase (as defined herein), a form of which has been submitted to this meeting of the Governing Board and is on file with the Clerk of the Governing Board (the “**Clerk**”); and

WHEREAS, a form of escrow agreement (the “**Escrow Agreement**”), by and between the District and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “**Escrow Agent**”), directing the establishment of an escrow fund for deposit of certain proceeds of sale of the Bonds for the purpose of paying and redeeming the Refunded Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

WHEREAS, a form of the preliminary official statement (the “**Preliminary Official Statement**”) relating to the Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

WHEREAS, a form of continuing disclosure undertaking (the “**Continuing Disclosure Undertaking**”), attached as Appendix D to the Preliminary Official Statement, has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

WHEREAS, this Governing Board desires that the County should levy and collect an *ad valorem* property tax on all taxable property within the District sufficient to provide for payment of the Bonds (with certain property subject to limitations), and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller /Treasurer-Tax Collector of the County (the “**Auditor-Controller**” or “**Treasurer**” as applicable) 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 tax and payment of the Bonds; and

WHEREAS, this Governing Board recognizes that California Senate Bill No. 222 (Chapter 78, Statutes of 2015) (“**SB 222**”) as codified in Section 15251 of the California Education Code (the “**Education Code**”) and commencing with Section 53515 of the Government Code, provides that general obligation bonds of the District shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of taxes levied to pay the bonds, when collected by the County, to secure repayment of bonds, effective January 1, 2016; and

WHEREAS, the pledge of tax revenues and grant of a lien thereon and security interest therein included in this Resolution to secure payment of the G.O. Bonds (as defined herein) is intended to be a consensual security agreement with the registered owners of the G.O. Bonds separate and apart from, and in addition to, any statutory lien on such revenues to which they are entitled; and

WHEREAS, all acts, conditions and other matters required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of the Bonds, is within all limits prescribed by law;

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Education of the Chino Valley Unified School District as follows:

SECTION 1. Definitions. Capitalized terms used but not defined herein shall have the meanings set forth in the Recitals hereto. Additionally, the following terms shall for all purposes of this Resolution have the following meanings:

“Authorized Investments” shall mean legal investments authorized by Section 53601 of the Government Code.

“Authorized Officer” and “Authorized Officers” has the meaning provided in Section 6 herein.

“Authorizing Law” shall mean Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code.

“Board of Supervisors” shall mean the Board of Supervisors of the County.

“Bond Counsel” shall mean Norton Rose Fulbright US LLP.

“Bond Register” shall mean the books referred to in Section 15 of this Resolution.

“Business Day” shall mean a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Common Issue Bonds” means the Bonds and any other tax-exempt obligations sold within 15 days of the Bonds that are part of the same issue pursuant to section 1.150-1(c) of the Regulations.

“Contract of Purchase” shall mean the Purchase Contract by and between the District and the Underwriter relating to the Bonds.

“Costs of Issuance” shall mean all of the authorized costs of issuing the Bonds as described in the Authorizing Law, including but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and the Preliminary Official Statement and the Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; underwriter’s fees; rating agency fees and related costs; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the financing, including the fees and expenses of Bond Counsel and Disclosure Counsel; the fees and expenses of the Paying Agent, Escrow Agent and Verification Agent; the fees and expenses of the Municipal Advisor; fees for credit enhancement (if any) relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds, to the extent such fees and expenses are approved by the District. If it appears in the best interests of the District to acquire credit enhancement to secure the payment of all or a portion of the principal and interest with respect to the Bonds, or obtain a legal opinion addressed to the rating agency(ies) from Bond Counsel or special revenue opinion counsel which is necessary to obtain a rating that provides for a lower cost of funds to the District, then an Authorized Officer may so provide in the Contract of Purchase.

“County Office of Education” shall mean the Office of Education of the County and such other persons as may be designated by the County Office of Education to perform any operational and disbursement functions hereunder.

“Date of Delivery” shall mean the date on which the Underwriter purchases the Bonds.

“Debt Service” shall have the meaning given to that term in Section 17 of this Resolution.

“Debt Service Fund” shall mean the Debt Service Fund established pursuant to Section 17 of this Resolution.

“Defeasance Securities” shall mean lawful money or noncallable direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of Bond Counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds.

“Depository” shall mean DTC and its successors and assigns or if (a) the then-acting Depository resigns from its functions as securities depository for the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository which agrees to follow procedures required to be followed by a securities depository in connection with the Bonds.

“Disclosure Counsel” shall mean Norton Rose Fulbright US LLP, in its capacity as disclosure counsel to the District with respect to the Bonds.

“DTC” shall mean The Depository Trust Company, and its successors and assigns.

“EMMA” shall mean the Electronic Municipal Market Access website of the MSRB, currently located at <http://emma.msrb.org>.

“Escrow Fund” shall mean the fund by that name established under the Escrow Agreement, into which the net proceeds of sale of the Bonds (or bonds otherwise designated) shall be deposited in order to effect the refunding of the Refunded Bonds.

“Federal Securities” shall mean direct obligations of the United States Treasury or obligations which are unconditionally guaranteed by the United States or which are issued or guaranteed by the Export-Import Bank of the United States, the Farmers Home Administration, the General Services Administration, the Small Business Administration, the Government National Mortgage Association, the United States Department of Housing and Urban Affairs and the Federal Housing Administration (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States), provided the principal of and interest on such obligations are backed by the full faith and credit of the United States of America.

“Fiscal Year” shall mean the twelve-month period commencing on July 1 of each year and ending on the following June 30 or any other fiscal year selected by the District.

“G.O. Bonds” shall mean all general obligation bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including Measure G and Measure M.

“Information Services” shall mean EMMA and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds as the District may designate in a certificate of the District delivered to the Paying Agent.

“Interest Payment Date” shall mean February 1 and August 1 in each year, commencing on August 1, 2024, or as otherwise specified in the Contract of Purchase.

“Measure G” shall mean the general obligation bond proposition approved by more than 55% of District voters on November 8, 2016 authorizing the issuance of up to an aggregate principal amount of \$750,000,000 in general obligation bonds to finance the projects described in the proposition, payable from *ad valorem* property taxes.

“Measure M” shall mean the general obligation bond proposition approved by more than 55% of District voters on March 5, 2002 authorizing the issuance of an aggregate principal amount of \$150,000,000 in general obligation bonds to finance the projects described in the proposition, payable from *ad valorem* property taxes.

“Moody’s” shall mean Moody’s Investors Service, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any

reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive the reports described in the Continuing Disclosure Undertaking. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through EMMA.

“Municipal Advisor” shall mean Keygent LLC, as Municipal Advisor to the District.

“Nominee” shall mean the nominee of the Depository which may be the Depository, as determined from time to time by the Depository.

“Official Statement” shall mean the final official statement of the District describing the Bonds.

“Outstanding” when used with reference to the Bonds, shall mean, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (i) Bonds canceled at or prior to such date;
- (ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 13 hereof; and
- (iii) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 41 of this Resolution.

“Owner” shall mean the registered owner, as indicated in the Bond Register, of any Bond.

“Participant” shall mean a member of or participant in the Depository.

“Paying Agent” shall mean the paying agent designated pursuant to Section 30 hereof.

“Pledged Moneys” shall have the meaning given to that term in Section 18 of this Resolution.

“Principal” or “Principal Amount” shall mean, as of any date of calculation, with respect to any Bond, the principal amount thereof.

“Rebate Fund” shall mean the Rebate Fund established pursuant to Section 19 of this Resolution.

“Record Date” shall mean the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date.

“Regulations” shall mean the regulations of the United States Department of the Treasury proposed or promulgated under Sections 103 and 141 through 150 of the Code which by their terms are effective with respect to the Bonds and similar Treasury Regulations to the extent not

inconsistent with Sections 103 and 141 through 150 of the Code, including regulations promulgated under Section 103 of the Internal Revenue Code of 1954, as amended.

“S&P” shall mean S&P Global Ratings, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“Securities Depositories” shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, (212) 855-3215, and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a certificate delivered to the Paying Agent.

“Superintendent” shall mean the Superintendent of the District.

“Supplemental Resolution” shall mean any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Section 38 or Section 39 hereof.

“Taxable Bonds” means those Bonds, which by their terms, bear interest that is not excluded from gross income for purposes of Federal income taxation.

“Tax-Exempt Bonds” means any Bonds designated by an Authorized Officer of the District to be Tax-Exempt Bonds, which by the terms of such Bonds, bear interest that is excluded from gross income for purposes of Federal income taxation.

“Tax Certificate” means the Tax Certificate delivered by the District on the Date of Delivery.

“Term Bond” shall mean any Bond which, by its terms, has a single maturity but is subject to mandatory sinking fund redemption prior to the date of such maturity.

“Verification Agent” shall mean Robert Thomas CPA, LLC, or such other certified public accountants selected by the Authorized Officer of the District, in their capacity as verification agent for the sufficiency of amounts on deposit in the Escrow Fund for the payment and redemption of the Refunded Bonds.

SECTION 2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and vice versa. Except where the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

SECTION 3. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Authorizing Law.

SECTION 4. Resolution to Constitute Consensual Agreement. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those

who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a consensual agreement among the District and the Owners from time to time of the Bonds; and the pledge made and lien and security interest granted in this Resolution shall be for the equal benefit, protection and security of the registered owners of any and all of the G.O. Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the G.O. Bonds over any other thereof.

SECTION 5. Approval of Documents; Determination of Method of Sale and Terms of Bonds.

(a) The Governing Board hereby finds and determines pursuant to California Government Code Section 53552 that the prudent management of the fiscal affairs of the District requires that the District issue one or more series of Refunding Bonds under the provisions of the Government Code to refund all or a portion of the Prior Bonds, without submitting the question of the issuance of the Bonds to a vote of the qualified electors of the District. The Governing Board hereby determines that all acts and conditions necessary to be performed thereby or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds. In determining the amount of Bonds to be issued, the Board hereby determines that any capitalized interest on the Bonds shall be reasonably required.

(b) The Authorized Officers, in consultation with Bond Counsel, the Municipal Advisor and the other officers of the District are, and each of them acting alone is, hereby authorized and directed to issue and deliver the Bonds and to establish the initial aggregate principal amount thereof; *provided, however*, that such aggregate principal amount of the Bonds shall not exceed \$20,000,000.

(c) The form of the Contract of Purchase is hereby approved. The Authorized Officers are, and each of them acting alone is, authorized and directed to execute and deliver the Contract of Purchase to the Underwriter for and in the name and on behalf of the District, with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District including, without limitation (i) such changes as are necessary to reflect the final terms of the Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be conclusively evidenced by such Authorized Officer's execution thereof and (ii) any other documents required to be executed thereunder. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to determine the specific maturities and amounts of the Prior Bonds or portions thereof to be refunded based upon market conditions existing at the time of the pricing of the Bonds. In addition, the Authorized Officers are, and each of them acting alone is, hereby authorized to negotiate with the Underwriter the terms, maturities, interest rates and series of the Bonds and the purchase price of the Bonds to be paid by the Underwriter, which purchase price shall reflect an Underwriter's discount of not more than 0.45% (not including original issue discount) of the Principal Amount thereof. The interest rate on the Bonds shall not exceed the maximum allowed under law.

(d) The form of the Escrow Agreement is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Escrow Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement by such Authorized Officer. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to make changes to the Escrow Agreement to achieve the purposes for which the Bonds are being executed and delivered.

(e) The form of the Continuing Disclosure Undertaking is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized to execute and deliver the Continuing Disclosure Undertaking on behalf of the District, with such changes therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriter. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Undertaking shall not be considered an event of default as to the Bonds and shall not be deemed to create any monetary liability on the part of the District to any other persons, including Owners of the Bonds.

(f) The form of the Preliminary Official Statement is hereby approved. This Governing Board also hereby authorizes the use and distribution by the Underwriter of: (a) the Preliminary Official Statement with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by such Authorized Officer's execution of such certificate; and (b) an Official Statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or desirable in connection with the sale of the Bonds as determined by the Authorized Officer executing the Official Statement, such determination to be conclusively evidenced by the execution and delivery of the Official Statement by such Authorized Officer; and (c) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable, such determination to be conclusively evidenced by the execution of such amendment or supplement or of a certificate as described below by such Authorized Officer. The Authorized Officers are, and each of them acting alone hereby is, authorized to approve such additions, deletions or changes to the Preliminary Official Statement and Official Statement, as are necessary or desirable to effect the purposes of this Resolution and to comply with applicable laws and to deliver copies of the Preliminary Official Statement and the Official Statement. The Authorized Officers also are, and each of them acting alone hereby is, authorized to determine whether any Preliminary Official Statement and/or Official Statement, and any amendments or supplements thereto, shall be used in connection with the sale of the Bonds. Upon approval of the Preliminary Official Statement by such Authorized Officer as evidenced by execution of a certificate substantially in the form of Exhibit B attached hereto and by this reference incorporated herein, with such changes as may be necessary or desirable, the Preliminary Official Statement shall be deemed final as of its date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

(g) This Governing Board also hereby authorizes the preparation of a paying agent agreement in connection with the Bonds, in such form as shall be determined by an Authorized Officer, such determination to be conclusively evidenced by the execution and delivery of the paying agent agreement by such Authorized Officer.

SECTION 6. Authorization of Officers. The officers of the District, including but not limited to the Superintendent, the Associate Superintendent of Business Services, the Assistant Superintendent of Facilities, Planning and Operations of the District, and their authorized designees or representatives (each, an “**Authorized Officer**” and together, the “**Authorized Officers**”) are, and each of them acting alone is, hereby authorized to execute any and all certifications and documents and do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purposes.

SECTION 7. Use of Bond Proceeds. The proceeds of the Bonds, together with other available funds, shall be applied to pay the principal of and interest and redemption premium, if any, on the Refunded Bonds as they become due or at their redemption dates and to pay Costs of Issuance.

SECTION 8. Designation and Form; Payment.

(a) An issue of Bonds in one or more series entitled to the benefit, protection and security of this Resolution is hereby authorized. Such Bonds shall be general obligations of the District, payable as to Principal of and premium, if any, and interest from *ad valorem* property taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated the “Chino Valley Unified School District 2024 General Obligation Refunding Bonds” with such insertions as shall be appropriate to describe the series, federally taxable or tax-exempt status, and/or tranches. The aggregate principal amount of the Bonds shall not exceed \$20,000,000. The Bonds may be issued as serial bonds or term bonds and shall be subject to redemption as set forth in the Contract of Purchase, subject to the provisions of this Resolution. The Authorized Officers are, and each of them acting alone is, hereby authorized, upon consultation with the Municipal Advisor, the Underwriter and Bond Counsel, to determine whether the interest on the Bonds, or on any series of Bonds, shall be subject to federal income taxes or exempt from federal income taxes.

(b) The form of the Bonds shall conform substantially with the standard form of registered unified school district general obligation bonds, a copy of which is attached hereto as Exhibit A hereto and incorporated herein by this reference, with such changes as are necessary to reflect the final terms of the Bonds.

(c) The Principal of and premium, if any, and interest on any Bond are payable in lawful money of the United States of America. Principal of the Bonds and premium, if any, is payable upon surrender thereof at maturity or earlier redemption at the office designated by the Paying Agent.

SECTION 9. Description of the Bonds.

(a) The Bonds shall be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof and shall be dated and shall mature on the dates, in the years and in the Principal Amounts, and interest shall be computed at the rates, set forth in the Contract of Purchase.

(b) Interest on each Bond shall accrue from its dated date as set forth in the Contract of Purchase. Interest on Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof appearing on the Bond Register as of the close of business on the Record Date. Interest on each Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest thereon shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event interest shall be payable from its dated date; *provided, however*, that if at the time of registration of any Bond, interest thereon is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Bonds will be made on each Interest Payment Date by wire transfer to the Owner thereof appearing on the Bond Register on the Record Date, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; *provided, however*, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

(c) No Bond shall mature later than the final maturity date of the Refunded Bonds to be refunded from proceeds of such Bond.

SECTION 10. Federal Tax Covenants. This Section 10 shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“*Bonds*” means the Bonds, and any other tax-exempt obligations sold within 15 days of the Bonds that are part of the same issue pursuant to Section 1.150-1(c) of the Regulations.

“*Closing Date*” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“*Computation Date*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Gross Proceeds*” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

“*Investment*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Nonpurpose Investment*” means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

“*Rebate Amount*” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“*Regulations*” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“*Yield*” of

(i) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and

(ii) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The District shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Tax-Exempt Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the District receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Tax-Exempt Bond, the District shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the District shall at all times prior to the last stated maturity of the Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the District or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the District shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take or pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the District shall not at any time prior to the final stated maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment, if as a result of such investment the Yield of any Investment acquired with Gross Proceeds, whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the District shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The District shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038 G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The District shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the District may commingle Gross Proceeds of the Bonds with other money of the District, provided that the District separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the District shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the

Regulations and rulings thereunder. The District shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the initial purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the District shall pay to the United States out of the Rebate Fund, its general fund, or other appropriate fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (A) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (B) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The District shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148 3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the District shall not, at any time prior to the earlier of the stated maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The District hereby directs and authorizes the Superintendent of the District, the Associate Superintendent of Business Services of the District, either or any combination of them or their respective designees, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

(k) Bonds Not Hedge Bonds.

(i) At the time the original bonds refunded by the Bonds were issued, the District reasonably expected to spend at least 85% of the spendable proceeds of such bonds within three years after such bonds were issued.

(ii) Not more than 50% of the proceeds of the original bonds refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) 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 the Refunding Bonds issued as tax-exempt bonds, the Treasurer may conclusively rely on such opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

SECTION 11. Book-Entry System.

(a) The Bonds shall be initially issued in the form of a separate single fully registered Bond for each maturity of the Bonds.

Upon initial issuance, the ownership of each such global Bond shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Bond shall bear a legend describing restrictions on transfer, as may be prescribed by the Depository.

With respect to Bonds registered in the Bond Register in the name of the Nominee, the District shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the District shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any Redemption Notice (as defined in Section 27 below), (iii) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part, or (iv) the payment to any Participant, beneficial owner or any other person, other than the Depository, of any amount with respect to Principal of, premium, if any, and interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment of Principal of, premium, if any, and interest on such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all Principal of, premium, if any, and interest on the Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of Principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of Principal of,

premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to the Paying Agent and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions hereof with respect to Record Dates, the word Nominee in this Resolution shall refer to such new nominee of the Depository.

(b) In order to qualify the Bonds for the Depository's book-entry system, the District is hereby authorized to execute and deliver or shall have executed and delivered to the Depository a letter from the District representing such matters as shall be necessary to so qualify the Bonds (the "**Representation Letter**"). The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a) hereof or in any other way impose upon the District any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the Owners, as shown in the Bond Register. In addition to the execution and delivery of the Representation Letter, the District and its Authorized Officers are hereby authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

(c) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the District within 90 days after the District receives notice or becomes aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall cause the issuance of certificated securities representing the Bonds as provided below. In addition, the District may determine at any time that the Bonds shall no longer be lodged with a Depository and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event the District shall cause the execution and delivery of certificated securities representing the Bonds as provided below. Bonds issued in exchange for global Bonds pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall cause delivery of such certificated securities representing the Bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully registered global Bond for each of the maturities of the Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal Amount of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

(e) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

SECTION 12. Execution of the Bonds.

(a) The Bonds shall be executed in the manner required by the Authorizing Law. In case any one or more of the Authorized Officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the Authorized Officers who signed such Bonds had not ceased to hold such offices. Any of the Bonds may be signed on behalf of the District by such persons as at the time of the execution of such Bonds shall be duly authorized to hold or shall hold the proper offices in the District, although at the date borne by the Bonds such persons may not have been so authorized or have held such offices.

(b) The Bonds shall bear thereon a certificate of authentication executed manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication duly executed by the Paying Agent shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying Agent. Such certificate of the Paying Agent upon any Bond shall be conclusive evidence that the Bond so authorized has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

SECTION 13. Transfer and Exchange. The registration of any Bond may be transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond shall be endorsed or accompanied by delivery of the written instrument of transfer shown in Exhibit A hereto, duly executed by the Owner or such Owner's duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like tenor, series and maturity in the same Principal Amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether the Principal of and premium, if any, or interest on such Bond shall be overdue or not, for the purpose of receiving payment of Principal of and premium, if any, and interest on such Bond and for all other purposes, and any such payments so made to any such Owner or upon such Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like series, tenor and maturity of other authorized denominations. All Bonds surrendered in any such exchange shall thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and 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.

The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

SECTION 14. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like date, interest rate, maturity, Principal Amount and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like date, interest rate, maturity, Principal Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

SECTION 15. Bond Register. The Paying Agent shall keep or cause to be kept at its office sufficient books for the registration and registration of transfer of the Bonds. Upon presentation for registration of transfer, the Paying Agent shall, as above provided and under such reasonable regulations as it may prescribe subject to the provisions hereof, register or register the transfer of the Bonds, or cause the same to be registered or cause the registration of the same to be transferred, on such books. While the Bonds are held in the book-entry system, the Paying Agent is not required to keep a separate Bond Register.

SECTION 16. Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption price with respect to such Bonds shall have become due and payable shall be transferred to the general fund of the District (the “**General Fund**”); *provided, however*, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining will be transferred to the General Fund. Thereafter, the Owners of such Bonds shall look only to the General Fund for payment of such Bonds.

SECTION 17. Application of Proceeds.

(a) A portion of the net proceeds of sale of the Bonds shall be transferred to the Escrow Agent for deposit into the Escrow Fund in an amount necessary to purchase the Defeasance Securities needed to defease, pay and redeem the Refunded Bonds.

(b) Accrued interest, if any, and except as shall otherwise be directed by the District in accordance with applicable law, any original issue premium received by the District from the sale of the Bonds, shall be kept separate and apart in separate funds hereby created and established within the interest and sinking fund of the District to be designated as the “Chino Valley Unified School District 2024 General Obligation Refunding Bonds Debt Service Fund” (collectively with the interest and sinking fund of the District, the “**Debt Service Fund**”). Amounts in the Debt Service Fund may be used only for payment of principal of, premium, if any, and interest on the G.O. Bonds. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of the principal of and interest on the G.O. Bonds. The Treasurer is directed to create any accounts and subaccounts in the Debt Service Fund as provided in the Tax Certificate and Section 10 of this Resolution. Proceeds of the G.O. Bonds (and earnings from the investment thereof) deposited to the Debt Service Fund and available to pay Debt Service, and earnings from the investment of monies held in the Debt Service Fund, shall be used for the payment of the Principal of and interest on the Bonds before any other Pledged Moneys.

(c) All Pledged Taxes (defined below) shall be deposited upon collection by the County into the Debt Service Fund for the G.O. Bonds and used for the payment of the principal of, premium, if any, and interest on the G.O. Bonds.

(d) On or before the Business Day immediately preceding each Interest Payment Date, the District shall transfer, or cause to be transferred, from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the Principal of, premium, if any, and interest on the Bonds coming due (collectively, “**Debt Service**”) on such payment date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service.

(e) The District shall cause moneys to be transferred to the Rebate Fund to the extent needed to comply with the Tax Certificate and Section 10 of this Resolution. Any amounts on deposit in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to the General Fund of the District, subject to any conditions set forth in the Tax Certificate and Section 10 of this Resolution.

(f) Certain proceeds of the Bonds may be applied to pay Costs of Issuance as provided in Section 20 below.

(g) Except as required to satisfy the requirements of Section 148(f) of the Code or to comply with the provisions of the Tax Certificate and Section 10(h) of this Resolution, earnings from the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay the Principal of and interest on the Bonds when due.

SECTION 18. Payment of and Security for the Bonds.

(a) There shall be levied by the County on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Bonds are Outstanding in an amount sufficient, together with moneys on deposit in the Debt Service Fund and available for such purpose, to pay the principal of, premium, if any, and interest on the Bonds as it becomes due and payable, which taxes (the “**Pledged Taxes**”), when collected by the County, shall be placed in the Debt Service Fund of the District.

(b) The District hereby irrevocably pledges and grants a security interest in and lien on all of the Pledged Taxes, all revenues from the *ad valorem* property taxes collected from the levy by the County Board of Supervisors for the payment of the G.O. Bonds, all penalties and interest at any time collected with respect to the Pledged Taxes, and all proceeds derived from any of the foregoing, including all monies, securities or other funds held in or required hereby to be deposited into the Debt Service Fund from time to time (collectively, the “**Pledged Moneys**”), to the payment of the principal of and interest on the G.O. Bonds. This pledge and grant of a security interest and lien shall be valid and binding from the date hereof for the benefit of the registered owners of the G.O. Bonds and successors thereto. The Pledged Moneys shall immediately be subject to the pledge, security interest and lien created hereby, which shall immediately attach to the Pledged Moneys as the District acquires any interest therein, 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, security interest or lien, and without the need of any physical delivery, recordation, filing, or further act. The *ad valorem* property tax levy may include an allowance for a reasonably required reserve in accordance with the Tax Certificate, established for the purpose of ensuring that the tax or assessment actually collected is sufficient to pay the annual debt service requirements on the G.O. Bonds due in such year. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* property tax in accordance with this Section, Section 15140 *et seq.* of the Education Code and Sections 53506 *et seq.* and 53559 of the Government Code. “G.O. Bonds” for purpose of this pledge contained herein means all general obligation bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including Measure G and Measure M, as all such general obligation bonds are required by State law to be paid from the Debt Service Fund.

(c) This pledge and grant of a consensual lien and security interest is an agreement between the District and the registered owners of the G.O. Bonds to provide security for the G.O. Bonds in addition to any statutory lien that may exist, and the G.O. Bonds and each of the other bonds secured by such pledge and grant of a lien and security interest are, will be, or were issued to finance one or more of the projects specified in the applicable voter-approved measure.

SECTION 19. Establishment and Application of Rebate Fund. There is hereby established in trust a special fund designated “Chino Valley Unified School District 2024 General Obligation Refunding Bonds Rebate Fund” (the “**Rebate Fund**”) which shall be held by the Treasurer for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys to the Rebate Fund in accordance with the provisions of the Tax Certificate and Section 10(h) of this Resolution. Amounts on deposit in the Rebate Fund shall only be applied to payments made

to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Tax Certificate and Section 10 of this Resolution.

SECTION 20. Payment of Costs of Issuance. Premium or proceeds of the sale of the Bonds designated to pay all or a portion of certain costs of issuing the Bonds shall be deposited in the fund of the District known as the “Chino Valley Unified School District 2024 General Obligation Refunding Bonds Costs of Issuance Fund” (the “**Costs of Issuance Fund**”), and those proceeds shall be used solely for the purpose of paying Costs of Issuance of the Bonds. The Costs of Issuance Fund may be held and administered by the Paying Agent. Any amounts remaining in the Costs of Issuance Fund following the earlier of the day which is 180 days following the Date of Delivery or the day on which the Paying Agent pays the final invoice for Costs of Issuance, as directed by the District, shall be transferred by the Paying Agent to the Debt Service Fund and to be used to pay the Principal of, and premium, if any, and interest on the Bonds. Underwriter’s discount and other Costs of Issuance may be retained from original issue premium obtained upon sale, pursuant to the terms of the Contract of Purchase. Costs authorized to be paid from the proceeds of the Bonds are all of the authorized costs of issuance pursuant to Government Code Sections 53550(e), 53550(f) and 53587.

SECTION 21. Negotiated Sale/Method of Sale. Because of the need for flexibility in timing the sale of the Bonds in order to achieve maximum interest cost savings, the Governing Board hereby determines to sell the Bonds by a negotiated sale. The Bonds shall be sold by negotiated sale to the Underwriter inasmuch as: (i) such a sale will allow the District to integrate the sale of the Bonds with other public financings undertaken, or to be undertaken, by the District in order to refinance outstanding debt or finance and fund its public education facilities; (ii) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) such a sale will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for the favorable sale of the Bonds to such market and resulting in lower tax levies against the taxpayers of the District.

SECTION 22. Engagement of Consultants; Good Faith Estimates.

(a) In accordance with Section 15146(b)(1)(C) of the Education Code, Keygent LLC, has been selected as the Municipal Advisor to the District, Norton Rose Fulbright US LLP has been selected as the District’s Bond Counsel and Disclosure Counsel and Stifel, Nicolaus & Company, Incorporated has been selected to act as the Underwriter with respect to the authorization, sale and issuance of the Bonds.

(b) Based on a good faith estimate received by the District from the Underwriter, the District finds that (i) the true interest cost of the Bonds (as defined in the Government Code Section 5852.1(a)(1)(A)) is expected to be approximately 2.365%, (ii) the total finance charge of the Bonds (as defined in Government Code Section 5852.1(a)(1)(B)) is expected to be \$229,335.00, which includes estimated underwriter’s discount, (iii) the total proceeds expected to be received by the District from the sale of the Bonds, less the total finance charge of the Bonds, is \$19,421,627.31 and (iv) the District estimates that the total payment amount (as defined in Government Code Section 5852.1(a)(1)(D)), calculated to the final maturity of the Bonds, will be \$21,559,433.33.

The information presented in this section is included in satisfaction of Government Code Section 5852.1, and shall not abrogate or otherwise limit any other provision of this Resolution.

(c) If it appears in the best interests of the District to acquire credit enhancement to secure the payment of all or a portion of the principal and interest with respect to the Bonds, or obtain a legal opinion addressed to the rating agency(ies) from Bond Counsel or special revenue opinion counsel which is necessary to obtain a rating that provides for a lower cost of funds to the District, then an Authorized Officer may so provide in the Contract of Purchase.

SECTION 23. Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the Treasurer, the County Office of Education, or the Paying Agent, the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

SECTION 24. Request for Necessary County Actions.

(a) 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 an *ad valorem* property tax on all taxable property of the District sufficient to provide for payment of all principal of, redemption premium, if any, and interest on the Bonds as the same shall become due and payable as necessary for the payment of the Bonds, and the Clerk of the Governing Board is hereby authorized and directed to deliver certified copies of this Resolution to the Registrar-Recorder/County Clerk of the Board of Supervisors of the County, the Auditor-Controller of the County, and the Treasurer. The Governing Board hereby agrees to reimburse the County for any costs associated with the levy and collection of said *ad valorem* property tax, upon such documentation of said costs as the District shall reasonably request.

(b) 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, upon, but only upon, the defeasance or redemption of the Refunded Bonds from proceeds of the Bonds, to discontinue the levy of property taxes on all taxable property of the District for the payment of the Refunded Bonds, pursuant to Section 53561 of the Government Code.

SECTION 25. Redemption. The Bonds shall be subject to redemption as provided in the Contract of Purchase.

SECTION 26. Selection of Bonds for Redemption.

(a) Whenever provision is made in this Resolution or in the Contract of Purchase for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given as provided herein, shall select Bonds for redemption in the manner directed by the District.

(b) With respect to any Bonds, the Paying Agent shall select such Bonds for redemption as directed by the District, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. Within a maturity, the Paying Agent will select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine;

provided, however, that the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

(c) In the event that a Term Bond is optionally redeemed, the Principal amount of each remaining sinking fund payment with respect to such Term Bond will be reduced as directed by the District in the aggregate amount equal to the amount so redeemed.

SECTION 27. Notice of Redemption. When redemption is authorized or required pursuant to this Resolution or the Contract of Purchase, the Paying Agent, upon written instruction from the District, shall give notice (each, a “**Redemption Notice**”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state (i) that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and (ii) that from and after such date, interest with respect thereto shall cease to accrue and be payable.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first-class mail, postage prepaid, at their addresses appearing on the Bond Register and to the MSRB.

(b) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first-class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories and the MSRB.

(c) Such redemption notice shall be given to such other persons as may be required by the Continuing Disclosure Undertaking.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

A Redemption Notice given hereunder may be conditioned upon the satisfaction of certain conditions and/or the receipt of sufficient moneys to pay the redemption price of the designated Bonds and may be rescinded by the District at any time prior to the scheduled date of redemption by so notifying the Paying Agent (who shall provide notice to the Owners of affected Bonds and the Information Services) in the event such conditions are not met and are not expected to be met and/or such funds are not received or are not expected to be received. A Redemption Notice may

be rescinded by written notice given to the Paying Agent by the District and the Paying Agent shall provide notice of such rescission as soon thereafter as practicable in the same manner, and to the same recipients, as notice of such redemption was given, but in no event later than the date set for redemption.

SECTION 28. Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Principal Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

SECTION 29. Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside in the Debt Service Fund or deposited with a duly appointed escrow agent, in trust, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in this Resolution and the Contract of Purchase, together with interest to such redemption date, shall be held by the Paying Agent or deposited with a duly appointed escrow agent, in trust, so as to be available therefor on such redemption date, and any conditions to such redemption described in the Redemption Notice shall be met, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Resolution and the Contract of Purchase shall be cancelled upon surrender thereof and delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

SECTION 30. Paying Agent; Appointment and Acceptance of Duties.

(a) The Treasurer of the County is hereby appointed as the initial authenticating agent, bond registrar, transfer agent and paying agent, and may act through its designated agent, The Bank of New York Mellon Trust Company, N.A. (collectively, the “**Paying Agent**”). All fees and expenses incurred for services of the Paying Agent shall be the responsibility of the District and may be paid from the annual *ad valorem* property tax levy supporting the Bonds. The Paying Agent shall keep accurate records of all funds administered by it and all of the Bonds paid and discharged by it.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of principal of, premium, if any, and interest on the Bonds.

SECTION 31. Liability of Paying Agent. The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the

security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

SECTION 32. Evidence on Which Paying Agent May Act. The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

SECTION 33. Compensation. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution, all of which may, pursuant to Education Code Section 15232, be paid from the County's annual levy of *ad valorem* property taxes.

SECTION 34. Ownership of Bonds Permitted. The Paying Agent or the Underwriter may become the Owner of any Bonds.

SECTION 35. Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The initially appointed Paying Agent may resign from service as Paying Agent at any time. Prior to such resignation, a new Paying Agent shall be appointed by the District in accordance with applicable law, which shall be the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$75,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District a written acceptance thereof. Resignation of the initial or a successor Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) Any Paying Agent appointed 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, a new Paying Agent shall be appointed in accordance with applicable law, which shall be either the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$75,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(c) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor. The District shall promptly provide notice of the name and principal corporate trust office address of

the Paying Agent appointed to replace any resigned or removed Paying Agent to the Owners of the Bonds by first-class mail, postage prepaid, at their addresses appearing on the Bond Register.

SECTION 36. Investment of Certain Funds. Moneys held in all funds and accounts established hereunder shall be invested and reinvested in Authorized Investments to the fullest extent practicable as shall be necessary to provide moneys when needed for payments to be made from such funds and accounts, subject to any conditions in the Tax Certificate and Section 10 of this Resolution. All investment earnings on amounts on deposit in the Debt Service Fund shall remain on deposit in such fund.

SECTION 37. Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

SECTION 38. Supplemental Resolutions with Consent of Owners. This Resolution, and the rights and obligations of the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate Principal Amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

SECTION 39. Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms:

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

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

(c) To confirm as further assurance, any pledge, lien or security interest under, and the subjection to any lien, security interest or pledge created or to be created by this Resolution, of any

moneys, securities or funds, or to establish any additional funds, or accounts to be held under this Resolution;

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

(e) To amend or supplement this Resolution in any other respect, *provided* such Supplemental Resolution does not, in the opinion of Bond Counsel, adversely affect the interests of the Owners.

SECTION 40. Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof from taking any action pursuant thereto.

SECTION 41. Defeasance. If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(a) by paying or causing to be paid the principal of, premium, if any, and interest on such Bonds, and when the same become due and payable;

(b) by depositing with the Paying Agent or with a duly appointed escrow agent, in an irrevocable trust, at or before maturity, cash which together with the amounts then on deposit in the Debt Service Fund (and the accounts therein other than amounts that are not available to pay Debt Service) together with the interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(c) by depositing with an institution that meets the requirements of serving as successor Paying Agent pursuant to Section 35 selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge such Bonds at maturity or earlier redemption thereof, for which notice has been given or provided for, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to such Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of such Bonds all sums due thereon, the obligation of the District to pay to

the Paying Agent amounts owing to the Paying Agent under Section 33 hereof, and the covenants set forth in Section 10 hereof.

SECTION 42. Approval of Actions; Miscellaneous.

(a) The Authorized Officers of the District are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates, statements, disclosures, notices, contracts, or other documents which they may deem necessary or advisable in order to proceed with the sale and issuance of the Bonds or otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The County, the Board of Supervisors, officers, agents, and employees shall not be responsible for any proceedings or the preparation or contents of any resolutions, certificates, statements, disclosures, notices, contracts, or other documents relating to the sale and issuance of the Bonds.

(c) The Principal or redemption price, if any, of and interest on the Bonds shall not constitute a debt or an obligation of the County, the Board of Supervisors, officers, agents, or employees, and the County, the Board of Supervisors, officers, agents, and employees thereof shall not be liable thereon. In no event shall the Principal or redemption price, if any, of and interest on any Bond be payable out of any funds or property of the County.

(d) The Clerk shall send a certified copy of this Resolution, together with the final debt service schedule for the Bonds, to the Treasurer.

SECTION 43. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Contract of Purchase, the Contract of Purchase prevails to the extent of the inconsistency or conflict. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Tax Certificate, the Tax Certificate prevails to the extent of the inconsistency or conflict.

SECTION 44. Effective Date. This Resolution shall take effect immediately upon its adoption.

[Remainder of Page Intentionally Left Blank.]

PASSED AND ADOPTED this 15th day of February, 2024, by the Board of Education of Chino Valley Unified School District, at Chino, California, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
President, Board of Education

Attest:

By: _____
Clerk, Board of Education

EXHIBIT A

FORM OF BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
2024 GENERAL OBLIGATION REFUNDING BONDS**

\$ _____ No. _____

Interest Rate

Maturity Date

Dated Date

CUSIP

_____%

August 1, 20__

Date of Delivery

REGISTERED OWNER: CEDE & Co.

PRINCIPAL AMOUNT:

The Chino Valley Unified School District (the “District”), a unified school district duly organized and existing under the laws of the State of California, located within the County of San Bernardino (the “County”), State of California (the “State”), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount set forth above, on the Maturity Date set forth above, together with interest thereon from the Dated Date set forth above until the Principal Amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the Interest Rate set forth above. Interest on this Bond is payable on August 1, 2024, and semiannually thereafter on the first day of February and August (each, an “Interest Payment Date”) in each year to the registered owner hereof (the “Owner”) from the Interest Payment Date next preceding the date on which this Bond is registered, unless it is registered after the close of business on the fifteenth calendar day of the month next preceding any Interest Payment Date (a “Record Date”) and before the close of business on the immediately following Interest Payment Date, in which event it shall bear interest from such following Interest Payment Date, or unless this Bond is registered prior to the close of business on July 15, 2024, in which event it shall bear interest from its date; *provided, however*, that if at the time of registration of this Bond interest with respect

hereto is in default, interest with respect hereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. The principal amount hereof is payable at the office of The Bank of New York Mellon Trust Company, N.A., as agent of the Treasurer and Tax Collector of the County, as initial paying agent (the “Paying Agent”), in Houston, Texas. The interest hereon is payable by wire transfer to the account specified by the Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; *provided, however*, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent, which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

The Bonds of this issue are comprised of \$_____ principal amount of Bonds. This Bond is issued by the District under and in accordance with the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code of the State of California, and pursuant to a resolution adopted by the Board of Education of the District on February 15, 2024 (the “Resolution”). Reference is hereby made to the Resolution, a copy of which is on file at the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the Owners of the Bonds and the rights and duties of the Paying Agent and the District, to all of the provisions of which the Owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution.

The Bonds are being issued for the purpose of (i) effecting a current refunding of certain outstanding general obligation bonds of the District issued pursuant to the authorization obtained from the qualified electors of the District on March 5, 2002, for the issuance of \$150,000,000 aggregate principal amount of general obligation bonds (ii) and to pay costs of issuance with regard to the Bonds.

Reference is made to the Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds of this series, the rights, duties and obligations of the District, the County, the Paying Agent and the Owners, and the terms and conditions upon which the Bonds are issued and secured. The Owner of this Bond assents, by acceptance hereof, to all of the provisions of the Resolution.

This Bond is a general obligation of the District, payable as to both principal and interest from *ad valorem* property taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the principal of this Bond, or any part thereof, nor any interest or premium hereon constitute a debt, liability or obligation of the County.

[The Bonds are not subject to optional or mandatory sinking fund redemption prior to their respective stated maturity dates.] [The Bonds maturing on or before August 1, 20__ shall not be subject to redemption prior to their maturity dates. The Bonds maturing on or after August 1, 20__ may be redeemed before maturity at the option of the District, from any source of funds, on August 1, 20__ or on any date thereafter as a whole, or in part. For the purposes of such selection, Bonds

will be deemed to consist of \$5,000 portions by principal amount, and any such portion may be separately redeemed.

Bonds maturing on August 1, 20__, are subject to mandatory sinking fund redemption on August 1 of each year, commencing August 1, 20__, in the following principal amounts, at a redemption price of par, plus accrued interest to the redemption date, without premium:

Mandatory Sinking Fund <u>Payment Date</u>	Mandatory Sinking <u>Fund Payment</u>
August 1, 20__	\$
August 1, 20__	
August 1, 20__	
August 1, 20__	

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption in such order as the District may direct. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. The portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.]

This Bond is issued in fully registered form. Registration of this Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices 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 registration of transfer, a new Bond or Bonds of like tenor and maturity in the same Transfer Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

[The Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.]

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of owners of at least 60% in aggregate Principal Amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District; *provided, however*, that no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon[, advance the earliest redemption date thereof,] extend its maturity or the times for paying interest thereon or change the

monetary medium in which the principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification hereof.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, *provided* such supplemental resolution does not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the owners.

[If this Bond is called for redemption and the principal amount of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.]

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Act and that all of the proceedings of the Board of Education of the District in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Act, including the Constitution of the State, that the total bonded indebtedness of the District, including the issue of which this Bond is a part, does not exceed any limit prescribed by said Act, and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

IN WITNESS WHEREOF, the Chino Valley Unified School District has caused this Bond to be executed in their official capacities by the manual or facsimile signature of the President of the Board of Education of the District and countersigned by the manual or facsimile signature of the Clerk to the Board of Education of the District as of the date stated above.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: [Form Document]
President of the Board of Education

Countersigned:

By: [Form Document]
Clerk to the Board of Education

The following Certificate of Authentication shall be printed on each Bond:

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of the Board of Education of the Chino Valley Unified School District.

DATED: _____, 2024

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Paying Agent

By: _____ [Form Document] _____
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: _____

Address for Payment of Interest: _____

Social Security Number or other Tax Identification No.: _____

the within-mentioned Bond and hereby irrevocably constitutes and appoints _____, attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

Registered Owner

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature _____
guaranteed

[Bank, Trust Company or Firm]

By: _____

Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

EXHIBIT B

FORM OF 15C2-12 CERTIFICATE

With respect to the proposed sale of its 2024 General Obligation Refunding Bonds, in an aggregate principal amount of not to exceed \$_____, the Chino Valley Unified School District (the “**District**”) has delivered to you a Preliminary Official Statement, dated as of the date hereof (the “**Preliminary Official Statement**”). The District, for purposes of compliance with Rule 15c2-12 of the Securities Exchange Commission (“**Rule 15c2-12**”), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under Rule 15c2-12.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Dated: _____, 2024

By: [Form Document]

Authorized Officer

PRELIMINARY OFFICIAL STATEMENT DATED AS OF [MARCH 21], 2024**NEW ISSUE—BOOK ENTRY ONLY**

RATINGS: Moody's: “—”
S&P: “—”
 (See “RATINGS” herein)

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel, under existing statutes, regulations, rulings and court decisions, and subject to the matters described in “TAX MATTERS” herein, interest on the Bonds is excluded pursuant to section 103(a) of the Internal Revenue Code of 1986 from the gross income for the owners thereof for federal income tax purposes and is not included in computing the federal alternative minimum taxable income of the owners thereof who are individuals. In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from personal income taxes of the State of California.

\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)

\$ _____
GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D

\$ _____
2024 GENERAL OBLIGATION
REFUNDING BONDS

Dated: Date of Delivery**Due: August 1, as shown on inside cover.**

The Chino Valley Unified School District (the “District”) is issuing its (i) General Obligation Bonds, Election of 2016, Series 2024D (the “2024D Bonds”) and (ii) 2024 General Obligation Refunding Bonds (the “Refunding Bonds”). The 2024D Bonds and the Refunding Bonds are collectively referred to as the “Bonds.”

The 2024D Bonds were authorized at a bond election conducted within the District on November 8, 2016 (the “Authorization”), as more fully described herein under the caption “THE BONDS – Authority for Issuance.” The proceeds of the 2024D Bonds are being applied to (i) finance the construction, acquisition, furnishing and equipping of District facilities, (ii) pay capitalized interest for the 2024D Bonds and (iii) pay certain costs of issuance associated therewith. See the caption “PLAN OF FINANCE” herein. The proceeds of the Refunding Bonds are being issued to (i) effect the current refunding of the Refunded Bonds (defined herein) issued by the District and (ii) pay certain costs of issuance associated therewith. See the captions “PLAN OF FINANCE” and “PLAN OF REFUNDING” herein.

The 2024D Bonds will be issued as current interest bonds (the “2024D Current Interest Bonds”) and capital appreciation bonds (the “Capital Appreciation Bonds”) and the Refunding Bonds will be issued as current interest bonds (the “Refunding Current Interest Bonds” and, together with the 2024D Current Interest Bonds, the “Current Interest Bonds”).

The Bonds are dated the date of their delivery. The Bonds will mature on the dates and in the amounts and bear interest at the rates shown on the inside cover herein. Interest on the Current Interest Bonds accrues from the date of delivery of the Bonds (the “Date of Delivery”), and is payable semiannually on February 1 and August 1 of each year, commencing [August 1, 2024]. Principal of the Current Interest Bonds is due on August 1 in the years and the amounts set forth on the inside cover pages hereof. The Capital Appreciation Bonds are dated the Date of Delivery and accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing [August 1, 2024]. The Capital Appreciation Bonds are payable only at maturity (unless earlier redeemed) and will not pay interest on a current basis.

The Bonds will be issued in denominations of \$5,000 principal amount, or integral multiples thereof, and are payable as to principal amount or accreted value, interest, or redemption price at the office of The Bank of New York Mellon Trust Company, N.A., as designated paying agent bond registrar and transfer agent for the Bonds (the “Paying Agent”). The Bonds are issued in fully registered form and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository of the Bonds as described herein under the caption “THE BONDS – Book-Entry-Only System.”

The Bonds are subject to redemption prior to maturity as described herein.* See “THE BONDS – Optional Redemption” and “–Mandatory Sinking Fund Redemption” herein.

The Bonds are general obligation bonds of the District, secured and payable solely from *ad valorem* property taxes collected against taxable properties within the boundaries of the District. The Bonds are general obligations of the District only and are not obligations of the San Bernardino County (the “County”), the State of California or any of its other political subdivisions. The Board of Supervisors of the County has the power and is obligated to levy and collect *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property, which is taxable at limited rates) for the payment of the principal of, Accreted Value of, and interest on the Bonds as the same becomes due and payable.

MATURITY SCHEDULES
(On Inside Cover)

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds will be offered when, as and if issued and received by the Underwriter subject to the approval of legality by Norton Rose Fulbright US LLP, Los Angeles, Bond Counsel, and certain other conditions. Norton Rose Fulbright US LLP, Los Angeles is also acting as Disclosure Counsel for the District. Certain legal matters will be passed upon for the Underwriter by its counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California. It is anticipated that the 2024D Bonds will be available through the facilities of DTC on or about _____, 2024, and that the Refunding Bonds will be available through the facilities of DTC on or about _____, 2024.

* Preliminary; subject to change.

STIFEL

Dated: _____, 2024

MATURITY SCHEDULES*

**\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS,
ELECTION OF 2016, SERIES 2024D**

\$ _____ Current Interest Serial Bonds

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	CUSIP No.⁽¹⁾ (169583)
2024	\$	_. ____ %	_. ____ %	
2025				
2026				
2027				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041			(2)	
\$ _____ . ____ % Term Bond Maturing August 1, 20 __, Priced to Yield . ____ %⁽²⁾ CUSIP No.⁽¹⁾ 169583 _____				
\$ _____ . ____ % Term Bond Maturing August 1, 20 __, Priced to Yield . ____ %⁽²⁾ CUSIP No.⁽¹⁾ 169583 _____				

* Preliminary; subject to change.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

⁽²⁾ Yield to call at par on August 1, 20 __.

MATURITY SCHEDULES*

\$ _____^{*}
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS,
ELECTION OF 2016, SERIES 2024D

(continued)

\$ _____ Capital Appreciation Bonds

Maturity (August 1)	Denominational Amount	Accretion Rate	Yield	Maturity Value	CUSIP No.⁽¹⁾ (169583)
2028	\$	_____%	_____%	\$	
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					

* Preliminary; subject to change.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

MATURITY SCHEDULES*
(continued)

\$ _____^{*}
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)
2024 GENERAL OBLIGATION REFUNDING BONDS (2014)

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	CUSIP No.⁽¹⁾ (169583)
	\$	_____%	_____%	

* Preliminary; subject to change.

⁽¹⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

No dealer, broker, salesperson or other person has been authorized by the Chino Valley Unified School District (the "District") to provide any information or to make any representations other than as contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by this Official Statement does not constitute an offer to sell, the solicitation of an offer to buy, nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly described herein, are intended solely as such and are not to be construed as a representation of facts.

The District maintains a website and certain social media accounts. However, the information presented therein is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Bonds. The references to internet websites in this Official Statement are shown for reference and convenience only; unless explicitly stated to the contrary, the information contained within the websites is not incorporated herein by reference and does not constitute part of this Official Statement.

The information set forth herein has been obtained from official sources which are believed to be reliable. The information and expressions of opinion 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. Although certain information set forth in this Official Statement has been provided by the San Bernardino County, the San Bernardino County has not approved this Official Statement and is not responsible for the accuracy or completeness of the statements contained in this Official Statement except for the information set forth under the caption "THE SAN BERNARDINO COUNTY POOL" herein.

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 part of, its respective responsibility 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 the completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS, BANKS OR OTHERS AT PRICES LOWER OR HIGHER THAN THE PUBLIC OFFERING PRICES STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the United States Securities Act of 1933, as amended (the "Securities Act"). Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" 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 ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
San Bernardino County, State of California

Board of Education

Sonja Shaw, President
Jonathan Monroe, Vice President
Andrew Cruz, Clerk
Donald L. Bridge, Member
James Na, Member

District Administrators

Norm Enfield, Ed.D., Superintendent
Sandra H. Chen, Associate Superintendent, Business Services
Gregory J. Stachura, Assistant Superintendent, Facilities, Planning & Operations
Elizabeth A. Pensick, Director, Fiscal Services

SPECIAL SERVICES

Underwriter

Stifel, Nicolaus & Company, Incorporated
Los Angeles, California

Bond Counsel and Disclosure Counsel

Norton Rose Fulbright US LLP
Los Angeles, California

Municipal Advisor

Keygent LLC
El Segundo, California

Paying Agent and Escrow Agent

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

Verification Agent

Robert Thomas CPA, LLC
Minneapolis, Minnesota

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\$ _____ *

CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)

\$ _____ *

GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D

\$ _____ *

2024 GENERAL OBLIGATION
REFUNDING BONDS

INTRODUCTION

General

The Chino Valley Unified School District (the “District”) will issue (i) \$ _____ * aggregate principal amount of its General Obligation Bonds, Election of 2016, Series 2024D (the “2024D Bonds”) and (ii) \$ _____ * aggregate principal amount of its 2024 General Obligation Refunding Bonds (the “Refunding Bonds”). The 2024D Bonds and the Refunding Bonds are hereinafter collectively referred to as the “Bonds.”

The 2024D Bonds are being issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53506) (the “New Money Act”), and other applicable laws and regulations of the State of California (the “State”) and a resolution adopted by the Board of Education of the District (the “Board”) on _____, 2024 (the “New Money Resolution”). The Refunding Bonds are being issued pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the of the California Government Code (commencing with Sections 53550 and 53580, respectively) (the “Refunding Act”) and other applicable laws and regulations of the State, and pursuant to a resolution adopted by the Board on _____, 2024 (the “Refunding Resolution” and, together with the New Money Resolution, the “Resolutions”).

The proceeds of the 2024D Bonds will be applied to fund certain capital projects (the “Projects”) of the District approved by the voters at an election conducted on November 8, 2016 (the “Election”), at which more than 55% of the qualified electors of the District voted to authorize the issuance of \$750,000,000 of general obligation bonds (the “Authorization”) of the District and to the payment of costs of issuance of the 2024D Bonds. In addition to the foregoing uses, a portion of the proceeds of the 2024D Bonds will be used to pay capitalized interest for the Bonds. See “PLAN OF FINANCE.”

The proceeds of the Refunding Bonds will be applied to the (i) refunding of all or a portion of the District’s 2014 General Obligation Refunding Bonds and (ii) payment of costs of issuance of the Refunding Bonds. See “PLAN OF REFUNDING.”

The District

The District, a unified school district of the State of California (the “State”), was first established in 1878 and began operations as a unified school district on July 1, 1939. The District is located in the San Bernardino County (the “County”) and provides public education within an approximately 88 square mile area, including the City of Chino, the City of Chino Hills, the southern portion of the City of Ontario and certain unincorporated areas of the County. The District currently operates 34 schools including 20 elementary (K-6), 2 Kindergarten – 8th grade (K-8), 5 junior highs, 5 high schools, and 2 alternative schools including a virtual program. The District currently has a third K-8 school, Legacy Academy, under

* Preliminary; subject to change.

construction that is scheduled to open on or about July 2024. The District's audited financial statements for the fiscal year ended June 30, 2023, are attached hereto as APPENDIX C. For more complete information concerning the District, see the information set forth in APPENDIX A – "FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT" attached hereto.

The District's average daily attendance ("ADA") for all District programs for Fiscal Years ended June 30, 2022 and June 30, 2023 was 23,837 and 23,900, respectively. The District currently projects that the ADA for Fiscal Year ended June 30, 2024 will be 23,981. Assessed valuation of real property and improvements (full cash value) in the District increased from \$35,214,937,546 in Fiscal Year 2022-23 to \$38,610,901,388 in Fiscal Year 2023-24. However, the District's actual ADA and the future assessed valuation of taxable property may be affected by the ongoing outbreak of COVID-19. See "LEGAL AND OTHER MATTERS – Risks Related to COVID-19." The District has certain existing lease financing obligations as set forth herein under the caption APPENDIX A – "FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT – Long Term Liabilities other than OPEB and Pensions - Capital Leases" and direct and overlapping bonded indebtedness as set forth under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Direct and Overlapping Debt."

THE BONDS

Authority for Issuance

The Bonds are general obligations of the District. The 2024D Bonds were authorized pursuant to the Authorization approved at the Election. The 2024D Bonds are being issued by the District under the New Money Act and other applicable laws and regulations of the State, and pursuant to the New Money Resolution and the Authorization. The 2024D Bonds represent the fourth series of bonds issued under the Authorization.

The Refunding Bonds are being issued by the District under the Refunding Act and other applicable laws and regulations of the State, and pursuant to the Refunding Resolution. Pursuant to the Refunding Act, general obligation bonds issued for the purpose of refunding outstanding general obligation bonds previously authorized by the voters that do not increase the debt service obligation of taxpayers do not require additional voter approval, either for issuance of such Refunding Bonds or the levy of an *ad valorem* property tax sufficient to pay principal of and interest as due on the Refunding Bonds.

The Board of Supervisors of the County has the power and is obligated to levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except certain personal property, which is taxable at limited rates), for the payment of principal of and Accreted Value of and interest on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

Description of the Bonds

Capital Appreciation Bonds. The Capital Appreciation Bonds shall be issued in fully registered form, in Denominational Amounts of \$5,000 Maturity Value, or any integral multiple thereof. The Capital Appreciation Bonds shall be dated as of their date of delivery and shall mature on the dates set forth on the inside cover pages hereof and in the 2024D Bonds Contract of Purchase. The Capital Appreciation Bonds will accrete in value from their Denominational Amounts on the date of delivery to their respective Maturity Values, at the Accretion Rates (defined herein) per annum set forth on the inside cover page hereof, compounded semiannually on February 1 and August 1 of each year commencing August 1, 2024. The Capital Appreciation Bonds are payable only at maturity (unless earlier redeemed) according to the amounts set forth in the Accreted Values table as shown in APPENDIX H hereto.

Interest with respect to each Capital Appreciation Bond is represented by the amount each such bond accretes in value from its respective Denominational Amount on the date of delivery to the date for which the Accreted Value is calculated. The value of a Capital Appreciation Bond as of any date (the “Accreted Value”) is computed by using a year of 360 days comprised of twelve 30-day months, discounting its Maturity Value on the basis of a constant rate (the “Accretion Rate”), compounded semiannually on February 1 and August 1 in each year to the date for which an Accreted Value is calculated, and if the date for which the Accreted Value is calculated is between February 1 and August 1, by prorating such Accreted Values to the closest prior or subsequent February 1 and August 1.

The Capital Appreciation Bonds shall be payable only upon maturity or upon the prior redemption thereof. Each Capital Appreciation Bond will have an Accreted Value at maturity (the “Maturity Value”) equal to the initial issue amount (the “Denominational Amount”) plus interest accreted and compounded to the maturity date. The Accreted Value of the Capital Appreciation Bonds is payable when due upon surrender of the Capital Appreciation Bonds at the office of the Paying Agent. As long as DTC (defined below) is the registered owner of the Bonds and DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of redemption or other notices to Owners only to DTC.

Current Interest Bonds. The Current Interest Bonds will be dated their date of delivery and will be issued in initial denominations of \$5,000 or any integral multiple thereof. The bonds issued as current interest bonds will have principal payable at the maturity dates of the respective Current Interest Bonds or their earlier redemption. Interest on each Current Interest Bond shall accrue from its dated date. Interest on the Current Interest Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each August 1 and February 1 of each year (each, an “Interest Payment Date”), commencing [August 1, 2024], to the registered owners (each, an “Owner”) thereof as of the close of business on the fifteenth calendar day of the month preceding any Interest Payment Date (a “Record Date”). Interest on each Current Interest Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest thereon shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event, interest shall be payable from its dated date; provided, however, that if at the time of registration of any Current Interest Bond interest thereon is in default, interest thereon shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Current Interest Bonds will be made on each Interest Payment Date by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date, to the Owner thereof on the Record Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Current Interest Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent, which shall not be more than 15 days and not less than ten days prior to the date of the proposed payment of defaulted interest.

Principal and Maturity Value of the Bonds shall be due and payable on August 1 in each of the years as set forth on the inside covers of this Official Statement.

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository for the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Owners or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, principal of and interest, or premium, if any, on the Bonds are payable by wire transfer of New York Clearing House or equivalent next-day funds or by wire transfer of same day funds by The Bank of New York Mellon Trust Company, N.A., as paying

agent (the “Paying Agent”), to Cede & Co., as nominee for DTC. DTC is obligated, in turn, to remit such amounts to the DTC Participants (“DTC Participants”) for subsequent disbursement to the Beneficial Owners. Payments of principal and accreted value, and premium, if any, for any Bonds shall be made only upon the surrender of such Bonds to the Paying Agent. See APPENDIX E – “BOOK ENTRY ONLY SYSTEM” herein.

Optional Redemption*

2024D Current Interest Bonds. The 2024D Current Interest Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to maturity. The 2024D Current Interest Bonds maturing on or after August 1, 20__, may be redeemed before maturity, at the option of the District, from any source of available funds, in whole or in part on any date on or after August 1, 20__, at par, together with interest accrued thereon to the date of redemption, without premium.

Capital Appreciation Bonds. The Capital Appreciation Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their stated maturity dates. The Capital Appreciation Bonds maturing on or after August 1, 20__ may be redeemed prior to their respective stated maturity dates at the option of the District, from any source of funds, in whole or in part, on February 1, 20__ or on any date thereafter, at a redemption price equal to the Accreted Value of such Capital Appreciation Bonds as of the date fixed for redemption, without premium.

Refunding Bonds. The Refunding Bonds are not subject to optional redemption prior to maturity.

Mandatory Sinking Fund Redemption*

The 2024D Current Interest Bonds maturing on August 1, 20__ (the “20__ Term 2024D Bonds”), are subject to mandatory sinking fund redemption prior to their stated maturity from mandatory sinking fund payments on any August 1 on or after August 1, 20__, at a redemption price equal to 100% of their principal amount, together with accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the aggregate principal amounts listed below:

Mandatory Sinking Fund Payment Date (August 1)	Mandatory Sinking Fund Payment
20__	\$
20__	
20__	
20__	
20__ ⁽¹⁾	
Total	\$

⁽¹⁾ Maturity.

In the event that a portion of the 20__ Term 2024D Bond is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, with respect to the portion of such 20__ Term 2024D Bond optionally redeemed.

* Preliminary; subject to change.

The 2024D Current Interest Bonds maturing on August 1, 20__ (the “20__ Term 2024D Bonds”), are subject to mandatory sinking fund redemption prior to their stated maturity from mandatory sinking fund payments on any August 1 on or after August 1, 20__, at a redemption price equal to 100% of their principal amount, together with accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the aggregate principal amounts listed below:

Mandatory Sinking Fund Payment Date (August 1)	Mandatory Sinking Fund Payment
20__	\$
20__	
20__	
20__	
20__	
20__	
20__	
20__	
20__ ⁽¹⁾	
Total	\$

⁽¹⁾ Maturity.

In the event that a portion of the 20__ Term 2024D Bond is optionally redeemed prior to maturity, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, with respect to the portion of such 20__ Term 2024D Bond optionally redeemed.

Selection of Bonds for Redemption

Whenever provision is made for the redemption of Bonds and less than all outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption in such manner as the District shall direct, or, in the absence of such direction, in inverse order of maturity and within a maturity, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; *provided, however*, that the portion of any Bond to be redeemed in part shall be in the principal amount or Maturity Value of \$5,000 or any integral multiple thereof.

Notice of Redemption

When redemption is authorized or required pursuant to the Resolutions, the Paying Agent, upon written instruction from the District, shall give notice (each, a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of any Bond to be redeemed in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price thereof, and that from and after such date, interest on Bonds shall cease to accrue.

The Paying Agent shall take the following actions with respect to each such Redemption Notice: (i) at least 20 days but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of the Bonds designated for redemption by first-class mail, postage prepaid, at their addresses appearing on the bond register; (ii) in the event the Bonds shall no longer be held in book-entry form, at least 35 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (1) first-class mail, postage prepaid, (2) telephonically confirmed facsimile transmission, or (3) overnight delivery service, to each of the Securities Depositories and the Municipal Securities Rulemaking Board (“MSRB”). Such Redemption Notice shall be given to such other persons as may be required by the Continuing Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access (“EMMA”) website located at <http://emma.msrb.org>, or any other entity designated or authorized by the Commission.

The “Securities Depositories” shall mean DTC and, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories as the District may designate in a certificate delivered to the Paying Agent.

A Redemption Notice may be rescinded by written notice given to the Paying Agent by the District and the Paying Agent shall provide notice of such rescission as soon thereafter as practicable in the same manner, and to the same recipients, as notice of such redemption was given, but in no event later than the date set for redemption.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Partial Redemption of Bonds

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

“Transfer Amount” shall mean, with respect to any Bonds, the aggregate principal amount of thereof.

Effect of Notice of Redemption

Notice having been given as required in the Resolutions, and the moneys for redemption (including the interest or Accreted Value to the applicable date of redemption) having been set aside in the District’s applicable Debt Service Fund or deposited with a duly appointed escrow agent, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed, together with interest to such redemption date, shall be held by the Paying Agent or deposited with a duly appointed escrow agent, so as to be available therefor on such redemption date, and if notice of redemption thereof

shall have been given, then from and after such redemption date, interest or Accreted Value on the Bonds to be redeemed shall cease to accrue and become payable.

Transfer and Exchange

Any Bond may be exchanged for Bonds of like tenor, maturity and principal amount or Maturity Value thereof, as applicable, and transferred upon the bond registrar upon presentation and surrender of such Bond at the principal office of the Paying Agent, together with an assignment executed by the Owner or a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the principal amount or Maturity Value of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Discharge and Defeasance

All or any portion of the outstanding Bonds shall be paid and discharged in any one of the following ways:

(a) by paying or causing to be paid the principal and Accreted Value of, premium, if any, and interest on such Bonds outstanding, and when the same become due and payable;

(b) by depositing with the Paying Agent, or with a duly appointed escrow agent in an irrevocable trust, at or before maturity, cash which, together with the amounts then on deposit in the applicable Debt Service Fund plus the interest to accrue thereon without the need for further investment, is fully sufficient to pay all Bonds outstanding at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or

(c) by depositing with an institution which meets the requirements for acting as a successor Paying Agent pursuant to the Resolutions selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge all Bonds outstanding at maturity thereof, including any premium and all interest thereon, for which notice has been given or provided for, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under the Resolutions with respect to the affected Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of the Bonds all sums due thereon, and the obligation of the District to pay the Paying Agent amounts owing to the Paying Agent under the Resolutions.

Book-Entry Only System

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC will act as securities depository for the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Owners or registered owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners of the Bonds. For further information regarding DTC and the book-entry system, see APPENDIX E – “BOOK-ENTRY ONLY SYSTEM” hereto.

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Debt Service Schedule

The following table summarizes the debt service requirements of the District for all its outstanding general obligation bonds and the Bonds, assuming no optional redemptions:

Year Ending (August 1)	Outstanding General Obligation Bonds ⁽¹⁾	2024D Bonds		Capital Appreciation Bonds ⁽²⁾		Refunding Bonds	
		Current Interest Bonds ⁽²⁾		Accreted			
		Principal	Interest	Principal	Interest	Principal	Total
2024	\$35,503,463.76						
2025	37,052,043.76						
2026	37,942,936.26						
2027	39,303,331.26						
2028	36,313,981.26						
2029	37,941,256.26						
2030	39,641,631.26						
2031	41,165,681.26						
2032	26,727,681.26						
2033	27,922,681.26						
2034	29,200,531.26						
2035	30,534,118.76						
2036	31,950,237.50						
2037	33,407,187.50						
2038	34,975,537.50						
2039	36,568,037.50						
2040	38,230,287.50						
2041	39,970,587.50						
2042	41,827,437.50						
2043	43,747,087.50						
2044	45,749,175.00						
2045	47,837,987.50						
2046	49,995,287.50						
2047	40,963,150.00						
2048	42,755,800.00						
2049	44,701,737.50						
2050	46,733,512.50						
2051	49,044,200.00						
2052	51,255,800.00						
2053	53,591,050.00						
2054	56,029,100.00						
2055	58,575,000.00						
Total	\$1,307,157,537.62	\$					

⁽¹⁾ Represents all outstanding general obligation bonds of the District and excludes the bonds to be refunded by the Refunding Bonds.

⁽²⁾ Interest on the 2024D Current Interest Bonds will be payable semiannually on February 1 and August 1 of each year, commencing [August 1, 2024].

⁽³⁾ The Capital Appreciation Bonds are payable only at maturity on August 1 of the years indicated on the inside cover hereof, and interest on such Capital Appreciation Bonds is compounded semiannually on February 1 and August 1, commencing [August 1, 2024].

PLAN OF FINANCE

The proceeds of the 2024D Bonds are being applied to (i) finance the construction, acquisition, furnishing and equipping of District facilities, all as included in the Project List (defined below) approved at the Election (ii) pay capitalized interest for the 2024D Bonds, and (iii) pay certain costs of issuance associated with the 2024D Bonds.

The Project. The “Strict Accountability in Local School Construction Bonds Act of 2000,” comprising Section 15264 *et seq.* of the Education Code, controls the method by which the District will expend amounts derived from the sale of the 2024D Bonds on its capital improvements. Prior to the Election, the District prepared and submitted to the District Board for approval a master list of capital improvement projects to be built, acquired, constructed or installed with the proceeds of the 2024D Bonds (the “Project List”).

With respect to these projects included in the Project List, the District has evaluated facility needs to continue to provide for safety, class size reduction and information technology; and the District has appointed an independent citizens’ oversight committee to oversee the implementation of the projects. Several key projects include:

- *Don Lugo HS New Administration Building*
- *Don Lugo HS gymnasium and swimming pool renovation*
- *Ayala HS Performing Arts Center*
- *Districtwide classroom furniture upgrades*
- *Installation of shade shelters at every elementary and K-8 school site*
- *Installation of electronic marquee at every elementary, K-8 and junior high school site*

The allocation of 2024D Bond proceeds and the timely completion of projects could be affected by the District’s ability to receive State matching funds as well as the final costs of each project. The estimated costs for each Project may be affected by outside factors beyond the District’s control. The timing of projects will be established and shall be subject to revision by the Board of Education and will be subject to review by the citizen’s oversight committee.

Building Fund. The net proceeds from the sale of the 2024D Bonds will be paid to the County to the credit of the “Chino Valley Unified School District, Election of 2016, Series 2024D Building Fund” (the “Building Fund”), and will be applied solely for the purposes for which the 2024D Bonds are being issued. Interest earnings in the Building Fund will be retained therein. Any excess proceeds of the 2024D Bonds not needed for the authorized purposes for which such 2024D Bonds are being issued, upon written notice from the District, will be transferred to the corresponding Debt Service Fund (as defined herein) and applied to the payment of the principal and Accreted Value of and interest on the 2024D Bonds.

Investment of Proceeds. Moneys in the Building Fund and the respective Debt Service Funds (as described herein) will be invested through the County’s pooled investment fund. See “APPENDIX F – THE SAN BERNARDINO COUNTY POOL.”

PLAN OF REFUNDING

The Refunding Bonds

The net proceeds of the Refunding Bonds will be applied to: (i) refund on a current basis the District’s 2014 General Obligation Refunding Bonds (the “Prior Bonds”), as further designated below (so refunded, the “Refunded Bonds”) and (ii) pay the costs of issuance of the Refunding Bonds.

On the date of delivery of the Refunding Bonds, a portion of the net proceeds of the Refunding Bonds will be deposited into one or more Escrow Funds (each, an “Escrow Fund”) established for the purpose of paying when due and/or refunding the Refunded Bonds pursuant to that certain Escrow Agreement, dated as of [May 1], 2024 (the “Escrow Agreement”), by and between the District and The Bank of New York Mellon Trust Company, N.A., in the capacity of Escrow Agent (the “Escrow Agent”).

The net proceeds of the Refunding Bonds will be invested under the terms of the Escrow Agreement. Amounts available in the Escrow Fund will be applied (i) to pay interest and principal coming due on the Refunded Bonds on and prior to their respective maturity dates and (ii) to redeem the Refunded Bonds on their respective redemption dates, at a redemption price equal to 100% of the principal amount of the Refunded Bonds together with interest accrued thereon. The Escrow Agreement provides for the investment of the proceeds of the Refunding Bonds deposited thereunder in noncallable direct obligations issued by the United States Treasury (including State and Local Government Series Obligations) or obligations which are unconditionally guaranteed by the United States of America. Robert Thomas CPA, LLC, certified public accountants (the “Verification Agent”) will verify the sufficiency of amounts so deposited and invested to provide for such payments.

SUMMARY OF THE BONDS TO BE REFUNDED BY THE REFUNDING BONDS

2014 General Obligation Refunding Bonds Redemption Date August 1, 2024⁽¹⁾

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number⁽²⁾</u> <u>(169583)</u>	<u>Call Price</u>
20__	\$	__%		100.00
20__				
20__				
20__				

⁽¹⁾ Preliminary; subject to change.

⁽²⁾ CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District, the Underwriter, the Municipal Advisor nor their agents or counsel assume responsibility for the accuracy of the CUSIP numbers, which are being provided for reference only.

ESTIMATED SOURCES AND USES OF FUNDS

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

Source of Funds	2024D Bonds	Refunding Bonds	Total
Principal Amount	\$	\$	\$
Plus Original Issue Premium			
Total Sources			
Uses of Funds			
Building Fund		-	
Escrow Fund	-		
Debt Service Fund ⁽¹⁾		-	
Costs of Issuance ⁽²⁾			
Total Uses	\$	\$	\$

⁽¹⁾ Includes capitalized interest through [] 1, 20 .

⁽²⁾ Costs of Issuance include Underwriter's discount, fees and expenses of Bond and Disclosure Counsel, the Municipal Advisor, Paying Agent, Escrow Agent, Verification Agent, Rating Agency fees, demographic data, printing and other miscellaneous costs.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds are general obligations of the District payable solely from the proceeds of *ad valorem* property taxes. The Board of Supervisors of the County is empowered and obligated to annually levy such *ad valorem* property taxes, without limitation as to rate or amount, upon all property within the District subject to taxation thereby (except certain personal property which is taxable at limited rates), for the payment of principal and Accreted Value of and interest on the Bonds when due. Such *ad valorem* property taxes will be levied annually in addition to all other taxes during the period that the Bonds are outstanding in an amount sufficient to pay the principal and Accreted Value of and interest on the Bonds when due. The levy may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies. The County, however, is not obligated to establish or maintain such a reserve for the Bonds, and the District can make no representation that such reserve will be established by the County or that such a reserve, if previously established by the County, will be maintained in the future.

Such taxes, when collected, will be placed by the County in the District's debt service funds established by the respective Resolutions (the "Debt Service Funds") for each respective series of Bonds, which funds are required to be segregated and maintained by the County and which are designated for the payment of the Bonds and interest thereon when due, and for no other purpose. Pursuant to the Resolutions, the District has pledged funds on deposit in the Debt Service Funds to the payment of the Bonds. Although the County is obligated to levy *ad valorem* property taxes for the payment of the Bonds as described above, and the County will maintain the Debt Service Funds, the Bonds are not a debt of the County.

Moneys in the Debt Service Fund, to the extent necessary to pay the principal and Accreted Value of and interest on the Bonds as the same becomes due and payable, will be transferred by the County to the Paying Agent. The Paying Agent will in turn remit the funds to DTC for remittance of such principal, accreted value and interest to its Participants (as defined herein) for subsequent disbursement to the respective Beneficial Owners of such Bonds.

The rate of the annual *ad valorem* property taxes levied by the County to repay the Bonds as described above will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District's control, such as general market decline in real property values, outbreak of disease, disruption in financial markets that may reduce the availability of financing for purchasers of property, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by the State and local agencies and property used for qualified education, hospital, charitable or religious purposes), or the complete or partial destruction of the taxable property caused by a natural or manmade disaster, such as earthquake, flood, fire, wildfire, drought, or toxic contamination, could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate.

Assessed Valuations – Constitutional and Statutory Initiatives

Article XIII A of the California Constitution. Article XIII A of the California Constitution limits the amount of any *ad valorem* property tax on real property, to 1% of the full cash value thereof, except that additional *ad valorem* property taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and on 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 or 55% of voters voting on the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment." The full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A 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.

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

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.

All taxable property is shown at full market value on the tax rolls, with tax rates 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 general tax rates reflect the \$1 per \$100 of taxable value.

Assessed Valuations of the District

The assessed valuation of property in the District is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the full value of the property, as defined in Article XIII A of the California Constitution.

The State-reimbursed exemption currently provides a credit of \$7,000 of the full value of an owner-occupied dwelling for which application has been made to the County Assessor. The revenue estimated to be lost to local taxing agencies due to the exemption is reimbursed from State sources. Reimbursement is based upon total taxes due upon such exempt value and is not reduced by any amount for estimated or actual delinquencies.

In addition, certain classes of property such as churches, colleges, not-for-profit hospitals and charitable institutions are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions.

Shown in the following tables is information relating to the assessed valuation of property in the District during the current and past five fiscal years, assessed valuation and parcels by land use, and per parcel assessed valuation of single-family homes.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
Summary of Assessed Valuations

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>Percent Change</u>
2018-19	\$26,835,059,463	\$889,385	\$936,868,795	\$27,772,817,643	8.31%
2019-20	28,539,258,515	1,713,411	1,054,816,975	29,595,788,901	6.56
2020-21	30,049,531,610	1,713,411	1,108,020,493	31,159,265,514	5.28
2021-22	31,694,276,490	1,116,786	1,101,949,988	32,797,343,264	5.26
2022-23	34,004,427,353	1,116,786	1,209,393,407	35,214,937,546	7.37
2023-24	37,207,363,435	1,216,151	1,402,321,802	38,610,901,388	9.64

Source: California Municipal Statistics, Inc.

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CHINO VALLEY UNIFIED SCHOOL DISTRICT
2023-24 Assessed Valuation and Parcels by Land Use

	2023-24 Assessed Valuation⁽¹⁾	% of Total⁽²⁾	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Agricultural/Rural	\$ 215,421,283	0.58%	319	0.54%
Commercial/Office	3,045,986,201	8.19	3,015	5.13
Industrial	6,028,096,076	16.20	1,455	2.48
Recreational	73,403,175	0.20	58	0.10
Government/Social/Institutional	<u>51,614,646</u>	<u>0.14</u>	<u>173</u>	<u>0.29</u>
Subtotal Non-Residential	\$9,414,521,381	25.30%	5,020	8.54%
<u>Residential:</u>				
Single Family Residence	\$19,557,564,312	52.56%	38,525	65.56%
Condominium/Townhome/PUD	4,696,316,116	12.62	9,760	16.61
Mobile Home	97,118,066	0.26	1,222	2.08
Mobile Home Park	81,757,766	0.22	13	0.02
2-4 Residential Units	262,396,492	0.71	522	0.89
5+ Residential Units/Apartments	1,574,569,313	4.23	532	0.91
Miscellaneous Residential	<u>9,015,236</u>	<u>0.02</u>	<u>32</u>	<u>0.05</u>
Subtotal Residential	\$26,278,737,301	70.63%	50,606	86.12%
Vacant Parcels	\$1,514,104,753	4.07%	3,139	5.34%
Total	\$37,207,363,435	100.00%	58,765	100.00%

⁽¹⁾ Local Secured Assessed Valuation, excluding tax-exempt property.

⁽²⁾ Percentages may not add due to rounding.

Source: California Municipal Statistics, Inc.

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CHINO VALLEY UNIFIED SCHOOL DISTRICT
Per Parcel 2023-24 Assessed Valuation of Single-Family Homes

	No. of Parcels	2023-24 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single-Family Residential	38,525	\$19,557,564,312	\$507,659	\$462,751

2023-24 Assessed Valuation	No. of Parcels⁽¹⁾	% of Total⁽²⁾	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999	327	0.849%	0.849%	\$ 11,996,770	0.061%	0.061%
\$50,000 - \$99,999	915	2.375	3.224	66,726,197	0.341	0.403
\$100,000 - \$149,999	891	2.313	5.537	112,685,939	0.576	0.979
\$150,000 - \$199,999	1,442	3.743	9.280	257,239,319	1.315	2.294
\$200,000 - \$249,999	2,499	6.487	15.766	567,172,559	2.900	5.194
\$250,000 - \$299,999	2,966	7.699	23.465	816,522,079	4.175	9.369
\$300,000 - \$349,999	3,185	8.267	31.733	1,038,017,428	5.307	14.676
\$350,000 - \$399,999	3,264	8.472	40.205	1,223,716,757	6.257	20.933
\$400,000 - \$449,999	3,029	7.862	48.067	1,286,270,127	6.577	27.510
\$450,000 - \$499,999	3,057	7.935	56.003	1,452,495,561	7.427	34.937
\$500,000 - \$549,999	2,850	7.398	63.400	1,494,445,716	7.641	42.578
\$550,000 - \$599,999	2,485	6.450	69.851	1,425,655,403	7.290	49.868
\$600,000 - \$649,999	2,227	5.781	75.631	1,389,799,239	7.106	56.974
\$650,000 - \$699,999	1,942	5.041	80.672	1,308,649,207	6.691	63.665
\$700,000 - \$749,999	1,544	4.008	84.680	1,117,103,213	5.712	69.377
\$750,000 - \$799,999	1,269	3.294	87.974	981,536,907	5.019	74.396
\$800,000 - \$849,999	1,062	2.757	90.731	874,554,032	4.472	78.868
\$850,000 - \$899,999	837	2.173	92.903	731,363,769	3.740	82.607
\$900,000 - \$949,999	608	1.578	94.482	561,909,187	2.873	85.480
\$950,000 - \$999,999	438	1.137	95.618	426,590,386	2.181	87.661
\$1,000,000 and greater	<u>1,688</u>	<u>4.382</u>	100.000	<u>2,413,114,517</u>	<u>12.339</u>	100.000
Total	38,525	100.000%		\$19,557,564,312	100.000%	

⁽¹⁾ Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.

⁽²⁾ Percentages may not add due to rounding.

Source: California Municipal Statistics, Inc.

CHINO VALLEY UNIFIED SCHOOL DISTRICT
2023-24 Assessed Valuation by Jurisdiction

Jurisdiction:	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Chino	\$19,422,316,565	50.30%	\$19,484,102,477	99.68%
City of Chino Hills	15,250,154,673	39.50	\$15,250,154,673	100.00%
City of Ontario	3,095,974,842	8.02	\$40,110,908,991	7.72%
Unincorporated San Bernardino County	<u>842,455,308</u>	<u>2.18</u>	\$47,496,561,664	1.77%
Total District	\$38,610,901,388	100.00%		
San Bernardino County	\$38,610,901,388	100.00%	\$318,549,024,029	12.12%

Source: California Municipal Statistics, Inc.

Tax Rates, Levies, Collections and Delinquencies

Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property

assessed valuation (known as a “floating lien date”). For assessment and collection purposes, property is classified either as “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State assessed property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of “situs” growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts and community college districts. In addition, the County levies and collects additional approved property taxes and assessments on behalf of any taxing agency within the County.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of one and ½% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the County Treasurer.

Property taxes on the unsecured roll are currently due as of the January 1 lien date prior to the commencement of a fiscal year and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of 1 ½% per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the County Recorder’s office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements, bank accounts or possessory interests belonging or assessed to the taxpayer.

The County levies and collects all property taxes for property falling within its taxing boundaries.

Alternative Method of Tax Apportionment – Teeter Plan

The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to its local political subdivisions, including the District, for which the County acts as the tax-levying or tax-collecting agency.

The Teeter Plan is applicable to all tax levies for which such county acts as the tax-levying or tax-collecting agency, or for which such county’s treasury is the legal depository of the tax collections.

The *ad valorem* property tax to be levied to pay the interest on and principal of the Bonds will be subject to the Teeter Plan. The District will receive 100% of the *ad valorem* property tax levied in the County to pay the Bonds irrespective of actual delinquencies in the collection of the tax by the County.

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 for the County), the Board of Supervisors of the County receives a petition for its discontinuance joined in by a resolution adopted by at least two-thirds of the participating revenue districts in the County, in which event the Board of Supervisors of the County is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors of the County may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency or assessment levying agency in such county if the rate of secure tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency. In the event the Board of Supervisors of the County is to order discontinuance of the Teeter Plan subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which such county acts as the tax-levying or tax-collecting agency.

The County levies (except for levies to support prior voter-approved indebtedness) and collects all property taxes for property falling within the County's taxing boundaries. The County does not provide information regarding secured tax charges and delinquencies.

Tax Rates

The following table sets forth typical tax rates levied in Tax Rate Area (1-001) for fiscal years 2019-20 through 2023-24:

CHINO VALLEY UNIFIED SCHOOL DISTRICT **Typical Total Tax Rates Per \$100 of Assessed Valuation (TRA 1-001)⁽¹⁾**

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
General	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Chaffey Community College District	0.0241	0.0111	0.0177	0.0137	0.0100
Chino Valley Unified School District	0.0790	0.0897	0.0862	0.0900	0.0785
Metropolitan Water District	0.0035	0.0035	0.0035	0.0035	0.0035
Total	<u>\$1.1066</u>	<u>\$1.1043</u>	<u>\$1.1074</u>	<u>\$1.1072</u>	<u>\$1.0920</u>

⁽¹⁾ 2023-24 assessed valuation of TRA 1-001 is \$6,473,316,813 which is 16.77% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

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Largest Taxpayers

The twenty largest local secured taxpayers in the District and their assessed valuations for 2023-24 are shown in the following table.

CHINO VALLEY UNIFIED SCHOOL DISTRICT Largest 2023-24 Local Secured Taxpayers

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	% of Total ⁽¹⁾
1.	Prologis LP	Industrial	\$ 725,851,764	1.95%
2.	Watson Land Company	Industrial	720,995,867	1.94
3.	Majestic Realty Co.	Industrial	402,458,374	1.08
4.	Wal-Mart.com USA LLC	Industrial	222,865,370	0.60
5.	GLV Landowner LP	Undeveloped	207,000,000	0.56
6.	Scannell Properties #404 LLC	Industrial	188,192,181	0.51
7.	Homecoming I at the Preserve LLC	Apartments	187,117,025	0.50
8.	John Hancock Life Insurance Company	Industrial	181,517,680	0.49
9.	Chino Dunhill LLC	Shopping Center	150,000,000	0.40
10.	MLM Chino Property LLC	Shopping Center	148,430,119	0.40
11.	Ontario Ranch Venture LLC	Undeveloped	139,448,452	0.37
12.	Spectrum South No. 1-6 LLC	Industrial	136,498,611	0.37
13.	Chino Kimball Industrial LLC	Industrial	136,163,232	0.37
14.	Crossings of Chino Hills LLC	Apartments	133,171,200	0.36
15.	Homecoming IV At The Preserve LLC	Apartments	130,363,208	0.35
16.	Chino Center Inc.	Industrial	129,340,125	0.35
17.	In-N-Out Burgers	Undeveloped	124,790,324	0.34
18.	ELV Phase 1 LLC	Undeveloped	122,891,465	0.33
19.	ELV Phase 2 LLC	Undeveloped	110,189,376	0.30
20.	B9 Altitude Chino Owner LLC	Undeveloped	108,170,345	0.29
			<u>\$4,405,454,718</u>	<u>11.84%</u>

⁽¹⁾ 2023-24 Local Secured Assessed Valuation: \$37,207,363,435.
Source: California Municipal Statistics, Inc.

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District Debt

The following table is a statement of the District's direct and estimated overlapping bonded debt as of _____ 1, 2024. The debt report is included for general information purposes only. The District has not reviewed the debt report for completeness or accuracy and makes no representation in connection therewith.

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

Column 1 in the table names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. Column 2 shows 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 shown in the table) produces the amount shown in Column 3, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

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**CHINO VALLEY UNIFIED SCHOOL DISTRICT
DIRECT AND OVERLAPPING BONDED INDEBTEDNESS**

2023-24 Assessed Valuation: \$

[To be provided by Calmuni]

Source: California Municipal Statistics, Inc.

Pledge of Tax Revenues

Pursuant to the Resolutions, the District pledges all revenues from the property taxes collected from the levy by the County Board of Supervisors for the payment of the Bonds and amounts on deposit in the Debt Service Funds of the District to the payment of the principal, accreted value or redemption price of and interest on the Bonds. This pledge is valid and binding from the date of adoption of the Resolutions for the benefit of the owners of the Bonds and successors thereto. The Resolutions provide that the property taxes and amounts held in the Debt Service Funds of the District are immediately subject to this pledge, and the pledge constitutes a lien and security interest which immediately attaches to the property taxes and amounts held in the Debt Service Funds of the District to secure the payment of the Bonds and is 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. “Bonds” for purpose of this pledge means all bonds of the District heretofore or hereafter issued pursuant to voter approved measures of the District, including any refunding bonds thereof, as all such Bonds are required by State law to be paid from the respective Debt Service Funds of the District.

Each Resolution provides that the pledge is an agreement between the District and the bondholders to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds and each of the other bonds secured by the pledge are or were issued to finance one or more of the projects specified in the applicable voter-approved measure or to refinance outstanding general obligation bonds.

Statutory Lien for General Obligation Bonds

Pursuant to Senate Bill 222 (2015) (“SB 222”) codified at State Government Code Section 53515 provides that all general obligation bonds issued by local agencies on or after January 1, 2016, including the Bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* property taxes. SB 222 provides that the lien will automatically arise, without the need for any action or authorization by the District or its governing board, and will be valid and binding from the time the bonds are executed and delivered. See also “LEGAL AND OTHER MATTERS – Possible Limitations on Remedies; Bankruptcy – *Statutory Lien*” herein.

Dedicated Unlimited *Ad Valorem* Property Tax Collection

Factors Affecting Assessed Valuation. The annual tax rate will be based on the assessed value of taxable property in the District. Changes in the annual debt service on the District’s outstanding general obligation bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District’s control, such as economic recession, deflation of land values, global pandemics, such as COVID-19, relocation of businesses out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, debris flow, drought, fire or other natural disaster, could cause a reduction in the assessed value of taxable property in the District and, all other factors being equal, necessitate a corresponding increase in the annual tax rate. Conversely, factors such as increased assessed value of taxable property and/or an increase in the numbers of property taxpayers within the District could, all other factors being equal, cause a corresponding decrease in the annual tax rate.

The level of property tax delinquencies is affected 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. An economic recession or depression could 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 disease or natural or manmade disaster. See also “SECURITY

AND SOURCES OF PAYMENT FOR THE BONDS - Alternative Method of Tax Apportionment – Teeter Plan” herein.

Assessment Appeals and Adjustments of Assessed Valuation. Under State law, property owners may apply for a reduction of their property tax assessment by filing an application, in form prescribed by the State Board of Equalization (the “SBE”), with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. Such reductions are subject to yearly re-appraisals and may be adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See “APPENDIX A – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT - CONSTITUTIONAL AND STATUTORY INITIATIVES – Article XIII A of the California Constitution” herein.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution. See “ - *Proposition 50 and Proposition 171*” below. Such reductions are subject to yearly re-appraisals by the county assessor and may be adjusted back to their original values when real estate market conditions improve. Once property has regained its prior assessed value, adjusted for inflation, it once again is subject to the annual inflationary growth rate factor allowed under Article XIII A.

The District does not have information regarding pending appeals of assessed valuation of property within the District. No assurance can be given that property tax appeals currently pending or in the future, or actions by county assessors, will not significantly reduce the assessed valuation of property within the District.

Effect of Natural Disaster on Assessed Valuation. Assessed valuations are subject to change in each year, and such changes may result from a variety of factors, including natural disasters.

Drought. In recent years, the State has experienced severe drought conditions. On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in California, including the County, as primary natural disaster areas due to drought. On April 12, 2021, the Governor issued a drought emergency proclamation (the “April Drought Proclamation”) which applied to two counties within the State – Mendocino and Sonoma counties. On May 10, 2021, the Governor declared a Statewide Drought State of Emergency due to the State facing serious water shortfalls, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, significantly expanding the April Drought Proclamation to 41 counties, excluding the County, within the State. The counties in the May 10, 2021 Proclamation of a State of Emergency included the Klamath River Watershed Counties, the Sacramento-San Joaquin Delta Watershed Counties and the Tulare Lake Watershed Counties. On July 8, 2021, the Governor declared a Statewide Drought State of Emergency due to the continued depletion of water supplies and other factors, and ordered State and local agency

implementation of certain provisions to adequately respond to drought conditions, expanding the April Drought Proclamation to 50 counties, excluding the County. The counties in the July 8, 2021 Proclamation of a State of Emergency included the additional nine counties of Inyo, Marin, Mono, Monterey, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, and Santa Cruz. On October 19, 2021, the Governor declared a Statewide Drought State of Emergency due to the continued depletion of water supplies and other factors, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, expanding the April Drought Proclamation to all counties in the State, including the County. On March 28, 2022, the Governor issued Executive Order N-7-22, which directed the Water Board to issue drought regulations, including a recommendation to have urban water suppliers initiate water shortage contingency plans.

Significant snowfall and precipitation in the State commencing in January 2023 have generally eliminated most of the State's drought conditions. According to the U.S. Drought Monitor, portions of the State in the far north and lower south-east regions continue to be classified in the abnormally dry category, however the majority of the State, including the County, is currently classified as having no drought conditions. In addition, in March 2023, the Governor eased drought restrictions, in part, by terminating various provisions contained in the aforementioned emergency declarations of April 2021, May 2021, July 2021 and October 2021 and in Executive Order N-7-22, including those related to recommending contingency plans for urban water suppliers.

The District cannot predict if there will be future drought conditions and related water usage restrictions imposed in the future. The District cannot predict the extent to which future drought conditions within the County or any of the adjoining counties could cause reduced economic activity within the boundaries of the District or the extent to which such drought conditions may impact District facilities or the assessed value of taxable property within the District.

Wildfire. In recent years, portions of California, including the County, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of the District. 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.

Earthquake. The District is located in a seismically active region of the State. Property values could be reduced by the complete or partial destruction of taxable property as a result of an earthquake.

Climate Change. The change in the Earth's average atmospheric temperature, generally referred to as "climate change," is expected to, among other things, increase the frequency of extreme weather events. The direct risks posed by climate change currently include or are expected to include more extreme heat events, increased incidence of wildfire and drought, rising sea levels, changes in precipitation levels, and more intense storms. As greenhouse gas emissions continue to accumulate, climate change will intensify and increase the frequency of such extreme weather events. One or more of such extreme weather events could negatively impact the assessed value of the property within the District. The District cannot predict the timing, extent, or severity of climate change and its impact on property values in the District.

The District cannot predict or make any representations regarding the effects that natural disasters, such as fire, drought, earthquakes, or other related natural or man-made conditions, have or may have on the value of taxable property within the District, or to what extent the effects said natural disasters might have had on economic activity in the District or throughout the State.

Proposition 50 and Proposition 171. On June 3, 1986, the voters of the State approved Proposition 50. Proposition 50 amends Section 2 of Article XIII A of the State Constitution to allow owners of property that was “substantially damaged or destroyed” by a disaster, as declared by the Governor (the “Damaged Property”), to transfer their existing base year value (the “Original Base Year Value”) to a comparable replacement property within the same county, which is acquired or constructed within five years after the disaster. At the time of such transfer, the Damaged Property will be reassessed at its full cash value immediately prior to damage or destruction (the “Original Cash Value”); however, such property will retain its base year value notwithstanding such a transfer. Property is substantially damaged or destroyed if either the land or the improvements sustain physical damage amounting to more than 50% of either the land or improvements full cash value immediately prior to the disaster. There is no filing deadline, but the assessor can only correct four years of assessments when the owner fails to file a claim within four years of acquiring a replacement property.

Under Proposition 50, the base year value of the replacement property (the “Replacement Base Year Value”) depends on the relation of the full cash value of the replacement property (the “Replacement Cash Value”) to the Original Cash Value: if the Replacement Cash Value exceeds 120% of the Original Cash Value, then the Replacement Base Year Value is calculated by combining the Original Base Year Value with such excessive Replacement Cash Value; if the Replacement Cash Value does not exceed 120% of the Original Cash Value, then the Replacement Base Year Value equals the Original Base Year Value; if the Replacement Cash Value is less than the Original Cash Value, then the Replacement Base Year Value equals the Replacement Cash Value. The replacement property must be comparable in size, utility, and function to the Damaged Property.

On November 2, 1993, the voters of the State approved Proposition 171. Proposition 171 amends subdivision (e) of Section 2 of Article XIII A of the State Constitution to allow owners of Damaged Property to transfer their Original Base Year Value to a “comparable replacement property” located within another county in the State, which is acquired or newly constructed within three years after the disaster.

Inter-county transfers under Proposition 171 are more restrictive than intra-county transfers under Proposition 50. For example, Proposition 171 (1) only applies to (a) structures that are owned and occupied by property owners as their principal place of residence and (b) land of a “reasonable size that is used as a site for a residence;” (2) explicitly does not apply to property owned by firms, partnerships, associations, corporations, companies, or legal entities of any kind; (3) only applies to replacement property located in a county that adopted an ordinance allowing Proposition 171 transfers; (4) claims must be timely filed within three years of the date of purchase or completion of new construction; and (5) only applies to comparable replacement property, which has a full cash value that is of “equal or lesser value” than the Original Cash Value.

Within the context of Proposition 171, “equal or lesser value” means that the amount of the Replacement Cash Value does not exceed either (1) 105% of the Original Cash Value when the replacement property is acquired or constructed within one year of the destruction, (2) 110% of the Original Cash Value when the replacement property is acquired or constructed within two years of the destruction, or (3) 115% of the Original Cash Value when the replacement property is acquired or constructed within three years of the destruction.

TAX MATTERS

The delivery of the Bonds is subject to delivery of the opinions of Bond Counsel, to the effect that interest on the Bonds for federal income tax purposes under existing statutes, regulations, published rulings, and court decisions (1) will be excludable from the gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of initial delivery of the Bonds (the “Code”), of the owners

thereof pursuant to section 103 of the Code, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. The delivery of the Bonds is also subject to the delivery of the opinions of Bond Counsel, based upon existing provisions of the laws of the State of California, that interest on the Bonds is exempt from personal income taxes of the State of California. Forms of Bond Counsel's anticipated opinions are included in Appendix B. The statutes, regulations, rulings, and court decisions on which such opinions will be based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon the representations and certifications of the District made in certificates of even date with the dates of delivery of the Bonds pertaining to the use, expenditure and investment of the proceeds of the Bonds and will assume continuing compliance with the provisions of the Resolutions relating to the Bonds by the District subsequent to the issuance of the Bonds. The Resolutions and the federal tax certificates with respect to the Bonds contain covenants by the District with respect to, among other matters, the use of the proceeds of the Bonds and the facilities and equipment financed or refinanced therewith by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, if required, the calculation and payment to the United States Treasury of any "arbitrage profits" and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Bonds.

Except as described above, Bond Counsel will express no other opinion with respect to any other federal, State or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, individual recipients of Social Security or Railroad Retirement benefits, corporations subject to the alternative minimum tax on adjusted financial statement income, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust ("FASIT"), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Bond Counsel's opinions are not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the District described above. No ruling has been sought from the Internal Revenue Service (the "IRS") or the State of California with respect to the matters addressed in the opinions of Bond Counsel, and Bond Counsel's opinions are not binding on the IRS or the State of California. The IRS has an ongoing program of auditing the tax-exempt status of the interest on municipal obligations. If an audit of the Bonds is commenced, under current procedures, the IRS is likely to treat the District as the "taxpayer," and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the District may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent of the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than \$1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the

taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Bonds. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential impact of owning the Bonds.

Existing law may change to reduce or eliminate the benefit to Bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering of certain of the Bonds (the "Discount Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount, allocable to the holding period of such Discount Bond by the initial purchaser, will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above. Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond taking into account the semiannual compounding of accrued interest at the yield to maturity on such Discount Bond, and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, corporations subject to the alternative minimum tax on adjusted financial statement income, individuals otherwise qualifying for the earned income tax credit owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination for federal income tax purposes of accrued original issue discount on Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The purchase price of certain Bonds (the "Premium Bonds") paid by an owner may be greater than the amount payable on such Bonds at maturity. An amount equal to the excess of a purchaser's tax basis in

a Premium Bond over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Bond in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium that is amortizable each year by a purchaser is determined by using such purchaser's yield to maturity (or, in some cases with respect to a callable Bond, the yield based on a call date that results in the lowest yield on the Bond). Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

LEGAL OPINIONS

The validity of the Bonds and certain other legal matters are subject to the approving opinions of Norton Rose Fulbright US LLP, Bond Counsel to the District. Copies of the proposed forms of Bond Counsel opinions are contained in APPENDIX B herein. Compensation to be paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon the issuance of the Bonds.

LEGALITY FOR INVESTMENT

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

VERIFICATION AGENT

The arithmetical accuracy of certain computations included in the schedules provided by the Underwriter relating to the computation of the projected payments of principal and interest to retire the Refunded Bonds and yields will be verified by Robert Thomas CPA, LLC, as Verification Agent. Such computations will be based solely on assumptions and information supplied by the District and the Underwriter. 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. See "PLAN OF REFUNDING" herein.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), and Moody's Investors Service ("Moody's") have assigned their municipal bond ratings of "____" and "____" to the Bonds, respectively. Such ratings reflect only the views of S&P and Moody's, respectively, and an explanation of the significance of such ratings may be obtained as follows: S&P at Municipal Finance Department, 55 Water Street, New York, New York 10041, tel. (212) 208-8000 and Moody's, at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, tel. (212) 553-0300. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely if, in the judgment of the rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

LEGAL AND OTHER MATTERS

Continuing Disclosure

Current Undertaking.

In accordance with the requirements of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission, the District will enter into a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”) in the form of APPENDIX D hereto, on or prior to the sale of the Bonds in which the District will undertake, for the benefit of the Beneficial Owners of the Bonds, to provide certain information as set forth therein. The covenants contained in the Continuing Disclosure Undertaking have been made to assist the Underwriter in complying with the Rule. See APPENDIX D – “FORMS OF CONTINUING DISCLOSURE UNDERTAKING” hereto.

Prior Undertaking.

In the last five years, the District has complied in all material respects with the annual filing requirements of continuing disclosure undertakings executed in connection with prior securities offerings. [TO CONFIRM]

Risks Related to COVID-19

Background. The outbreak of the respiratory disease caused by a new strain of coronavirus (“COVID-19”) was declared a Pandemic by the World Health Organization, a National Emergency by then President Trump and a State of Emergency by California State Governor Newsom (the “Governor”) in March 2020. The emergency resulted in tremendous volatility in the financial markets in the United States and globally, and the onset of a U.S. and global recession.

Federal Response. In response to COVID-19 in March 2020, the U.S. Congress passed the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”). The CARES Act appropriated over \$2 trillion dedicated to various areas of the national economy, including \$13.2 billion in direct funding for elementary and secondary school emergency relief. California received approximately \$1.65 billion, with 10 percent set aside for emergencies designated by the California Department of Education.

On December 27, 2020, then President Trump signed into law the Coronavirus Response and Relief Supplemental Appropriations (“CRRSA”) Act which included approximately \$6.8 billion in California funding and required that 90%, or \$6.12 billion be distributed to California Local Educational Agencies (each, an “LEA” and, collectively, the “LEAs”) in proportion to the amount of Title I, Part A funds that each LEA received in Fiscal Year 2019-20.

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (the “American Rescue Plan”), a \$1.9 trillion COVID-19 relief package, intended to accelerate the recovery from the COVID-19 pandemic. The American Rescue Plan included approximately \$15.3 billion in California funding and required that 90%, or \$13.7 billion be distributed to LEAs in proportion to the amount of Title I, Part A funds that each LEA received in Fiscal Year 2019-20. The amount of such funding allocated to the District is described below.

State Response. Beginning in March 2020, the State began taking a variety of measures to stop the spread of COVID-19, including the Governor’s blanket shelter-in-place order, ordering all California residents to stay home except for certain necessities and other essential purposes.

On March 17, 2020, the Governor signed Senate Bill 117 (“SB 117”), for purposes of school district funding for Fiscal Year 2019-20, which effectively held school districts harmless from incurring funding losses limits associated with the average daily attendance reported to the California Department of Education due to closures from COVID-19.

On March 5, 2021, the Governor signed Assembly Bill 86 (“AB 86”), which provided approximately \$6.6 billion to accelerate the return of in-person school instruction and expand student support. AB 86 included \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic’s impact on learning. Funding was allocated proportionally on the basis of Local Control Funding Formula (“LCFF”) funding entitlements, determined as of the Fiscal Year 2020-21 second principal apportionment certification.

California fully reopened the economy on June 15, 2021. As of February 28, 2023, the Governor terminated the State of Emergency. The Governor also phased out the executive actions put in place since March 2020 as part of the pandemic response.

Impacts on the District. The District received or is expected to receive approximately [\$99,930,748] in federal and State funding, including an allocation of CARES Act funding from Elementary and Secondary School Relief (ESSER) I, CRRSA, ESSER II, American Rescue Plan, ESSER III, SB 117, AB 86. The aforementioned federal and State funding is considered one-time, restricted, emergency relief funding to address the impact COVID-19 has had on elementary and secondary schools.

As discussed herein under “APPENDIX A - FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT – District Enrollment - Local Control Funding Formula (LCFF)” and “- FUNDING OF SCHOOL DISTRICTS IN CALIFORNIA – State Budget Process,” the District receives much of its revenues from LCFF sources which are comprised of local property taxes and State moneys. There may be unknown consequences of COVID-19, which the District is unable to forecast, that may impact the District’s financial condition or the availability of State funding for school districts.

While the California State of Emergency and the National Emergency have now both been terminated, the District cannot predict if there will be further outbreaks or, what impacts any such outbreaks may have on the District’s financial condition or operations. The District is also unable to predict at this time whether any new requirements related to reducing the spread of COVID-19 will arise and materially impact its finances or operations.

Cybersecurity Risks

The District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the District’s systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. No assurance can be given that the District’s current efforts to manage cyber threats and security will, in all cases, be successful. The District cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances. The District relies on other entities and service providers in the course of operating the District, including the County with respect to the levy and collection of *ad valorem* property taxes, as well as other trustees, fiscal agents and dissemination agents. No assurance can be given that future cyber threats and attacks against other third party entities or service providers will not impact the District and the owners of the Bonds,

including the possibility of impacting the timely payments on the Bonds or timely filings pursuant to the Continuing Disclosure Undertakings.

Possible Limitations on Remedies; Bankruptcy

General. Following is a discussion of certain considerations in the event that the District should become a debtor in a bankruptcy proceeding. It is not an exhaustive discussion of the potential application of bankruptcy law to the District. The discussion is based on the United States Bankruptcy Code (“the Bankruptcy Code”) as now in effect and the few relevant judicial decisions to date. The Bankruptcy Code could be amended or construed differently in future judicial decisions (including as a result of possible future decisions in the pending analogous insolvency proceedings for the Commonwealth of Puerto Rico). Any such action could affect the possible application of bankruptcy law to the District.

State law contains a number of safeguards to protect the financial solvency of school districts. See “APPENDIX A – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT.” If the safeguards are not successful in preventing a school district from becoming insolvent, the State Superintendent of Public Instruction (the “State Superintendent”), operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the “Bankruptcy Code”) on behalf of the District for the adjustment of its debts, assuming that the District meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. Under current State law, the District is not itself authorized to file a bankruptcy proceeding, and it is not subject to an involuntary bankruptcy proceeding.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, bondholders may be prohibited from taking any action to collect any amount from the District (including *ad valorem* property tax revenues) or to enforce any obligation of the District, without the bankruptcy court’s permission, except possibly as described below in the case of pledged “special revenues.” In such a proceeding, as part of its plan of adjustment in bankruptcy, the District may be able to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Bonds and other transaction documents related to the Bonds, including the obligation of the County and the District to raise taxes if necessary to pay the Bonds, if the bankruptcy court determines that the plan is fair, equitable, not unfairly discriminatory to creditors as a whole, is in the best interests of creditors and otherwise complies with the Bankruptcy Code. There also may be other possible effects of a District bankruptcy proceeding that could result in delays or reductions in payments on the Bonds. Regardless of any specific adverse determinations in any District bankruptcy proceeding, the fact of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

Limitations on Plans of Adjustments. Chapter 9 of the Bankruptcy Code does not limit or impair the power of a state to control, by legislation or otherwise, a political subdivision of the state in the exercise of its political or governmental powers, including expenditures for the exercise. In addition, Chapter 9 prevents a bankruptcy court from interfering with the political or governmental powers of a political subdivision debtor, any of its property or revenues or the use or enjoyment of its income producing property, unless the political subdivision debtor confirms a plan of adjustment to that effect or consents to that action. State law provides that *ad valorem* property taxes may be levied to pay the principal and accreted value of and interest on the Bonds and other voted general obligation bonds of the District in an unlimited amount, and that proceeds of such a levy must be used for the payment of principal and accreted value of and interest on the District’s general obligation bonds, including the Bonds, and for no other purpose. Under State law, the District’s share of the 1% limited tax imposed by the County is the only *ad valorem* property tax revenue that may be raised and expended to pay liabilities and expenses of the District other than its voter-approved

debt, such as its general obligation bonds. If the District should become a debtor in a Chapter 9 proceeding, then it must propose a plan of adjustment of its debts. The plan may not become effective until confirmed by the bankruptcy court.

The court may not confirm a plan unless it finds, among other conditions, that the District is not prohibited by law from taking any action necessary to carry out the plan, and that the plan is fair, equitable, does not unfairly discriminate among creditors as a whole, is in the best interests of creditors, and is feasible. If the State law restriction on the levy and expenditure of *ad valorem* property taxes is respected in a bankruptcy case, then *ad valorem* property tax revenue levied by the County for prepayment of the Bonds could not be used by the District for any purpose under its plan other than to make payments on the Bonds and its other voted general obligation bonds. It is possible, however, that a bankruptcy court could conclude that the restriction is not required to be respected in a confirmed plan.

Statutory Lien. Pursuant to Senate Bill 222 (2015) (“SB 222”) that became effective on January 1, 2016, all general obligation bonds issued by local agencies, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the *ad valorem* property taxes. SB 222 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 issued. As a result, the lien on debt service taxes will continue to be valid with respect to post-petition receipts of debt service taxes, should the District become a Chapter 9 debtor. The automatic stay provisions of the Bankruptcy Code would apply, however, thereby preventing bondholders from enforcing their rights to payment from such taxes (with the result that any payments becoming due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed), except as described under “--Special Revenues” below. It is also possible that the bankruptcy court could approve an alternate use of such taxes, if the bondholders are afforded protection that the court determines to be adequate.

Special Revenues. If the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, then the application by the County (or others with possession) of pledged *ad valorem* property tax revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay, and bondholders may be able to compel their immediate use to pay debt service, subject to the matters discussed below, including a recent decision by the United States Court of Appeals for the First Circuit.

“Special revenues” are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* property taxes for payment of the Bonds. The Bonds and the District’s other general obligation bonds were approved at elections held on propositions that described the projects for which such bonds may be issued. As noted above, State law prohibits the use of the proceeds of the District’s debt service tax for any purpose other than payment of its general obligation bonds, and the bond proceeds may only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, so such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* property tax revenues collected for the payment of general obligation bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

Even if the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues” within the meaning of the Bankruptcy Code, bondholders may not be able to compel that they be used to pay debt service during the pendency of a Chapter 9 proceeding. While the application of special revenues is exempt from the automatic stay by Section 922(d) of the Bankruptcy Code, the United States Court of Appeals for the First Circuit has interpreted that section to exempt only

voluntary applications by the debtor and voluntary applications by creditors or others of property in their possession, and not to exempt actions by creditors to compel an application by others, and has held that a bankruptcy court lacks authority to compel the application of special revenues. *In re: The Financial Oversight and Management Board for Puerto Rico*, 919 F.3d 121 (1st Cir. 2019). The U.S. Supreme Court declined to review the First Circuit decision. If the First Circuit’s interpretation is upheld and applied by courts in the Ninth Circuit and the State Superintendent (or State-appointed administrator) were to file a petition to initiate a Chapter 9 proceeding in respect of the District, the bondholders would be stayed from seeking to compel the application of pledged *ad valorem* property taxes to pay debt service on the Bonds during the pendency of the proceeding (in either federal or state court), if the County failed to do so as required by State law or was instructed not to do so by the District, which would leave bondholders with only state court remedies. Accordingly, even if the *ad valorem* property tax revenues that are pledged to the payment of the Bonds are determined to be “special revenues,” a Chapter 9 proceeding could result in a substantial delay in the payment of debt service, if the County failed to apply pledged *ad valorem* property taxes to pay debt service on the Bonds.

In addition, the Bankruptcy Code provides that any consensual lien on special revenues “derived” from a project or system is subject to necessary operating expenses of the project or system. This rule applies regardless of the provisions of transaction documents. If a bankruptcy court were to conclude that the District’s tax collections are “derived” from a District project or system, then even if pledged *ad valorem* property tax revenues are determined to be “special revenues,” the court could determine that such revenues may not be ordered (by itself or a state court) to pay debt service to the extent that they are needed to pay necessary operating expenses of the District and may lawfully be applied for that purpose.

Possession of Tax Revenues; Remedies. If the County or the District goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the County or the District, as applicable, does not voluntarily pay such tax revenues to the owners of the Bonds, it is not clear what procedures the owners of the Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful.

Amounts Held in County Treasury Pool. The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Bonds and may invest these funds in the County’s Treasury Pool, as described in “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS” and “APPENDIX F – THE SAN BERNARDINO COUNTY POOL.” Should those investments suffer losses, there may be delays or reductions in payments on the Bonds.

Opinion of Bond Counsel Qualified. The proposed forms of opinion of Bond Counsel, attached hereto as APPENDIX B, are qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor’s rights.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) has agreed to purchase the 2024D Bonds from the District at the purchase price of \$_____ (being the aggregate principal amount of the 2024D Bonds plus original issue premium of \$_____, and less an Underwriter’s discount of \$_____), at the rates and yields shown on the inside covers hereof.

The Underwriter has agreed to purchase the Refunding Bonds from the District at the purchase price of \$_____ (being the aggregate principal amount of the Refunding Bonds, plus original issue premium of \$_____, and less an Underwriter’s discount of \$_____), at the rates and yields shown on the inside covers hereof.

The Underwriter has, in the past, been a sponsor of the District's annual scholarship fundraising event.

[The Underwriter has entered into an agreement with its affiliate, Vining-Sparks IBG, LLC for the distribution of certain municipal securities offerings at the original issue price. Pursuant to that distribution agreement, Vining-Sparks may purchase Bonds from Stifel at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that Vining-Sparks sells.][**Confirm/update**]

MUNICIPAL ADVISOR

Keygent, LLC, a limited liability company ("Keygent") is engaged as Municipal Advisor to the District in connection with the issuance of the Bonds. The Municipal Advisor's compensation for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. Keygent, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

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

NO LITIGATION

No litigation is pending or threatened concerning the validity of the Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the District's ability to receive *ad valorem* property taxes or to collect other revenues or contesting the District's ability to issue the Bonds.

OTHER INFORMATION

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Resolutions are available upon request from the Assistant Superintendent of Business Services, Chino Valley Unified School District, 5130 Riverside Drive, Chino, California 91710. A fee may be charged for copying and handling.

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 Bonds.

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The execution and delivery of this Official Statement has been duly authorized by the District.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

FINANCIAL AND DEMOGRAPHIC INFORMATION RELATING TO THE DISTRICT

The following information, concerning the operations and finances of the District is not intended to and does not suggest that the Bonds are secured by the general revenues or General Fund of the District, nor is the County obligated in any way with respect to the Bonds. The Bonds are general obligation bonds of the District, secured and payable solely from ad valorem property taxes collected against taxable properties within the boundaries of the District. Prospective purchasers of the Bonds should be aware that the following discussion of the District's financial condition, its fund balances, budgets and other obligations, is intended as general information only, and no implication is made the payment of principal of or interest on the Bonds is dependent in any way upon the District's financial condition. The District neither receives nor accounts for ad valorem property taxes collected by the County to pay debt service on the Bonds. Pursuant to Section 15241 of the Education Code, all tax revenues collected for payment of debt service on general obligation bonds, including the Bonds, must be deposited into debt service fund of the District maintained within the County Treasury Pool. See the body of this Official Statement under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

General

Although the origin of the District can be traced to 1878, with its first Board election, the District began operations as a newly formed unified school district on July 1, 1939. The District is located in the San Bernardino County and provides public education within an approximately 88 square mile area, including the City of Chino, the City of Chino Hills, the southern portion of the City of Ontario and certain unincorporated areas of the County. The District currently operates 34 schools including 20 elementary (K-6), 2 Kindergarten – 8th grade (K-8), 5 junior highs, 5 high schools, and 2 alternative schools including a virtual program. The District currently has a third K-8 school, Legacy Academy, under construction that is scheduled to open on or about July 2024. The District's average daily attendance ("ADA") for all District programs for Fiscal Years ended June 30, 2022 and June 30, 2023 was 23,837 and 23,900, respectively. The District currently projects that the ADA for Fiscal Year ended June 30, 2024 will be 23,981. Assessed valuation of real property and improvements (full cash value) in the District increased from \$35,214,937,546 in Fiscal Year 2022-23 to \$38,610,901,388 in Fiscal Year 2023-24.

District Organization

The District is governed by a Board of Education (the "Board"). The Board consists of five members who are elected at-large to overlapping four-year terms at elections held in staggered years. If a vacancy arises during any term, the vacancy is filled by either an appointment by the majority vote of the remaining Board Members or by a special election. Each December, the Board elects a President, Vice President and Clerk to serve one-year terms. The years in which the current terms for each member of the Board expire are set forth on the next page.

<u>Governing Board Member</u>	<u>Office</u>	<u>Year Current Term Expires</u>
Sonja Shaw	President	2026
Jonathan Monroe	Vice President	2026
Andrew Cruz	Clerk	2024
Donald L. Bridge	Member	2024
James Na	Member	2024

Key Personnel

The following is a listing of the key administrative personnel of the District:

<u>Name</u>	<u>Title</u>
Norm Enfield, Ed.D.	Superintendent
Sandra H. Chen	Associate Superintendent, Business Services
Gregory J. Stachura	Assistant Superintendent, Facilities, Planning & Operations
Elizabeth A. Pensick	Director, Fiscal Services

Dr. Norm Enfield, Superintendent. Dr. Enfield has served as the District’s Superintendent since July 1, 2018. Dr. Enfield started working in the District in 2007 as the Director of Human Resources and was promoted to Assistant Superintendent in February 2010. In January of 2014, Dr. Enfield was promoted to Deputy Superintendent, responsible for overseeing the day-to-day operation of the Chino Valley Unified School District. Dr. Enfield began his career as an elementary school teacher in Rowland Unified School District, and served as an Assistant Principal and Principal in Baldwin Park Unified School District prior to coming to Chino Valley. Dr. Enfield earned his AA degree from Mt. San Antonio College, BA degree from Cal Poly Pomona, MA degree from National University, and Ed.D. from the University of La Verne.

Sandra Chen, Associate Superintendent, Business Services. Ms. Sandra Chen began her career with the District in 1998 as the Facilities Planner/Fiscal Analyst for the Facilities, Planning, and Operations Division. In 2005, she was promoted to Director of Planning and later became the Assistant Superintendent of Facilities, Planning, and Operations from 2006-2010. In December 2010, Ms. Chen was appointed to take the business post as the Assistant Superintendent of Business Services. In 2018, she was promoted to Associate Superintendent of Business Services. Ms. Chen earned her BA degree from UC Irvine, and her MA degree from UCLA. She is also a certified chief business official from the California Association of School Business Officials.

Gregory Stachura, Assistant Superintendent, Facilities, Planning & Operations. Gregory Stachura has served as the District’s Assistant Superintendent of Facilities, Planning and Operations since July 2011. Mr. Stachura started with the District’s Maintenance Department in June of 1989 as a Carpenter III. He was promoted to Maintenance Department Manager in 1998, and Construction Coordinator in 2006 prior to being promoted to his current position. He attended Colorado Technical University where he earned his Bachelor of Science in Business Administration-Management. He has also earned certificates in Facilities Management/Plant Engineering and Education Facilities Planning from the University of California, Riverside and a certificate in School Business Management from California State University, Fullerton.

District Employees

As of January 16, 2024, the District employed approximately 1,499 full-time equivalent certificated professionals and 944 full-time equivalent classified employees. The contracted pupil-teacher ratio within the District is 32:1 (Kindergarten), 31:1 (First Grade), 32:1 (Grades 2 through 6), 34:1 (Grades 7 and 8), and 35:1 (Grades 9 to 12).

District employees are represented by two employee bargaining units. All certificated staff except administrative staff are represented by Associated Chino Teachers (“A.C.T.”). Classified staff (except management) are represented by California State Employees Association (“CSEA”). Currently, 100% of all full-time District employees except administrative staff and classified management are covered by collective bargaining agreements. The District has historically enjoyed a good working relationship with each of its bargaining units and has experienced no work stoppages by represented personnel in the last five years.

The District’s agreement with A.C.T. expires on June 30, 2025. The District’s agreement with CSEA is effective July 1, 2021 through June 30, 2024. The District has not concluded bargaining with all employee groups for fiscal year 2023-24. The District’s contracts with A.C.T. and CSEA contain a cap on healthcare benefits of \$10,000. The cap on healthcare benefits for management is also \$10,000.

The total accumulated employee compensated absences as of June 30, 2023, amounted to \$2,904,316, which is recorded as General Long-Term Debt.

Insurance

The District maintains insurance or self-insurance in such amounts and with such retentions and other terms providing coverages for property damage, fire and theft, general public liability and worker’s compensation, as are adequate, customary and comparable with such insurance maintained by similarly situated school districts. In addition, based upon prior claims experience, the District believes that the recorded liabilities for self-insured claims are adequate. See APPENDIX C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

District Enrollment

The District has experienced student enrollment declines in the last few years. The table on the next page sets forth the second period enrollment for the District for the fiscal years 2018-19 through 2023-24 (projected).

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CHINO VALLEY UNIFIED SCHOOL DISTRICT
K-12 Enrollment at CALPADS [PERIOD] 2 (Including Regular Education, Special Day Class,
Opportunity School, Independent Study and Continuation School)
(2018-19 through 2023-24)

<u>Year</u>	<u>Second Period Enrollment (October of each Year)</u>	<u>Increase (Decrease) from Prior Year</u>
2018-19	27,693	(342)
2019-20	27,576	(117)
2020-21	26,183	(1,393)
2021-22	25,961	(222)
2022-23	25,694	(267)
2023-24 ⁽¹⁾	25,642	(52)

⁽¹⁾ Projected.

Source: The District.

Local Control Funding Formula (LCFF). As part of the 2013-14 State Budget, State Assembly Bill 97 (Stats. 2013, Chapter 47) (“AB 97”) was enacted to establish a new system for funding school districts, charter schools and county offices of education by the implementation of the Local Control Funding Formula or LCFF, to replace the revenue limit funding system for determining State apportionments and the majority of categorical program funding. Subsequently, AB 97 was amended and clarified by Senate Bill 91 (Stats. 2013, Chapter 49). The LCFF consists primarily of base, supplemental and concentration funding that focuses resources based on a school district’s student demographics. Each school district and charter school will receive a per pupil base grant used to support the basic costs of instruction and operations. The implementation of the LCFF occurred over a period of five fiscal years, beginning in Fiscal Year 2013-14 and ending in Fiscal Year 2019-20, during which annual transition adjustments were calculated for each school district, equal to such district’s proportionate share of appropriations included in the 2013-14 State Budget to close the gap between the prior-year funding level and the target allocation following full implementation of the LCFF. School districts had the same proportion of their respective funding gaps closed in each year, with funding amounts that varied in accordance with the size of each district’s funding gap.

The LCFF includes the following components:

- A uniform base grant for each local education agency based on four different grade spans of pupils, K-3, 4-6, 7-8, and 9-12, per unit of ADA. The Fiscal Year 2023-24 adjusted base grant amounts for each grade span are as follows: \$10,951 per ADA for K-3, \$10,069 per ADA for 4-6, \$10,367 per ADA for 7-8, and \$12,327 per ADA for 9-12. These amounts include an adjustment to the base grant to support lowering class sizes in grades K-3, and an adjustment to reflect the cost of operating career technical education programs in high schools. Unless otherwise collectively bargained for, school districts must maintain an average class enrollment of 24 or fewer students in grades K-3 at each school site so as to continue receiving its adjustment to the K-3 base grant.
- A 20% supplemental grant for students classified as English learners (“EL”), those eligible to receive a free or reduced price meal (“FRPM”) and foster youth, to reflect increased costs associated with educating those students. These supplemental grants are only

attributed to each eligible student once, and the total student population eligible for the additional funding is known as an “unduplicated count.”

- An additional concentration grant equal to 65% of a local education agency’s base grant, based on the number of unduplicated EL, FRPM and foster youth served by the local agency that comprise more than 55% of the school district’s or charter school’s total enrollment. The District is not eligible for the concentration grant.
- An “Economic Recovery Target” to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

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LCFF and the District

The following table shows a breakdown of the District’s ADA by grade span, total enrollment, and the percentage of EL/LI student enrollment for fiscal years 2017-18 through 2023-24: [to be updated]

CHINO VALLEY UNIFIED SCHOOL DISTRICT ADA, Enrollment and EL/LI Enrollment Percentage Fiscal Years 2017-18 Through 2023-24

Fiscal Year	Average Daily Attendance ⁽¹⁾					Enrollment ⁽²⁾	
	K-3	4-6	7-8	9-12	Total ADA	Total Enrollment	% of EL/LI Enrollment ⁽³⁾
2017-18	7,560.99	6,244.94	4,337.39	8,971.01	27,114.33	28,141	49.39
2018-19 ⁽⁴⁾	7,382.88	6,000.20	4,335.01	8,798.27	26,516.36	27,590	49.40
2019-20	7,295.79	5,901.99	4,322.71	8,852.63	26,373.12	27,511	50.24
2020-21 ⁽⁵⁾⁽⁶⁾	7,295.79	5,901.99	4,322.71	8,852.63	26,373.12	26,520	49.08
2021-22 ⁽⁵⁾⁽⁶⁾	6,586.98	5,211.15	3,760.88	8,229.11	23,788.12		
2022-23							
2023-24							

(1) Except for fiscal years [2019-20, 2020-21 and 2021-22], reflects annual data.

(2) Reflects certified enrollment as of the fall census day (the first Wednesday in October), which is reported to the California Longitudinal Pupil Achievement Data System (“CALPADS”) in each school year and used to calculate each school district’s unduplicated EL/LI student enrollment. Adjustments may be made to the certified EL/LI counts by the California Department of Education. CALPADS figures generally exclude preschool and adult transitional students.

(3) For purposes of calculating Supplemental and Concentration Grants, a school district’s fiscal year 2013-14 percentage of unduplicated EL/LI students was expressed solely as a percentage of its total fiscal year 2013-14 total enrollment. For fiscal year 2014-15, the percentage of unduplicated EL/LI enrollment was based on the two-year average of EL/LI enrollment in fiscal years 2013-14 and 2014-15. Beginning in fiscal year 2015-16, a school district’s percentage of unduplicated EL/LI students is based on a rolling average of such district’s EL/LI enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

(4) As of June 2020, reflects P-2 data.

(5) Reflects projected ADA and enrollment.

(6) Due to the COVID pandemic, attendance reporting was not required in fiscal year 2020-21 and ADA was based on fiscal year 2019-20 figures. [Fiscal year 2021-22 reflects current year projected ADA and enrollment figures post-COVID.]

Developer Fees

The District is adjacent to three other counties – Los Angeles County lies west of the District, Riverside County lies south of the District, and Orange County lies southwest of the District. Development is occurring and being planned in five different areas within the District’s boundaries, including the unincorporated portion of the County, the City of Chino, the City of Chino Hills, the City of Ontario and the County’s Agricultural Preserve. The District receives Developer Fees per square foot pursuant to Education Code Section 17620. As of July 1, 2023, Developer Fees within the District are \$4.79 per square foot for residential housing and \$0.78 per square foot for commercial or industrial development. As of Fiscal Year 2022-23, the District collected \$5.2 million in developer fees and has budgeted developer fee collections of \$[___ million][update] for Fiscal Year 2023-24.

Significant Accounting Policies and Audited Financial Statements

The California State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 school districts. Financial transactions are accounted for in accordance with the California School Accounting Manual. Eide Bailly LLP serves as independent auditors to the

District and their report for the Fiscal Year Ended June 30, 2023, is attached hereto as APPENDIX C. The District's auditors have not specifically approved the inclusion of such report herewith.

California Assembly Bill 1200 ("A.B. 1200"), effective January 1, 1992, tightened the budget development process and interim financial reporting for school districts, enhancing the authority of the county schools superintendents' offices and establishing guidelines for emergency State aid apportionments. Many provisions affect District operations directly, while others create a foundation from which outside authorities (primarily state and county school officials) may impose actions on the District. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the county office of education 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 office of education reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years. A negative certification is assigned to any school district that will be unable to meet its financial obligations for the remainder of the fiscal year or subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or two subsequent fiscal years. Each certification is based on then current projections. The District received positive certifications from the San Bernardino County Office of Education for its fiscal year 2021-22 and 2022-23 interim reports. Independently audited financial reports are prepared annually conforming 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. For the District's most recent available audited financial statements, see "APPENDIX C."

The District's General Fund finances the legally authorized activities of the District for which restricted funds are not provided. General Fund revenues are derived from such sources as State fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District has not requested its auditor to provide any review or update of such financial statements in connection with their inclusion in this Official Statement. The District's audited financial statements for prior and subsequent fiscal years can be obtained by contacting the District at 5130 Riverside Drive, Chino, California 91710, telephone (909) 628-1201. A fee may be imposed for copies and postage.

The District submitted a request for extension to file its audited financial statements for fiscal year 2022-23 with the California Department of Education ("CDE") due to the State's delay in processing J-13 waivers (attendance waivers accounting for inclement weather in fiscal year 2022-23) and ESSER II/III capital expenditure applications. [The District expects such request for extension to be approved by the CDE, and for its audited financial statements for fiscal year 2022-23 to be received by the Board on February 15, 2024.]

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General Fund

The following table describes the District's audited financial results for the fiscal years 2018-19 through 2022-23.

CHINO VALLEY UNIFIED SCHOOL DISTRICT GENERAL FUND⁽¹⁾⁽²⁾ Audited Financial Results for Fiscal Years 2018-19 through 2022-23

	Fiscal Year <u>2018-19</u>	Fiscal Year <u>2019-20</u>	Fiscal Year <u>2020-21</u>	Fiscal Year <u>2021-22</u>	Fiscal Year <u>2022-23</u>
REVENUES					
LCFF Sources	\$247,229,949	\$252,857,260	\$253,668,542	\$264,992,495	\$294,844,114
Federal revenues	12,007,743	11,200,541	29,717,730	41,091,969	32,774,651
Other State revenues	40,221,325	28,772,933	39,235,598	41,735,537	85,053,466
Other local revenues	<u>17,047,722</u>	<u>18,311,400</u>	<u>15,503,788</u>	<u>18,887,521</u>	<u>27,639,070</u>
TOTAL REVENUES	\$316,506,739	\$311,142,134	\$338,125,658	\$366,707,522	\$440,311,301
EXPENDITURES					
Instruction	\$191,006,091	\$187,626,045	\$194,896,132	\$216,592,715	\$224,544,463
Instruction-Related Activities:					
Supervision of instruction	9,194,511	10,050,053	9,525,169	10,405,361	13,422,130
Instructional library, media and Technology	7,907,980	7,688,828	5,844,760	7,718,795	6,552,213
School site administration	21,624,636	21,828,890	21,525,348	22,823,957	25,787,746
Pupil Services					
Home-to-school transportation	5,998,426	6,602,174	4,916,299	7,753,697	8,174,995
Food services	1,830	717	773,798	1,984	22,399
All other pupil services	18,924,620	19,572,461	20,989,588	23,722,002	26,830,019
General Administration					
Data processing	574,195	397,624	394,419	404,991	384,112
All other administration	12,408,481	11,191,367	12,690,406	12,087,503	16,250,179
Plant Services	24,168,774	25,133,078	28,407,893	30,102,716	38,561,699
Facility Acquisition and Construction	1,730,433	3,836,268	4,225,299	17,400,209	9,166,549
Ancillary Services	4,427,126	3,819,230	2,909,638	3,984,663	4,429,446
Community Services	1,054,638	1,096,955	855,061	910,496	1,092,236
Other Outgo	4,740,171	4,080,093	4,156,560	4,436,014	4,383,183
Enterprise Services	1,804,514	1,757,652	1,186,697	1,409,870	2,123,849
Debt Service					
Principal	205,004	165,891	374,493	621,664	600,586
Interest and other	<u>1,376</u>	<u>-</u>	<u>-</u>	<u>49,407</u>	<u>33,022</u>
TOTAL EXPENDITURES	\$305,762,806	\$304,847,326	\$313,671,560	\$360,426,044	\$382,358,826
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,743,933	6,294,808	24,454,098	6,281,478	57,952,475
NET FINANCING SOURCES (USES)	<u>(109,554)</u>	<u>(200,000)</u>	<u>(1,427,728)</u>	<u>(2,609,800)</u>	<u>(5,016,614)</u>
NET CHANGE IN FUND BALANCE	\$10,634,379	\$ 6,094,808	\$23,026,370	\$ 3,671,678	\$52,935,861
BEGINNING FUND BALANCE	\$85,921,889	\$ 96,556,268	\$102,651,076	\$125,677,446	\$129,349,124
ENDING FUND BALANCE	<u>\$96,556,268</u>	<u>\$102,651,076</u>	<u>\$125,677,446</u>	<u>\$129,349,124</u>	<u>\$182,284,985</u>

(footnotes on next page)

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ For financial reporting purposes, the audited financial statements include Fund 20 in the total. The interfund transfer between Fund 01 and Fund 20 in 2020-21 gets eliminated as a result of the consolidation.

Source: The District

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Adopted and 2nd Interim Budget

The following table describes the District's General Fund Adopted Budgets for the fiscal years 2019-20 through 2023-24, along with the 2023-24 Second Interim Budget.

CHINO VALLEY UNIFIED SCHOOL DISTRICT					
2019-20 through 2023-24 General Fund Adopted Budgets ⁽¹⁾⁽²⁾ and Second Interim Budget for 2023-24 ⁽¹⁾⁽³⁾					
	2019-20	2020-21	2021-22	2022-23	2023-24
	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>
BEGINNING FUND BALANCE	\$ 88,042,537	\$97,620,900	\$98,795,517	\$86,320,671	\$114,590,576
REVENUES					
LCFF Sources	\$249,944,552	\$230,337,851	\$266,403,147	\$280,315,284	\$310,210,483
Federal Revenues	11,991,433	23,770,869	28,985,315	39,232,359	31,692,706
Other State Revenues	21,349,927	7,919,316	29,965,676	35,468,554	45,132,902
Other Local Revenues	<u>13,089,834</u>	<u>16,764,344</u>	<u>16,328,246</u>	<u>20,592,534</u>	<u>21,403,578</u>
Total Revenues	\$296,375,766	\$278,792,380	\$341,682,384	\$375,608,731	\$408,439,669
EXPENDITURES					
Certificated Salaries	\$137,903,880	\$142,914,934	\$152,885,083	\$156,754,436	\$158,713,346
Classified Salaries	41,907,298	44,359,183	45,344,058	48,522,581	53,153,214
Employee Benefits	73,239,738	61,335,231	84,120,952	92,503,832	92,634,952
Books and Supplies	21,711,233	23,901,660	32,998,541	58,943,198	81,975,664
Services and Operating Expenditures	31,656,174	28,010,521	29,395,353	27,463,951	33,177,470
Capital Outlay	2,548,620	14,281	13,017,383	5,816,000	19,442,995
Other Transfers	4,918,359	4,621,896	4,712,121	4,848,768	5,046,550
Direct Support/Indirect Costs	<u>(482,779)</u>	<u>(482,498)</u>	<u>(482,891)</u>	<u>(278,403)</u>	<u>(281,214)</u>
Total Expenditures	\$313,402,523	\$304,675,208	\$361,990,600	\$394,574,363	\$443,862,977
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$(17,026,757)	\$(25,882,828)	\$(20,308,216)	\$(44,375,113)	\$(64,277,789)
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	300,000	300,000	5,800,000	25,409,481	28,854,481
Other Sources (Uses)	-	-	-	-	-
Contributions	-	-	-	-	-
Total Other Sources (Uses)	<u>\$(300,000)</u>	<u>\$(300,000)</u>	<u>\$(5,800,000)</u>	<u>\$(25,409,481)</u>	<u>\$(28,854,481)</u>
NET INCREASE (DECREASE) IN FUND BALANCE	(17,326,757)	(26,182,828)	(26,108,216)	(44,375,113)	(64,277,789)
ENDING FUND BALANCE	\$ 70,715,780	\$ 71,438,072	\$72,687,301	\$41,945,558	\$50,312,787

⁽¹⁾ Totals may not add due to rounding.

⁽²⁾ Adopted Budgets are based on Estimated Actuals of the prior year. This table shows the District's adopted General Fund budget in June of each year.

⁽³⁾ 2023-24 Second Interim Budget reflects actual activities through January 31, 2024.]

Source: The District.

State Pension Trusts; Retirement System

The following information on PERS and STRS (as defined below) has been obtained from publicly available sources and has not been independently verified by the District, is not guaranteed as to the accuracy or completeness of the information and is not to be construed as a representation by the District, the Underwriter or the Municipal Advisor. Furthermore, the summary data below should not be read as current or definitive, as recent losses on investments made by the retirement systems generally may have increased the unfunded actuarial accrued liabilities stated below.

The assets and liabilities of the funds administered by PERS and STRS, as well as certain other retirement funds administered by the State, are included in the financial statements of the State for the year ended June 30, 2022 as fiduciary funds. Both PERS and STRS have unfunded actuarial accrued liabilities in the tens of billions of dollars. The amount of unfunded actuarially accrued liability will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution.

STRS and PERS each issue separate comprehensive annual financial reports that include financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from STRS, P.O. Box 15275, Sacramento, California 95851-0275 and copies of the PERS annual financial report and actuarial valuations may be obtained from the PERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information presented in these reports is not incorporated by reference in this Official Statement.

STRS. The District participates in the California State Teachers' Retirement System ("STRS"). STRS is a defined benefit plan that covers all full-time certificated employees and some classified employees, which are employees employed in a position that does not require a teaching credential from the State. STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program (the "STRS Defined Benefit Program"). The STRS Defined Benefit Program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. Benefit provisions are established by State legislation in accordance with the State Teachers' Retirement Law. STRS is operated on a Statewide basis and, based on publicly available information, has substantial unfunded liabilities. Additional funding of STRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282.

As part of the 2014-15 State Budget, the Legislature enacted AB 1469 (Chapter 47, Statutes of 2014) ("AB 1469"), a comprehensive funding solution intended to eliminate the projected STRS unfunded liability on the STRS Defined Benefit Program by 2046. Under AB 1469, the funding plan began in Fiscal Year 2014-15 and will be phased in over several years. The employer contribution rate increased by 1.85% of covered payroll annually beginning July 1, 2015 and will continue to increase until the employer contribution rate is 19.10% of covered payroll. Beginning in Fiscal Year 2021-22 through Fiscal Year 2045-46, AB 1469 authorizes the STRS Board to adjust the employer contribution up or down 1 percentage point each year, but no higher than 20.25% total and no lower than 8.25%, to eliminate the remaining unfunded obligation that existed on July 1, 2014.

In addition, the STRS Board is authorized to modify the percentages paid by employers and employees for Fiscal Year 2021-22 and each fiscal year thereafter in order to eliminate STRS' unfunded liability by June 30, 2046 based upon actuarial recommendations. The STRS Board would also have the authority to reduce employer and State contributions if they are no longer necessary.

The actuarial assumptions and methods adopted by the STRS Board for funding the STRS Defined Benefit Program include: the “Entry Age Normal Cost Method”, with the actuarial gains/losses and the unfunded actuarial obligation amortized over a closed period ending June 30, 2046, an assumed 7.25% investment rate of return (net of investment and administrative expenses) for Fiscal Year 2015-16 and a 7.00% investment rate of return (net of investment and administrative expenses) for Fiscal Year 2016-17, an assumed 3.00% interest on member accounts (based on the STRS Board’s short-term interest crediting policy), projected 3.50% general wage growth, of which 2.75% is due to inflation and 0.75% is due to expected gains in productivity, and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases.

Based on the multi-year STRS Experience Analysis (spanning from July 1, 2015, through June 30, 2018) (the “2020 Experience Analysis”), on January 31, 2020, the STRS Board adopted a new set of actuarial assumptions that were first reflected in the STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2019 (the “2019 STRS Actuarial Valuation”). While no changes were made to the actuarial assumptions discussed above, which were established as a result of the 2017 Experience Study, certain demographic changes were made, including: (i) lowering the termination rates to reflect a continued trend of lower than expected teachers leaving their employment prior to retirement, and (ii) adopting changes to the retirement rates for both employees hired before the Implementation Date and after the Implementation Date to better reflect the anticipated impact of years of service on retirements. The 2019 STRS Actuarial Valuation continues using the Entry Age Normal Actuarial Cost Method.

The STRS Defined Benefit Program Actuarial Valuation, as of June 30, 2022 (the “2022 STRS Actuarial Valuation”) reports that the unfunded actuarial obligation decreased by approximately \$1.17 billion since the STRS Defined Benefit Program Actuarial Valuation as of June 30, 2021 (the “2021 STRS Actuarial Valuation”) and the funded ratio increased by 1.4% to 74.4% over such time period. The increase in the funded ratio is primarily due to the recognition of deferred investment gains from prior years, primarily the investment gain from Fiscal Year 2020-21.

According to the 2022 STRS Actuarial Valuation, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be approximately sufficient to finance its obligations and the unfunded actuarial obligation is projected to be amortized by June 30, 2046, with a projected ending funded ratio of 100.3%. This finding assumes adjustments to contribution rates in line with the funding plan and policies adopted by the STRS Board, a 7.00% investment rate of return and the future recognition of the currently deferred asset gains.

The actuary for the STRS Defined Benefit Program notes in the 2022 STRS Actuarial Valuation that the decrease in unfunded actuarial obligation represents a net actuarial gain of \$1.273 billion since the unfunded actuarial obligation was expected to be \$89.825 billion based on the 2021 STRS Actuarial Valuation. Although the 2022 STRS Actuarial Valuation notes that the current assumptions underlying the results of the actuarial valuation provide a reasonable estimate of future expectations, future experience can differ from such assumptions to some extent. There are a number of factors that affect future valuation results, and differences between actual experience and assumption for these factors will likely cause increases or decreases in the plan’s future funding level and calculated supplemental contribution rates. Of such factors, the one with the greatest potential risk is future investment returns, while payroll variation can also have a significant impact on valuation results.

On July 29, 2022, after the release of the 2021 STRS Actuarial Valuation, STRS reported a negative 1.3% net return on investments for Fiscal Year 2021-22, which is STRS’ first negative return on investments since Fiscal Year 2008-09. The negative 1.3% net return on investments is less than the assumed annual rate of return on investments of 7.00%. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District

cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to STRS will not significantly increase in the future.

The STRS Board established the employer contribution rates applicable for the period July 1, 2023 to June 30, 2024, based on the 2022 STRS Actuarial Valuation and STRS Employer Directive 2023-03, dated June 2, 2023. The contribution rate for Fiscal Year 2023-24 is 19.10%.

The District's employer contributions to STRS for Fiscal Years ended June 30, 2020 through June 30, 2023 (together with the projection for Fiscal Year ended June 30, 2024) are set forth in the table below, and equal 100 percent of the required contributions for each year. See APPENDIX C – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 for additional information.

CHINO VALLEY UNIFIED SCHOOL DISTRICT STRS CONTRIBUTIONS

Fiscal Years Ended June 30	District Employer Contributions
2020	\$ 40,793,531
2021	37,020,641
2022	42,341,665
2023	44,769,935
2024 ⁽¹⁾	45,769,260

⁽¹⁾ Projected.

Source: The District

PERS. The District also participates in the State Public Employees' Retirement System ("PERS"). PERS is a defined benefit plan that covers classified personnel who work four or more hours per day. Benefit provisions are established by State legislation in accordance with the Public Employees' Retirement Law. The contribution requirements of the plan members are established by State statute. The actuarial methods and assumptions used for determining the rates are based on those adopted by Board of Administration of PERS (the "PERS Board").

Active plan miscellaneous members hired on or before December 31, 2012 are required to contribute 7.0% of their monthly salary and those hired on or after January 1, 2013 are required to contribute 8.0% of their monthly salary (effective July 1, 2022). The required contribution rate is the difference between the actuarially determined rate and the contribution rate of employees. The actuarial methods and assumptions used for determining the rates are based on those adopted by the PERS Board. School districts are currently required to contribute to PERS at an actuarially determined rate, which was 11.847%, 13.888% and 15.531% of eligible salary expenditures for Fiscal Years 2015-16, 2016-17 and 2017-18 respectively, 18.062% of eligible salary expenditures for Fiscal Year 2018-19 and 19.721% of eligible salary for Fiscal Year 2019-20. The Fiscal Year 2020-21 State Budget redirected State funding paid to PERS in Fiscal Year 2019-20 towards long-term unfunded liabilities to reduce employer contribution rates in Fiscal Years 2020-21 and 2021-22. As a result, the PERS employer contribution rate was 20.7% in Fiscal Year 2020-21 and 22.91% in Fiscal Year 2021-22. The State's supplanting payments made under this redirection of funding expired at the end of Fiscal Year 2021-22. The CalPERS employer contribution rate was 25.37% for Fiscal Year 2022-23. The CalPERS employer contribution rate is 26.68% for Fiscal Year 2023-24.

The District participates in the PERS Schools Pool Plan. According to the PERS Schools Pool Actuarial Valuation as of June 30, 2022 (the “2022 PERS Schools Pool Actuarial Valuation”) for the PERS Schools Pool Plan, the actuarial funding method used is the “Entry Age Actuarial Cost Method.” The 2022 PERS Schools Pool Actuarial Valuation assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2022 PERS Schools Pool Actuarial Valuation reflects a discount rate of 6.80% compounded annually (net of investment and administrative expenses) as of June 30, 2022.

According to the 2022 PERS Schools Pool Actuarial Valuation, the funded ratio is 67.9% on a market value of assets basis, demonstrating a decrease of 10.4% from the funded ratio of 78.3% reported in the PERS Schools Pool Actuarial Valuation as of June 30, 2021. This decrease is mainly due to investment return in Fiscal Year 2021-22 being lower than expected. In the 2022 PERS Schools Pool Actuarial Valuation, the employer contribution rate for Fiscal Year 2024-25 is projected to be 27.8%, the contribution rate for Fiscal Year 2025-26 is projected to be 28.5%, the contribution rate for Fiscal Year 2026-27 is projected to be 28.9%, the contribution rate for Fiscal Year 2027-28 is projected to be 30.3%, and the contribution rate for Fiscal Year 2028-29 is projected to be 30.1%. The projected contribution rates in the 2022 PERS Schools Pool Actuarial Valuation assume an investment return of 6.80% each year, net of investment and administrative expenses. The projections assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits or funding will occur during the projection period.

The 2022 PERS Schools Pool Actuarial Valuation notes that the investment return for Fiscal Year 2021-22 was approximately negative 6.1% reduced for administrative expenses, which is lower than the assumed annual rate of return on investments of 6.8% and is PERS’ first negative return on investments since Fiscal Year 2008-09. This negative return led to an investment loss, in part generating new unfunded liability and increasing the unfunded liability component of the required employer contribution rate to be amortized over the next 20 years. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2022 PERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District’s required contributions to PERS will not significantly increase in the future. On July 19, 2023, PERS reported a 5.8% preliminary net return on investments for Fiscal Year 2022-23.

The District’s employer contribution to PERS for Fiscal Years ended June 30, 2020 through June 30, 2023 (together with the projection for Fiscal Year ended June 30, 2024) are set forth in the table on the next page, and equal 100 percent of the required contributions for each year. See APPENDIX C – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 for additional information.

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
PERS CONTRIBUTIONS**

Fiscal Years Ended June 30	District Employer Contributions
2020	\$8,166,449
2021	8,521,946
2022	9,840,754
2023	12,383,255
2024 ⁽¹⁾	14,167,263

⁽¹⁾ Projected.

Source: The District

Both PERS and STRS are operated on a Statewide basis and, based on available information, both PERS and STRS have unfunded actuarial accrued liabilities. (Additional funding of STRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282.) The amounts of the pension/award benefit obligation (PERS) or actuarially accrued liability (STRS) will vary from time to time depending upon actuarial assumptions, rates of return on investments, salary scales, and levels of contribution. The District is unable to predict what the amount of liabilities will be in the future, or the amount of the contributions which the District may be required to make.

California Public Employees' Pension Reform Act of 2013. The Governor signed the California Public Employee's Pension Reform Act of 2013 (the "Reform Act") into law on September 12, 2012. The Reform Act affects both STRS and PERS, most substantially as they relate to new employees hired after January 1, 2013 (the "Implementation Date"). As it pertains to STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2% "age factor" (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety PERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

The Reform Act also implements certain other changes to PERS and STRS including the following:

- (a) all new participants enrolled in PERS and STRS after the Implementation Date are required to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary,
- (b) STRS and PERS are both required to determine the final compensation amount for employees based upon the highest annual compensation earnable averaged over a consecutive 36-month period as the basis for calculating retirement benefits for new participants enrolled after the Implementation Date (currently 12 months for STRS members who retire with 25 years of service), and
- (c) "pensionable compensation" is capped for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution and benefit base for members participating in Social Security or 120% for STRS and PERS members not participating in social security.

GASB Statement Nos. 67 and 68

In June 2012, the Governmental Accounting Standards Board (“GASB”) approved two related statements that change how State and local governments report and account for the pension benefits provided to their employees. Statement No. 67, “Financial Reporting for Pension Plans,” addresses financial reporting for state and local government pension plans and Statement No. 68, “Accounting and Financial Reporting for Pensions,” establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. The guidance contained in these Statements will change how governments calculate and report the costs and obligations associated with pensions and are designed to improve the reporting of pension information while increasing the transparency, consistency, and comparability of pension information across governments. The Statements relate only to accounting and financial reporting and do not extend to how governments approach pension plan funding. Governments will now report a pension liability on the face of their financial statements. Previously, the difference between a government’s total pension obligation and assets available for benefits — often called the unfunded liability — was disclosed in notes, but did not appear on the face of the financial statements. The reporting requirements for pension plans took effect for the fiscal year beginning July 1, 2013 and the reporting requirements for government employers, including the District, took effect for the fiscal year beginning July 1, 2014.

For more information, see the fiscal year ended June 30, 2023 audited financial statements of the District included in Appendix C hereto.

Post-Employment Benefits

In June 2004, the Governmental Accounting Standards Board (“GASB”) pronounced Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions. The pronouncement required public agency employers providing other postemployment benefits (“OPEB”) to retirees to recognize and account for the costs for providing these benefits on an accrual basis and provide footnote disclosure on the progress toward funding the benefits (“GASB 45”). In June 2015, GASB issued Statement Nos. 74 and 75, respectively, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pension Plans and Pensions, respectively*. The objectives of these statements are to (i) improve the usefulness of information related to postemployment benefits other than pensions (other postemployment benefits or “OPEB”) included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability and (ii) improve accounting and financial reporting by State and local governments for OPEB, respectively. GASB Statement No. 74 replaces Statements No. 43 and 57 and Statement No. 75 replaces GASB Statement No. 45.

The Medicare Premium Payment (“MPP”) Program is a cost-sharing multiple-employer other postemployment benefit plan. STRS administers the MPP Program, through the Teachers’ Health Benefit Fund. The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the Defined Benefit Program who were retired or been receiving a disability allowance prior to July 1, 2012, and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services on a monthly basis. The District’s proportionate share of the net MPP Program OPEB liability of \$1,270,729 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021. See APPENDIX C – “AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

The District's total OPEB liability of \$48,401,644 for the Plan (defined below) was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021. The District transferred \$61.9 million to its Fund 20 in fiscal year 2020-21 through fiscal year 2022-23 to address its OPEB liability.

Annual OPEB Cost and Net OPEB Obligation

The District's defined benefit OPEB plan (the "Plan") provides OPEB for eligible certificated, classified, and management employees of the District. The authority to establish and amend the benefit terms and financing requirements are governed by collective bargaining agreements with plan members. See APPENDIX C – AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 for additional information.

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of the benefits is covered by the Plan. The Governing Board has the authority to establish and amend the benefit terms as contained with the negotiated labor agreements. As of June 30, 2021, the valuation date, there were 2,312 plan participants total, with 194 of those plan participants being inactive employees or dependents receiving benefits, and the remaining 2,118 plan participants being active employees.

Long Term Liabilities other than OPEB and Pensions

A schedule of the District's changes in long-term debt for the year ended June 30, 2023 is shown below:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due Within One Year
General obligation bonds	\$682,369,867	\$2,074,351	\$(7,000,000)	\$677,444,218	\$10,160,000
Unamortized debt premiums	42,364,310	-	(2,717,780)	39,646,530	-
Leases	968,178	477,603	(641,915)	803,866	481,697
Financed purchase agreements	1,147,339	-	(232,495)	914,844	234,670
Compensated absences	3,219,647	358,858	-	3,578,505	-
Claims liability	29,420	14,939	(19,877)	24,482	19,877
	<u>\$730,098,761</u>	<u>\$2,925,751</u>	<u>\$(10,612,067)</u>	<u>\$722,412,445</u>	<u>\$10,896,244</u>

Source: The District

See "APPENDIX C" herein for more detailed information regarding the District's long-term liabilities.

Leases

The District has entered into agreements to lease various portable buildings and equipment. As of June 30, 2023, the District recognized right-to-use assets totaling \$836,611 and lease liabilities totaling \$803,866 related to these agreements. The District is required to make principal and interest payments through January 2027 and the lease agreements have a discount rate of 4.0%.

The remaining principal and interest payment requirements for the lease obligation debt as of June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$481,697	\$27,320	\$509,017
2025	281,849	11,175	293,024
2026	<u>40,320</u>	<u>404</u>	<u>40,724</u>
	\$803,866	\$38,899	\$842,765

Source: The District

The District may enter into additional lease obligations.

FUNDING OF SCHOOL DISTRICTS IN CALIFORNIA

State Budget Process

General. The District's operating income consists primarily of two components: a State portion funded from the State's general fund and a locally-generated portion derived from the District's share of the 1% local *ad valorem* property tax authorized by the State Constitution. School districts may be eligible for other special categorical funding, including for State and federal programs. The District received approximately \$294.8 million or 67% of its General Fund revenues from the State (comprised of LCFF (as defined herein) and other State Revenue), for Fiscal Year 2022-23. For Fiscal Year 2023-24, the District budgeted to receive approximately 75% or \$310.8 million General Fund revenues from the State. Accordingly, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect District operations. Job losses and recession may affect State revenues and in turn, State funding of schools.

State funding is guaranteed to a minimum level for school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs under "Proposition 98," a constitutional and statutory initiative 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). See "CONSTITUTIONAL AND STATUTORY INITIATIVES – Proposition 98" herein.

The State's Proposition 98 funding mandate normally commands about 45% of all State general fund revenues. Because education funding constitutes such a large part of the State's general fund expenditures, it is at the heart of annual budget negotiations and adjustments.

Adoption of Annual State Budget. According to the State Constitution, the Governor of the State (the "Governor") must propose a budget to the State Legislature no later than January 10 of each year. Under an initiative constitutional amendment approved by the State's voters on November 2, 2010 as "Proposition 25," a final budget must be adopted by a simple majority vote (rather than a two-third majority, as was the case prior to the passage of Proposition 25) of each house of the Legislature no later than June 15, although this deadline has been routinely breached in the past. (Tax increases continue to require a two-thirds majority vote.) The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. 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.

Prior to the passage of Proposition 25, there were instances where the State Legislature failed to pass a budget in a timely fashion, and the District cannot predict what circumstances may cause a similar failure in future years. In each year where the State budget lags adoption of the District's budget, it will be necessary for the District's staff to review the consequences of the changes, if any, at the State level from the proposals in the Governor's May Revision for that year, and determine whether the District's budget will have to be revised. The District cannot predict the final outcome of State budget negotiations, the impact future State budgets will have on District finances and operations or what actions the State Legislature and the Governor may take to respond to changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors which the District cannot control.

Court Decision on State Payments Pending Budget Adoption. When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each 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. The Controller has posted guidance as to what can and cannot be paid during a budget impasse at its website: www.sco.ca.gov (such website is not incorporated herein by reference). Should the Legislature fail to pass the 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 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 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 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 more accurate information regarding the various factors becomes available. The guaranteed amount will generally 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 a "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 State Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as a "maintenance factor."

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 temporarily deferring apportionments of Proposition 98 funds one Fiscal Year to the next; by permanently deferring the year-end apportionment from June 30 to July 2; by suspending Proposition 98, and by proposing to amend the Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District's principal funding formulas and revenue sources are derived from the budget of the State of California. **The following information concerning the State of California's budgets has been obtained from publicly available information which the District believes to be reliable; however, the State has not entered into any contractual commitment with the District, the County, the Underwriter, Bond Counsel and Disclosure Counsel nor the Owners of the Bonds to provide State budget information to the District or the owners of the Bonds. Additional information regarding State budgets is available at various State-maintained websites including www.dof.ca.gov, which website is not incorporated herein by reference.**

2023-24 State Budget. On June 27, 2023, Governor Newsom signed into law the Fiscal Year 2023-24 State Budget (the “2023-24 Budget”). The 2023-24 Budget totals approximately \$310.8 billion while closing a shortfall of more than \$30 billion. The 2023-24 Budget does not draw from the reserves to close the shortfall, but rather includes an increase of \$600 million to the reserve account compared to the amount expected to be set aside pursuant to the May Revision. The 2023-24 Budget includes \$37.8 billion in budgetary reserves, which include: \$22.3 billion in the Budget Stabilization Account (the “Rainy Day Fund”) for fiscal emergencies; \$10.8 billion in the Public School System Stabilization Account (“PSSSA”) (the “rainy-day” fund used to lessen the impact of State revenue volatility on K-12 schools and community colleges); \$900 million in the Safety Net Reserve (used to maintain benefits and services for CalWORKs and Medi-Cal participants during economic downturns); and \$3.8 billion in the State’s operating reserve. The Rainy Day Fund is now at its constitutional maximum (10 percent of General Fund revenues).

The Fiscal Year 2022-23 winter atmospheric river storms caused a tax filing delay by the Internal Revenue Service (and a conforming State delay) affecting over 99 percent of the State’s tax filers in 55 of the State’s 58 counties. As a result, the 2023-24 Budget projects a delay of \$42 billion in tax receipts into October 2023 – \$28.4 billion from personal income tax and \$13.3 billion from corporation tax – representing nearly one-fourth of the 2022-23 Fiscal Year’s total projected personal income tax, and nearly one-third of the 2022-23 Fiscal Year’s corporation tax. The 2023-24 Budget closes the \$31.7 billion shortfall through fund shifts (\$9.3 billion), reductions and pullbacks (\$8.1 billion), funding delays (\$7.9 billion), revenue and internal borrowing (\$6.1 billion) and trigger reductions (\$340 million).

K-12 Funding and Proposition 98 Guarantee. The 2023-24 Budget includes total funding of \$129.2 billion (\$79.5 billion General Fund and \$49.7 billion other funds) for all K-12 education programs. The 2023-24 Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the Local Control Funding Formula (“LCFF”), special education, transitional kindergarten, nutrition, and preschool. Proposition 98 funding for Fiscal Year 2023-24 is approximately \$108.3 billion for K-12 public schools and community college districts.

Rainy Day Fund. The 2023-24 Budget includes payments of approximately \$4.8 billion, \$1.8 billion, and \$902 million into the PSSSA for Fiscal Years 2021-22, 2022-23, and 2023-24, respectively, for a balance of more than \$10.8 billion at the end of Fiscal Year 2023-24. Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the PSSSA is equal to or greater than 3 percent of the total K-12 share of the Proposition 98 Guarantee. The balance of \$9.9 billion in Fiscal Year 2022-23 triggers school district reserve caps beginning in Fiscal Year 2023-24.

Local Control Funding Formula. The 2023-24 Budget provides an LCFF cost-of-living adjustment (“COLA”) of 8.22 percent, that when combined with declining enrollment adjustments, increases year-over-year discretionary funds available to local educational agencies (“LEAs”) by approximately \$3.4 billion. The 2023-24 Budget also reflects the utilization of approximately \$1.6 billion one-time Proposition 98 General Fund to support the overall costs of the LCFF in Fiscal Year 2023-24, and provides an increase of \$80 million ongoing Proposition 98 General Fund to support county offices of education serving students in juvenile court and other alternative school settings. Also, to address and improve student group and school site equity gaps within an LEA, the 2023-24 Budget provides \$300 million ongoing Proposition 98 General Fund to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps, and \$2 million ongoing Proposition 98 General Fund to support the critical work of the new Equity Leads within the statewide system of support.

Other significant features of the 2023-24 Budget affecting K-12 public schools include the following:

- **Literacy.** The 2023-24 Budget provides \$250 million one-time Proposition 98 General Fund to build upon the existing Literacy Coaches and Reading Specialists Grant Program; requires LEAs to begin screening students in kindergarten through second grade for risk of reading difficulties by the 2025-26 school year and provides \$1 million one-time Proposition 98 General Fund to support this effort; and provides \$1 million one-time Proposition 98 General Fund to create a Literacy Roadmap to help educators navigate and use literary resources provided by the State.
- **Educator Workforce.** To further reduce barriers for those interested in entering the teaching profession, the 2023-24 Budget reflects statutory changes to:
 - Increase the Teacher and School Counselor Residency Grant Program per-candidate allocation to grantee LEAs from \$25,000 to \$40,000 to better support the successful implementation of this program and require a minimum stipend or salary of \$20,000 be provided to residents to better enable them to afford to pursue this exemplary pathway.
 - Allow residency candidates to complete their service requirements in eight years instead of five years, and provide flexibility for candidates to fulfill their service requirement by allowing them to teach in schools outside of their sponsoring district.
 - Allow teachers who were unable to finish their credential because they could not take the Teaching Performance Assessment during the COVID-19 pandemic to meet this requirement through completion of a Commission on Teacher Credentialing (“CTC”)-approved induction program, or through two years of satisfactory teacher evaluations.
 - Authorize the CTC to issue a comparable California credential to any U.S. military servicemember or their spouse who possesses a valid out-of-state teaching or services credential to provide instruction or services in California public schools when the candidate is relocated to California on military orders.
 - Require the CTC to evaluate how transcript reviews can be conducted to assess basic skills and subject matter competence for teaching candidates to complete their credentialing requirements without the need to take state-mandated exams to prove competence.
 - Establish the Diverse Educators Pipeline Initiative and provide \$10 million one-time Proposition 98 General Fund for grants to LEAs to provide culturally relevant support and mentorship for educators to become school administrators.
- **State Preschool.** The 2023-24 Budget appropriates the following amounts to fund any adjustments related to reimbursement for preschool providers, subject to a ratified agreement: (1) \$343.1 million Proposition 98 General Fund and \$20,000 non-Proposition 98 General Fund from Fiscal Year 2022-23; (2) \$369.3 million Proposition 98 General Fund and \$126.1 million General Fund from Fiscal Year 2023-24; and (3) \$445.7 million Proposition 98 General Fund and \$186.5 million General Fund from Fiscal Year 2024-25. The 2023-24 Budget suspends the annual COLA applicable to the State Preschool Program in Fiscal Years 2023-24 and 2024-25. Additionally, the 2023-24 Budget includes the following significant adjustments:
 - Beginning October 1, 2023, the 2023-24 Budget limits family fees to 1 percent of a family’s monthly income and prohibits fee assessment for families with an adjusted monthly income below 75 percent of the State median income. The 2023-24 Budget also authorizes State Preschool Program family fee debt accrued but remaining uncollected prior to October 1, 2023 to be forgiven.

- The 2023-24 Budget adjusts the planned ramp up of incrementally requiring State Preschool Program providers to serve at least 10 percent students with disabilities over Fiscal Years 2022-23, 2023-24 and 2024-25 by delaying Fiscal Years 2023-24 and 2024-25 to Fiscal Years 2025-26 and 2026-27.
- The 2023-24 Budget reallocates \$4.4 million non-Proposition 98 General Fund and \$5.3 million Proposition 98 General Fund from the Fiscal Year 2021-22 State Budget to continue to waive family fees from July 1, 2023 through September 30, 2023, and provides roughly \$112 million in available federal funds to provide temporary stipends for State Preschool Program employees.
- The 2023-24 Budget authorizes State Preschool Program providers to be reimbursed for each child's maximum authorized care, instead of their utilized care, from July 1, 2023 to September 30, 2023.
- ***Transitional Kindergarten.*** The 2023-24 Budget provides approximately \$357 million ongoing Proposition 98 General Fund to support the first year (2022-23 school year) of expanded eligibility for transitional kindergarten, shifting from all children turning five-years-old between September 2 and December 2 to all children turning five-years-old between September 2 and February 2. To support the second year (2023-24 school year) of expanded transitional kindergarten eligibility, shifting age eligibility from all children turning five-years-old between September 2 and February 2 to all children turning five-years-old between September 2 and April 2, the 2023-24 Budget provides approximately \$597 million ongoing Proposition 98 General Fund. Additionally, the 2023-24 Budget provides \$283 million Proposition 98 General Fund and \$165 million Proposition 98 General Fund to support the first year and second year, respectively, of adding one additional certificated or classified staff person to every transitional kindergarten class.
- ***Arts, Music, and Instructional Materials Discretionary Block Grant.*** The 2023-24 Budget decreases one-time Proposition 98 General Fund support for the Arts, Music, and Instructional Materials Block Grant by \$200 million, taking total one-time program support from approximately \$3.5 billion to approximately \$3.3 billion. The Arts and Music in Schools: Funding Guarantee and Accountability Act (Proposition 28) will provide approximately \$938 million ongoing Proposition 98 General Fund beginning in Fiscal Year 2023-24.
- ***Learning Recovery Emergency Block Grant.*** The 2023-24 Budget delays approximately \$1.1 billion one-time Proposition 98 General Fund for the Learning Recovery Emergency Block Grant to Fiscal Years 2025-26, 2026-27, and 2027-28.
- ***Zero-Emission School Buses.*** The 2023-24 Budget delays \$1 billion one-time Proposition 98 General Fund to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission to Fiscal Years 2024-25 and 2025-26.
- ***California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (FDK Program).*** The Fiscal Year 2021-22 State Budget included \$100 million one-time General Fund and reflected an additional \$550 million in Fiscal Year 2023-24 to support the FDK Program. The 2023-24 Budget delays the Fiscal Year 2023-24 planned \$550 million investment for this program to Fiscal Year 2024-25.

- ***School Facility Program.*** The 2023-24 Budget provides approximately \$2 billion one-time General Fund, which is \$100 million less than previously planned, to support the School Facility Program in Fiscal Year 2023-24.
- ***Categorical Program Cost-of-Living Adjustments.*** The 2023-24 Budget provides approximately \$556.3 million ongoing Proposition 98 General Fund to reflect an 8.22-percent COLA for specified categorical programs.
- ***Nutrition.*** The 2023-24 Budget provides an additional \$154 million ongoing Proposition 98 General Fund and an additional \$110 million one-time Proposition 98 General Fund to fully fund the universal school meals program in Fiscal Years 2022-23 and 2023-24.
- ***Bipartisan Safer Communities Act, Stronger Connections Program.*** The 2023-24 Budget provides \$119.6 million one-time federal funds to support LEA activities related to improving school climate and safety through the Stronger Connections Program.
- ***Charter School Facility Grant Program.*** The 2023-24 Budget provides a one-time investment of \$30 million Proposition 98 General Fund to support eligible facilities costs.
- ***Bilingual Teacher Professional Development Program.*** The 2023-24 Budget provides \$20 million one-time Proposition 98 General Fund, to be available through Fiscal Year 2028-29, to support the Bilingual Teacher Professional Development Program.
- ***Commercial Dishwasher Grants.*** The 2023-24 Budget provides \$15 million one-time Proposition 98 General Fund to support grants to LEAs to acquire and install commercial dishwashers.
- ***Restorative Justice Practices.*** The 2023-24 Budget provides \$7 million one-time Proposition 98 General Fund to provide support for LEAs opting to implement the restorative justice best practices that will be developed and posted on the Department of Education's website by June 1, 2024, pursuant to Chapter 914, Statutes of 2022 (AB 2598).
- ***Golden State Teacher Grant Program.*** The 2023-24 Budget provides \$6 million one-time federal funds to support grants to teacher candidates enrolled in a special education teacher preparation program who agree to teach at a high-need school site.
- ***K-12 High Speed Network.*** The 2023-24 Budget provides \$3.8 million ongoing Proposition 98 General Fund to support the K-12 High Speed Network program.
- ***Reversing Opioid Overdoses.*** The 2023-24 Budget provides \$3.5 million ongoing Proposition 98 General Fund for all middle schools, high schools, and adult school sites to maintain at least two doses of naloxone hydrochloride or another medication to reverse an opioid overdose on campus for emergency aid.
- ***After School Education and Safety Programs.*** The 2023-24 Budget provides \$3 million one-time federal funds for Save the Children, which supports after school programs in rural districts.
- ***Student Friendly Services.*** The 2023-24 Budget provides \$2 million ongoing Proposition 98 General Fund to support the California College Guidance Initiative.

- ***Social Emotional Learning Resources.*** The 2023-24 Budget provides \$1 million one-time General Fund for the community-based organization Beyond Differences to support LEAs in implementing social-emotional learning practices.

Governor’s Proposed 2024-25 State Budget. Governor Newsom released the Proposed State 2024-25 Budget (the “Proposed 2024-25 Budget”) on January 10, 2024. The Proposed 2024-25 Budget totals about \$291.5 billion, with general fund revenues projected to be \$16 billion lower than the 2023 budget act and an estimated budget gap of \$37.9 billion in Fiscal Year 2024-25. The Proposed 2024-25 Budget’s estimated budget gap is mostly due to extraordinary prior-year revenue shortfalls. The substantial decline in the stock market has driven down stock-based compensation and capital gains, impacting personal income and the tax revenue generated from income tax. Further, the delayed tax filing of November 16, 2023 by the Internal Revenue Service (and conforming State delay), which affected over 99 percent of State’s taxpayers, limited the tax and revenue data available that resulted in an abbreviated timeline to prepare the State budget.

The Proposed 2024-25 Budget does propose to draw from the State’s reserve accounts as a component to close the budget gap. In light of the withdrawal from the reserves, the State is projected to end Fiscal Year 2024-25 with available general fund reserves that include: \$11.1 billion in the Rainy Day Fund for fiscal emergencies; \$3.9 billion in the PSSSA; and \$3.4 billion in the Special Fund for Economic Uncertainties, the State’s operating reserve. The Proposed 2024-25 Budget includes draws from the reserves (\$13.1 billion), spending reductions (\$8.5 billion), borrowing internally from special funds (\$5.7 billion), funding delays (\$5.1 billion), fund shifts (\$3.4 billion), and deferrals (\$2.1 billion) to address the budget problem.

Proposition 98 Guarantee. Proposition 98 funding for Fiscal Year 2024-25 is approximately \$109.1 billion (approximately \$126.8 billion in total funding from all sources) for K-12 schools and California community colleges. Revised estimates of General Fund revenues result in notable adjustments in Proposition 98 minimum guarantees: \$98.3 billion in Fiscal Year 2022-23, \$105.6 billion in Fiscal Year 2023-24, and \$109.1 billion in Fiscal Year 2024-25, totaling a decrease of \$11.3 billion over the three-year period relative to the 2023 budget act. The Proposed 2024-25 Budget reflects a decrease of \$113 million Proposition 98 General Fund monies for school districts and county offices of education in Fiscal Year 2023-24, and a decrease of \$996 million ongoing Proposition 98 General Fund monies for school districts and county offices of education in Fiscal Year 2023-24, as a result of increased offsetting property taxes. K-12 funding per-pupil totals \$17,653 in Proposition 98 General Fund monies and \$23,519 per-pupil when accounting for all funding sources.

Rainy Day Fund. Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the PSSSA is equal to or greater than 3 percent of the total K-12 share of the Proposition 98 guarantee. The revised PSSSA of more than \$5.7 billion at the end of Fiscal Year 2023-24 continues to trigger school district reserve caps in Fiscal Year 2024-25.

Educational Revenue Augmentation Fund. Commencing in 1992, the Educational Revenue Augmentation Fund (“ERAF”) shifted property tax revenues to K-12 schools and community colleges on a per-average daily attendance basis to all non-basic aid school districts, with the intent of directing proportionally more ERAF towards districts that have less property tax revenues on a per-average daily attendance basis. Charter schools are not explicitly addressed within the ERAF distribution. The Proposed 2024-25 Budget proposed statutory changes to clarify that charter schools are eligible to receive ERAF.

LCFF and Costs of Living Adjustment. The Proposed 2024-25 Budget includes a LCFF COLA of 0.76 percent, that combined with growth adjustments, result in \$1.4 billion in additional discretionary funds for local educational agencies. To fully fund the increase, the Proposed 2024-25 Budget provides to support

ongoing LCFF costs of approximately \$2.8 billion withdrawals from the PSSSA in Fiscal Year 2023-24, \$2.2 billion withdrawals from the PSSSA in Fiscal Year 2024-25, and using available reappropriation and revision funding totaling \$38.6 million in Fiscal Year 2024-25. An increase of \$65 million ongoing Proposition 98 General Fund monies is included for specified categorical programs outside of the LCFF, including Special Education, Child Nutrition, State Preschool, Youth in Foster Care, Mandates Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.

Significant features of the Proposed 2024-25 Budget affecting K-12 schools in California include the following:

- ***Instructional Continuity.*** Proposed statutory changes to allow local education agencies to provide attendance recovery opportunities to students to make up lost instructional time, thereby offsetting student absences and mitigating learning loss and chronic absenteeism, in light of challenges such as severe climate events, illness, or other barriers that impact attendance. Additionally, the Proposed 2024-25 Budget includes \$6 million one-time Proposition 98 General Fund monies to research and develop hybrid remote learning to support students' attendance, and investigate and allow local educational agencies to report individual absences in a manner that allows for, at a minimum, local and statewide disaggregation of absences related to emergency events that prevent students from attending school.
- ***State Preschool Program.*** The California State Preschool Program provides access to subsidized preschool for income eligible three- and four-year-olds. The Proposed 2024-25 Budget includes \$53.7 million Proposition 98 General Fund monies. These are in addition to approximately \$140.6 million General Fund and \$206.3 million Proposition 98 General Fund identified in the 2023 budget act to support the recently ratified collective bargaining agreement with childcare providers.
- ***Teacher Preparation and Professional Development.*** To address teacher staffing shortages, the Proposed 2024-25 Budget includes proposals intended to improve access to the educator pipeline, including completion of bachelor's degree as satisfying the basic skills requirement. Further, to support training for educators to administer literacy screenings, as required by the 2023 budget act, the Proposed 2024-25 Budget proposes \$25 million ongoing Proposition 98 General Fund monies through the K-12 mandate block grant. To assist students meet the new mathematic framework implemented by the State Board of Education, the Proposed 2024-25 Budget proposes \$20 million one-time Proposition 98 General Fund monies for a county office of education to work with the University of California, as well as other well-qualified governmental or non-profit providers, to develop and provide training for mathematics coaches and leaders who can in turn provide training and support to math teachers to deliver high-quality instruction.
- ***School Facility Program.*** To address the estimated budget shortfall, the planned allocation and investment in the School Facility Program for Fiscal Year 2024-25 is proposed to be reduced from \$875 million to \$375 million one-time General Fund monies.
- ***Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program.*** To address the projected budget shortfall, the Proposed 2024-25 Budget delays the Fiscal Year 2024-25 planned \$550 million investment to Fiscal Year 2025-26 for the State's Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program.
- ***Zero-Emission School Buses.*** The Proposed 2024-25 Budget maintains \$500 million one-time Proposition 98 General Fund monies to support greening school bus fleets through programs

operated by the California Air Resources Board and the California Energy Commission in Fiscal Year 2024-25.

- ***Curriculum-Embedded Performance Tasks for Science.*** An increase of \$7 million one-time Proposition 98 General Fund monies to support inquiry-based science instruction and assessment through the development of a bank of curriculum-embedded performance tasks. Once developed, these performance tasks will be used to develop and measure a student's science subject matter knowledge and critical thinking skills through real world investigations and simulations.
- ***Cradle-to-Career Data System.*** An increase of \$5 million ongoing Proposition 98 General Fund monies to support the California College Guidance Initiative.
- ***Nutrition.*** An increase of \$122.2 million ongoing Proposition 98 General Fund monies to fully fund the universal school meals program in Fiscal Year 2024-25. Over 845 million meals are projected to be served through this program in Fiscal Year 2024-25.
- ***Broadband Infrastructure Grant.*** An increase of \$5 million one-time non-Proposition 98 General Fund monies to extend the program through 2029. The initial funding for this program was one-time through June 30, 2024. In addition to providing fiber broadband connectivity to the most poorly connected school sites, this funding would also be available for joint projects connecting schools, local libraries and telehealth providers to high-speed fiber broadband.
- ***K-12 High Speed Network.*** An increase of \$3.2 million ongoing Proposition 98 General Fund monies to support the K-12 High Speed Network program.
- ***Parks Access.*** An increase of \$2.1 million ongoing Proposition 98 General Fund monies for a county office of education to enable fourth graders attending public schools to access California state parks.
- ***Inclusive College Technical Assistance Center.*** An increase of \$2 million ongoing Proposition 98 General Fund monies to establish a Technical Assistance Center to: assist local educational agencies with the development and submittal of federal comprehensive transition and postsecondary program applications, so that students can apply for the Free Application for Federal Student Aid; facilitate collaboration between local educational agencies and institutions of Higher Education to support students, including those with intellectual disabilities, and their parents to plan for postsecondary transition; and assist local educational agencies with the identification of potential funding sources and student financial assistance opportunities.
- ***Homeless Education Technical Assistance Centers.*** An increase of \$1.5 million ongoing Proposition 98 General Fund monies to maintain support for Homeless Education Technical Assistance Centers that were first established through the American Rescue Plan Act's, Homeless Children and Youth Program.
- ***State Special Schools Infrastructure Support.*** An increase of \$3.4 million General Fund, of which \$380,000 is ongoing, to replace critical servers, maintain warranty coverage for network infrastructure, and refresh laptops, tablets, and workstations for students and staff at the State Special Schools and Diagnostic Centers.

Legislative Analyst's Comments on the Proposed 2024-25 Budget. On January 13, 2024, the Legislative Analyst's Office ("LAO") offered initial comments on the Proposed 2024-25 Budget. In light of the policy changes and reductions in spending, the LAO observes that the administration has solved a larger budget problem at \$58 billion, which is roughly \$10 billion lower than the LAO's initial fiscal outlook estimate. The largest of these policy changes impacts schools and community colleges – down \$14.3 billion over the budget window. The Governor's budget solutions focus on spending and nearly all are one-time and temporary. Spending-related solutions (including both school and community college spending and other spending) total \$41 billion and represent nearly three-quarters of the total solutions. In addition, the Governor's budget includes \$13 billion in reserve withdrawals, which represent nearly one-quarter of the total; \$4 billion in cost shifts; and about \$400 million in revenue-related solutions. The Proposed 2024-25 Budget's revenue projections is \$15 billion higher than the LAO's fiscal outlook, and while it is plausible, the LAO cautions it is optimistic. Although the reserve withdrawals are reasonable and spending-related solutions is warranted, the LAO states that the Proposed 2024-25 Budget lacks a plan for implementing proposed reductions to schools and community colleges, and some other solutions are unlikely to yield the anticipated savings. Further, the State faces significant deficits in the coming years, likely necessitating difficult decisions in the future, such as reductions to core services and/or revenue increases.

The Proposed 2024-25 Budget runs the risk of understating the degree of fiscal pressure facing the State in the future. To mitigate these challenges, the LAO recommends the legislature develop this year's budget with a focus on future years. Specifically, the legislature should: (1) plan for lower revenues, (2) maintain a similar reserve withdrawal, (3) develop a plan for school and community college funding, (4) maximize reductions in one-time spending, and (5) apply a higher bar for any discretionary proposals and contain ongoing service level.

The LAO will continue to publish their analysis of the Proposed 2024-25 Budget as they continue to receive and review information regarding portions of the Proposed 2024-25 Budget.

Future Budgets. The District cannot predict how State income or State education funding will vary over the term of the Bonds, and the District takes no responsibility for informing owners of the Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Future State budgets will be affected by national and State economic conditions, and other factors over which the District will have no control. To the extent that the State budget process results in reduced revenues, deferred revenues or increased expenses for the District, the District will be required to make adjustments to its budget and cash management practices. In the event current or future State Budgets decrease the District's revenues or increase required expenditures by the District from the levels assumed by the District, the District will be required to generate additional revenues, curtail programs or services, or use its reserve funds to ensure a balanced budget. As the Bonds are payable from *ad valorem* property taxes, the State budget is not expected to have an impact on the payment of the Bonds.

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" or www.ebudget.ca.gov. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.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.

The State Constitution requires that from all State revenues there will first be set apart the moneys to be applied by the State for support of the public school system and public institutions of higher education. As discussed below, school districts in the State receive a significant portion of their funding from State

appropriations. Accordingly, the State's economic condition can affect the economic condition of California school districts.

Tax Relief for Disasters. The Internal Revenue Service ("IRS") and California Franchise Tax Board ("FTB") may grant individuals and businesses additional time to file or pay taxes when a major disaster in their area is declared by the federal or state government. California generally follows the IRS extended deadlines to file and pay taxes. Impacted taxpayers may also be eligible to claim a disaster loss on their tax return.

California Severe Winter Storms and Tax Year (2022) Disasters. California individuals and businesses impacted by the 2022-23 winter storms qualified for an extension to file and pay taxes until November 16, 2023. This included the following for residents and businesses in the County:

- Individuals whose tax returns and payments were due on April 18, 2023.
- Quarterly estimated tax payments due January 17, 2023, March 15, 2023, April 18, 2023, June 15, 2023, and September 15, 2023.
- Business entities whose tax returns were normally due on March 15 and April 18.
- Pass-through entity (PTE) elective tax payments due on March 15, 2023 and June 15, 2023.

The District is unable to predict whether the tax return filing and payment extensions will have a material adverse effect on the financial condition of the District and the local economy.

Ad Valorem Property Taxes

Taxes are levied for each Fiscal Year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits an accelerated recognition and taxation of increases in real property assessed valuation (known as a "floating lien date"). For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State assessed property and locally assessed property secured by a lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

The County levies a 1% property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of "situated" growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions which serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts. In addition, the County levies and collects additional voter-approved property taxes and assessments on behalf of any taxing agency within the County.

Property taxes on the secured roll are due in two installments, on November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a ten percent penalty attaches to any delinquent payment. In addition, property on the secured roll secured by the assessee's fee ownership of land with respect to which taxes are delinquent is declared tax-defaulted on or about June 30. Those properties on the secured roll that become tax-defaulted on June 30 of the Fiscal Year that are not secured by the assessee's fee ownership of land are transferred to the unsecured roll and are then subject to the Treasurer's enforcement procedures (*i.e.*, seizures of money and property, liens and judgments). Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus costs and redemption penalty of one and one-half percent per month to the time

of redemption. If taxes are unpaid for a period of five years or more, the tax-defaulted property is subject to sale by the Treasurer.

Property taxes on the unsecured roll are currently due as of the January 1 lien date prior to the commencement of a Fiscal Year and become delinquent, if unpaid, on August 31. A ten percent penalty attaches to delinquent taxes on property on the unsecured roll and an additional penalty of one and one-half percent per month begins to accrue on November 1. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for recordation in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements, bank accounts or possessory interests belonging or assessed to the taxpayer.

The County levies and collects all property taxes for property falling within its taxing boundaries.

CONSTITUTIONAL AND STATUTORY INITIATIVES

Article XIII A of the California Constitution. On June 6, 1978, California voters approved Proposition 13, which added Article XIII A to the California Constitution ("Article XIII A"). Article XIII A limits the amount of any *ad valorem* property tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* property taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978 and (as a result of an amendment to Article XIII A approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property that has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness and (as a result of a constitutional amendment approved by California voters on November 7, 2000) on bonded indebtedness for school, community college and county office of education facilities and equipment approved by 55 percent of the voters voting on the bond measure. See "Proposition 39" below. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-1976 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 two percent per year to account for inflation. This system results in widely varying amounts of tax on similarly situated properties based on differences in the taxpayer's date of acquisition of the property. On June 18, 1992, the United States Supreme Court issued a decision upholding the constitutionality of Article XIII A (*Nordlinger v. Hahn*, 112 S. Ct. 2326, 120 L. Ed. 2d 1 (1992)).

Article XIII A 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.

Other amendments to the California Constitution have implemented and modified limits on reassessment of property value upon transfers. Most recently, Proposition 19 limits people who inherit family properties from keeping a low property tax base resulting from the 2% restriction on increases, unless they use the home as their primary residence, but it also allows homeowners who are over 55 years of age, disabled, or victims of a wildfire or natural disaster to transfer their assessed value of their primary home to a newly purchased or newly constructed replacement primary residence up to three times.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the State 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 XIII A. 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 XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The one percent property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the two percent 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.

Article XIII B of the California Constitution. An initiative to amend the California Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979 thereby adding Article XIII B to the California Constitution ("Article XIII B"). Under Article XIII B state and local governmental entities have an annual "appropriations limit" and are not permitted to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the appropriations limit. Article XIII B does not affect the appropriations 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 1978-1979 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 XIII B, 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.

The District's 2022-23 "appropriations limit" was \$185,127,756 and the "appropriations limit" for 2023-24 is estimated to be \$191,452,624 (as of June 30, 2023). Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State's allowable limit.

Article XIII C and Article XIII D of the California Constitution. On November 5, 1996, the voters of the State approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIII C and XIII D to the State Constitution, 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. Among other things, XIII C 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. Article XIII C also provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4.

Article XIII C also provides that the initiative power shall not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Legislation adopted in 1997 provides that Article XIII C shall not be construed to mean that any owner or beneficial owner of a municipal security assumes the risk of or consents to any initiative measure that would constitute an impairment of contractual rights under the contracts clause of the U.S. Constitution.

Article XIII D deals with assessments and property-related fees and charges. Article XIII D explicitly provides that nothing in Article XIII C or XIII D shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District.

Proposition 62. In 1986, California voters adopted Proposition 62, a statutory initiative which amended the California Government Code by the addition of Sections 53720-53730. Proposition 62 requires that (i) any local tax for general governmental purposes (a “general tax”) must be approved by a majority vote of the electorate; (ii) any local tax for specific purposes (a “special tax”) must be approved by a two-thirds vote of the electorate; (iii) any general tax must be proposed for a vote by two-thirds of the legislative body; and (iv) proceeds of any tax imposed in violation of the vote requirements must be deducted from the local agency’s property tax allocation. Provisions applying Proposition 62 retroactively from its effective date to 1985 are unlikely to be of any continuing importance; certain other restrictions were already contained in the Constitution.

Most of the provisions of Proposition 62 were affirmed by the 1995 California Supreme Court decision in *Santa Clara County Local Transportation Authority v. Guardino*, which invalidated a special sales tax for transportation purposes because fewer than two-thirds of the voters voting on the measure had approved the tax. Following the California Supreme Court’s decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* (“La Habra”). In this case, the court held that public agency’s continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Proposition 98. In 1988, California 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, primarily by guaranteeing State funding for K-12 school districts and community college districts (collectively, “K-14 districts”).

Under Proposition 98 (as modified by Proposition 111, which was enacted on June 5, 1990), K-14 districts are guaranteed the greater of (d) in general, a fixed percent of the State’s General Fund (the “State General Fund”) revenues (“Test 1”), (e) the amount appropriated to K-14 schools in the prior year, adjusted for changes in the cost-of-living (measured as in Article XIII B by reference to State per capita personal income) and enrollment (“Test 2”), or (f) a third test, which would replace Test 2 in any year when the percentage growth in per capita State General Fund revenues from the prior year plus one-half of one percent is less than the percentage growth in State per capita personal income (“Test 3”). Under Test 3, schools would receive the amount appropriated in the prior year adjusted for changes in enrollment and per capita State General Fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 would become a “credit” to schools which would be the basis

of payments in future years when per capita State General Fund revenue growth exceeds per capita personal income growth. Legislation adopted prior to the end of the 1988-89 Fiscal Year, implementing Proposition 98, determined the K-14 districts' funding guarantee under Test 1 to be 40.3% of the State General Fund tax revenues, based on 1986-87 appropriations. However, that percentage has been adjusted to 35% to account for a subsequent redirection of local property taxes whereby a greater proportion of education funding now comes from local property taxes.

Proposition 98 permits the State Legislature by a two-thirds vote of both houses, with the Governor's concurrence, to suspend the K-14 districts' minimum funding formula for a one-year period. In the fall of 1989, the Legislature and the Governor utilized this provision to avoid having 40.3% of revenues generated by a special supplemental sales tax enacted for earthquake relief go to K-14 districts. Proposition 98 also contains provisions transferring certain State tax revenues in excess of the Article XIII B limit to K-14 districts.

Application of Proposition 98

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. One major reason is that Proposition 98 minimum funding levels under Test 1 and Test 2 are dependent on State General Fund revenues. In past Fiscal Years, the State made actual allocations to K-14 districts based on an assumption of State General Fund revenues at a level above that which was ultimately realized. In such years, the State has considered the amounts appropriated above the minimum as a loan to K-14 districts, and has deducted the value of these loans from future years' estimated Proposition 98 minimum funding levels. The State determined that there were loans to K-14 districts of \$1.3 billion during Fiscal Year 1990-91, \$1.1 billion during Fiscal Year 1991-92, \$1.3 billion during Fiscal Year 1992-93 and \$787 million during Fiscal Year 1993-94. These loans have been combined with the K-14 1992-93 loans into one loan totaling \$1.760 billion. The State proposed that repayment of this loan would be from future years' Proposition 98 entitlements, and would be conditioned on maintaining current funding levels per pupil for K-12 schools.

In 1992, a lawsuit, California Teachers' Association et al. v. Gould, was filed, which challenged the validity of the off-budget loans. As part of the negotiations leading to the 1995-96 Budget Act, an agreement was reached to settle this case. The agreement provides that both the State and K-14 districts share in the repayment of prior years' emergency loans to schools. Of the total \$1.76 billion in loans, the State will repay \$935 million, while K-14 districts will repay \$825 million. The State share of the repayment will be reflected as expenditures above the current Proposition 98 base calculation. The K-14 districts' share of the repayment will count as appropriations that count toward satisfying the Proposition 98 guarantee, and thus are treated as from "below" the current base. Repayments are spread over the eight-year period of 1994-95 through 2001-02 to mitigate any adverse fiscal impact. In April 1996, a court settlement was reached and \$360 million in appropriations from the 1995-96 Fiscal Year was disbursed to districts in August 1996.

Proposition 39

On November 7, 2000, voters approved Proposition 39 called the "Smaller Classes, Safer Schools and Financial Accountability Act" (the "Smaller Classes Act"). The Smaller Classes Act amends Section 1 of Article XIII A, Section 18 of Article XVI of the California Constitution and Section 47614 of the California Education Code. With respect to school districts, community colleges and county offices of education and effective upon its passage, Section 18(b) of Article XVI allows an alternative means of seeking voter approval for bonded indebtedness by 55 percent of the vote, rather than the two-thirds majority required under Section 18 of Article XVI of the Constitution. The reduced 55 percent voter requirement applies only if the bond measure submitted to the voters includes, among other items: 1) a

restriction that the proceeds of the bonds may be used for “the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities,” 2) a list of projects to be funded and a certification that the school district board has evaluated “safety, class size reduction, and information technology needs in developing that list”; and 3) that annual, independent performance and financial audits will be conducted regarding the expenditure and use of the bond proceeds.

Section 1(b)(3) of Article XIII A has been added to except from the one percent *ad valorem* property tax limitation under Section 1(a) of Article XIII A of the Constitution levies to pay bonds approved by the 55 percent of the voters, subject to the restrictions explained above.

The Legislature enacted AB 1908, Chapter 44, which became effective upon passage of Proposition 39. AB 1908 amends various sections of the Education Code. Under amendments to Sections 15268 and 15270 of the Education Code, the following limits on *ad valorem* property taxes apply in any single election: 1) for a school district, indebtedness shall not exceed \$30 per \$100,000 of taxable property; 2) for a unified school district, indebtedness shall not exceed \$60 per \$100,000 of taxable property; and, 3) for a community college district, indebtedness shall not exceed \$25 per \$100,000 of taxable property. Finally, AB 1908 requires that a citizens’ oversight committee must be appointed who will review the use of the bond funds and inform the public about their proper usage.

Jarvis v. Connell

On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California). The Court of Appeal held that a final budget bill, an emergency appropriation, a self-executing authorization pursuant to state statutes (such as continuing appropriations) or the California Constitution or a federal mandate is necessary for the State Controller to disburse funds. The foregoing requirement could apply to amounts budgeted by the District as being received from the State. To the extent the holding in such case would apply to State payments reflected in the District’s budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of such payments to the District if such required legislative action is delayed, unless the payments are self-executing authorizations or are subject to a federal mandate. On May 1, 2003, the California Supreme Court upheld the holding of the Court of Appeal, stating that the Controller is not authorized under State law to disburse funds prior to the enactment of a budget or other proper appropriation, but under federal law, the Controller is required, notwithstanding a budget impasse and the limitations imposed by State law, to timely pay those State employees who are subject to the minimum wage and overtime compensation provisions of the federal Fair Labor Standards Act.

Proposition 1A and Proposition 22

Beginning in Fiscal Year 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 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 or diverting revenues to any other local government, including school and community college districts, or from temporarily shifting property taxes from cities, counties and special districts to K-14 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 is 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. Because Proposition 22 reduces the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

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. Redevelopment agencies, through the California Redevelopment Association ("CRA") engaged in litigation to block the transfer of payments and recoup certain payments already made under certain legislation passed in July 2009 that is beyond the reach of Proposition 22, known as "ABX4 26." Because Proposition 22 reduced the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State has to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State are more directly dependent upon the State's general fund.

Redevelopment Agency Dissolution. On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos*, finding ABx1 26, a trailer bill to the 2011-12 State budget, to be constitutional. As a result, all redevelopment agencies in California were dissolved as of February 1, 2012, and all net tax increment revenues, after payment of redevelopment bonds debt service and administrative costs, will be distributed to cities, counties, special districts and K-14 school districts. The Court also found that ABx1 27, a companion bill to ABx1 26, violated the California Constitution, as amended by Proposition 22. ABx1 27 would have permitted redevelopment agencies to continue operations provided their establishing cities or counties agreed to make specified payments to K-14 school districts and county offices of education, totaling \$1.7 billion statewide. The District is unable to predict what affect the implementation of ABx1 26 will have on the District's future receipt of tax increment revenues. As a result of the dissolution of California redevelopment agencies and ABx1 26, the tax increment previously paid to redevelopment agencies shall first be used to pay pass-through payments to other taxing entities and second to pay the redevelopment agencies enforceable obligations; with the remaining revenue (if any) paid to the taxing entities by the County Auditor-Controller in the same proportion as other tax revenue. The California Department of Finance estimates the amount the District is expected to receive once the pass-through payments are made and enforceable obligations paid, then reduces its funding allocation to the District by such amount. See the table below for the District's receipts from redevelopment agency tax increment distributions for Fiscal Years 2014-15 through 2023-24.

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 from January 1, 2012 through the end of 2018, and (b) increased the sales and use tax by one-quarter percent for a period of four years from January 1, 2013

through the end of 2016. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see “CALIFORNIA CONSTITUTIONAL AND STATUTORY INITIATIVES – Proposition 98” herein). 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 voters on November 8, 2016, extends by twelve 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 tax increases imposed by Proposition 30. Revenues from the tax increase will be allocated to school districts and community colleges in the State.

Proposition 2

Proposition 2, also known as The Rainy Day Budget Stabilization Fund Act (“Proposition 2”) was approved by California voters on November 4, 2014. Proposition 2 provides for changes to State budgeting practices, including revisions to certain conditions under which transfers are made into and from the State’s Budget Stabilization Account (the “Stabilization Account”) established by the California Balanced Budget Act of 2004 (also known as Proposition 58). Commencing in Fiscal Year 2015-16 and for each Fiscal Year thereafter, the State is required to make an annual transfer to the Stabilization Account in an amount equal to 1.5% of estimated State general fund revenues (the “Annual Stabilization Account Transfer”). For a Fiscal Year in which the estimated State general fund revenues allocable to capital gains taxes exceed 8% of the total estimated general fund tax revenues, supplemental transfers to the Stabilization Account (a “Supplemental Stabilization Account Transfer”) are also required. Such excess capital gains taxes, which are net of any portion thereof owed to K-14 school districts pursuant to Proposition 98, are required to be transferred to the Stabilization Account.

In addition, for each Fiscal Year, Proposition 2 increases the maximum size of the Stabilization Account to 10% of estimated State general fund revenues. Such excess amounts are to be expended on State infrastructure, including deferred maintenance, in any Fiscal Year in which a required transfer to the Stabilization Account would result in an amount in excess of the 10% threshold. For the period from Fiscal Year 2015-16 through Fiscal Year 2029-30, Proposition 2 requires that half of any such transfer to the Stabilization Account (annual or supplemental), shall be appropriated to reduce certain State liabilities, including repaying State interfund borrowing, reimbursing local governments for State mandated services, making certain payments owed to K-14 school districts, and reducing or prefunding accrued liabilities associated with State-level pension and retirement benefits. After Fiscal Year 2029-30, the Governor and the Legislature are given discretion to apply up to half of any required transfer to the Stabilization Account to the reduction of such State liabilities and any amount not so applied shall be transferred to the Stabilization Account or applied to infrastructure, as set forth above.

Accordingly, the conditions under which the Governor and the Legislature may draw upon or reduce transfers to the Stabilization Account are impacted by Proposition 2. Unilateral discretion to suspend transfers to the Stabilization Account are not retained by the Governor. Neither does the Legislature retain discretion to transfer funds from the Stabilization Account for any reason, as was previously provided by law. Instead, the Governor must declare a “budget emergency” (defined as an emergency within the meaning of Article XIII B of the Constitution) or a determination that estimated resources are inadequate to fund State general fund expenditure, for the current or ensuing Fiscal Year, at a level equal to the highest level of State spending within the three immediately preceding Fiscal Years,

and any such declaration must be followed by a legislative bill providing for a reduction or transfer. Draws on the Stabilization Account are limited to the amount necessary to address the budget emergency, and no draw in any Fiscal Year may exceed 50% of the funds on deposit in the Stabilization Account, unless a budget emergency was declared in the preceding Fiscal Year.

Proposition 2 also provides for the creation of a Public School System Stabilization Account (the “Public School System Stabilization Account”) into which transfers will be made in any Fiscal Year in which a Supplemental Stabilization Account Transfer is required, requiring that such transfer will be equal to the portion of capital gains taxes above the 8% threshold that would otherwise be paid to K-14 school districts as part of the minimum funding guarantee. Transfers to the Public School System Stabilization Account are only to be made if certain additional conditions are met, including that: (i) the minimum funding guarantee was not suspended in the immediately preceding Fiscal Year, (ii) the operative Proposition 98 formula for the Fiscal Year in which a Public School System Stabilization Account transfer might be made is “Test 1,” (iii) no maintenance factor obligation is being created in the budgetary legislation for the Fiscal Year in which a Public School System Stabilization Account transfer might be made, (iv) all prior maintenance factor obligations have been fully repaid, and (v) the minimum funding guarantee for the Fiscal Year in which a Public School System Stabilization Account transfer might be made is higher than the immediately preceding Fiscal Year, as adjusted for ADA growth and cost of living. Under Proposition 2, the size of the Public School System Stabilization Account is capped at 10% of the estimated minimum guarantee in any Fiscal Year, and any excess funds must be paid to K-14 school districts. Any reductions to a required transfer to, or draws upon, the Public School System Stabilization Account, are subject to the budget emergency requirements as described above. However, in any Fiscal Year in which the estimated minimum funding guarantee is less than the prior year’s funding level, as adjusted for ADA growth and cost of living, Proposition 2 also mandates draws on the Public School System Stabilization Account.

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 ADA of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the State Education Code, or (b) for school districts with an ADA that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the State 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.

The District, which has an ADA of less than 400,000, is required to maintain a reserve for economic uncertainty in an amount equal to 2% of its General Fund expenditures and other financing uses.

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 ADA.

The Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the State 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 Bonds as and when due.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as Proposition 51) is a voter initiative that was approved by voters on November 8, 2016. Proposition 51 authorizes the sale and issuance of \$9 billion in general obligation bonds for the new construction and modernization of K-14 facilities.

K-12 School Facilities. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school districts lack sufficient local funding, it may apply for additional state grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school (\$500 million) and technical education (\$500 million) facilities. Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, schools that cannot cover their local share for these two types of projects may apply for state loans. State loans must be repaid over a maximum of 30 years for charter school facilities and 15 years for career technical education facilities. For career technical education facilities, state grants are capped at \$3 million for a new facility and \$1.5 for a modernized facility. Charter schools must be deemed financially sound before project approval.

Community College Facilities. Proposition 51 includes \$2 billion for community college district facility projects, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then decides which projects to submit to the State legislature and Governor based on a scoring system that factors in the amount of local funds contributed to the project. The Governor and State legislature will select among eligible projects as part of the annual state budget process.

The District makes no guarantees that it will either pursue or qualify for Proposition 51 State facilities funding.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 1A, 2, 22, 26, 30, 39, 51, 55, 98 and 111 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 revenues. The nature and impact of these measures cannot be anticipated by the District.

APPENDIX B

FORMS OF BOND COUNSEL OPINIONS

Upon issuance and delivery of the 2024D Bonds, Norton Rose Fulbright US LLP, Bond Counsel, proposes to deliver its final approving opinion substantially in the following form:

[Closing Date]

Board of Education
Chino Valley Unified School District
5130 Riverside Drive
Chino, California 91710

Re: Chino Valley Unified School District (San Bernardino County, California) General Obligation Bonds, Election of 2016, Series 2024D

Ladies and Gentlemen:

We have acted as Bond Counsel to the Chino Valley Unified School District (the “District”), in connection with the issuance by the District of \$ _____ aggregate principal amount of its General Obligation Bonds, Election of 2016, Series 2024D (the “2024D Bonds”). The 2024D Bonds are issued pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, as amended, and the resolution adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). All terms used herein and not otherwise defined shall have the meanings given to them in the Resolution.

As bond counsel, we have examined copies certified to us as being true and complete copies of the proceedings of the District for the authorization and issuance of the 2024D Bonds, including the Resolutions and the Tax Exemption Certificate of the District dated the date hereof (the “Tax Certificate”). Our services as such bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection we have also examined such certificates of public officials and officers of the District as we have considered necessary for the purposes of this opinion.

Certain agreements, requirements and procedures contained or referred to in the Resolutions, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, the defeasance of the 2024D Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any 2024D Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the 2024D Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by any parties other than the District. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained

in the Resolution and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the 2024D Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the 2024D Bonds, the Resolutions and the Tax Certificate may be subject to bankruptcy, insolvency, reorganization, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the foregoing documents. We express no opinion and make no comment with respect to the sufficiency of the security or the marketability of the 2024D Bonds. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the 2024D Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The 2024D Bonds constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

2. The Resolution has been duly adopted and constitutes a valid and binding obligation of the District.

3. It is further our opinion, based upon the foregoing, that pursuant to section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance with the provisions of the Resolution and the Tax Certificate and in reliance upon the representations and certifications of the District made in the Tax Certificate pertaining to the use, expenditure, and investment of the proceeds of the 2024D Bonds, when the 2024D Bonds are delivered to and paid for by the initial purchasers thereof, interest on the 2024D Bonds for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

In our opinion, under existing law, interest on the 2024D Bonds is exempt from personal income taxes of the State of California.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the 2024D Bonds. Ownership of tax-exempt obligations such as the 2024D Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individuals otherwise qualifying for the earned income tax credit, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions

to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service or the State of California; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Respectfully submitted,

Upon issuance and delivery of the Refunding Bonds, Norton Rose Fulbright US LLP, Bond Counsel, proposes to deliver its final approving opinion substantially in the following form:

[Closing Date]

Board of Education
Chino Valley Unified School District
5130 Riverside Drive
Chino, California 91710

Re: Chino Valley Unified School District (San Bernardino County, California) 2024 General
Obligation Refunding Bonds

Ladies and Gentlemen:

We have acted as Bond Counsel to the Chino Valley Unified School District (the “District”), in connection with the issuance by the District of \$ _____ aggregate principal amount of 2024 General Obligation Refunding Bonds (the “Refunding Bonds”). The Refunding Bonds 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 (commencing with Section 53550 and 53580, respectively), and the resolution adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). All terms used herein and not otherwise defined shall have the meanings given to them in the Resolution.

As bond counsel, we have examined copies certified to us as being true and complete copies of the proceedings of the District for the authorization and issuance of the Refunding Bonds, including the Resolution and the Tax Exemption Certificate of the District dated the date hereof (the “Tax Certificate”). Our services as such bond counsel were limited to an examination of such proceedings and to the rendering of the opinions set forth below. In this connection we have also examined such certificates of public officials and officers of the District as we have considered necessary for the purposes of this opinion.

Certain agreements, requirements and procedures contained or referred to in the Resolution, the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, the defeasance of the Refunding Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any Refunding Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the Refunding Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by any parties other than the District. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Refunding Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Refunding Bonds, the Resolution and the Tax Certificate

may be subject to bankruptcy, insolvency, reorganization, 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 public entities in the State of California. We express no opinion with respect to any indemnification, contribution, choice of law, choice of forum or waiver provisions contained in the foregoing documents. We express no opinion and make no comment with respect to the sufficiency of the security or the marketability of the Refunding Bonds. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Refunding Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Refunding Bonds constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount.

2. The Resolution has been duly adopted and constitutes a valid and binding obligation of the District.

3. It is further our opinion, based upon the foregoing, that pursuant to section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance with the provisions of the Resolution and the Tax Certificate and in reliance upon the representations and certifications of the District made in the Tax Certificate pertaining to the use, expenditure, and investment of the proceeds of the Refunding Bonds, when the Refunding Bonds are delivered to and paid for by the initial purchasers thereof, interest on the Refunding Bonds for federal income tax purposes (1) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

In our opinion, under existing law, interest on the Refunding Bonds is exempt from personal income taxes of the State of California.

We express no other opinion with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Refunding Bonds. Ownership of tax-exempt obligations such as the Refunding Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain S corporations with subchapter C earnings and profits, certain foreign corporations doing business in the United States, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individuals otherwise qualifying for the earned income tax credit, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service or the State of California; rather, such opinions

represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Respectfully submitted,

APPENDIX C
AUDITED FINANCIAL STATEMENTS
OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

APPENDIX D

FORMS OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Disclosure Undertaking”) is executed and delivered by Chino Valley Unified School District (the “District”) as of _____, 2024 in connection with the execution and delivery of its General Obligation Bonds, Election of 2016, Series 2024D (the “Bonds”). The Bonds are being issued pursuant to a Resolution, adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the respective Resolution.

In consideration of the execution and delivery of the Bonds by the District and the purchase of such Bonds by the Underwriter described below, the District hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the District for the benefit of the Bondholders and in order to assist Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) in complying with Rule 15c2-12(b)(5) (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SECTION 2. Additional Definitions. In addition to the above definitions and the definitions set forth in the Resolution, 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 4 and 5 of this Disclosure Undertaking.

“Bondholder” or “Holder” means any holder of the Bonds or any beneficial owner of the Bonds so long as they are immobilized with DTC.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” shall mean the District, or, any alternate or successor dissemination agent, designated in writing by the Superintendent or Assistant Superintendent of Business Services (or otherwise by the District), which Dissemination Agent has evidenced its acceptance in writing. Initially, and in the absence of the specific designation of a successor or alternate Dissemination Agent, the Dissemination Agent shall be Koppel & Gruber Public Finance.

“Financial Obligation” as used in this Disclosure Undertaking is defined in the Rule as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a 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 to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Event” means any of the events listed in Section 6 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access (“EMMA”) website located at <http://emma.msrb.org>, or any other entity designated or authorized by the Commission.

SECTION 3. CUSIP Numbers and Final Official Statement. The CUSIP Numbers for the Bonds have been assigned. The Final Official Statement relating to the Bonds is dated _____, 2024.

SECTION 4. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent (if other than the District), not later than 240 days after the end of the District's fiscal year (currently ending June 30), commencing on or prior to February 25, 2025 with the report for the fiscal year ending June 30, 2024, to provide to the MSRB, in a format prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 5 of this Disclosure Undertaking. As of the date of this Certificate, the format prescribed by the MSRB is the Electronic Municipal Market Access system. Information regarding requirement for submissions to EMMA is available at <http://emma.msrb.org>.

The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 5 of this Disclosure Undertaking; provided that the audited financial statements of the District may be submitted, when and if available, separately from the balance of the relevant Annual Report. If the District does not have audited financial statements available when it submits the relevant Annual Report, it shall submit unaudited financial statements, as described in Section 5(a) below.

(b) Not later than 15 Business Days prior to the filing date required in paragraph (a) above for providing the Annual Report to the MSRB, 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 paragraph (a) above, the District shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent (if other than the District) shall:

(i) determine each year prior to the date for providing the Annual Report the format for filing with the MSRB; and

(ii) file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided to the MSRB.

SECTION 5. Content of Annual Report. The District's Annual Report shall contain or incorporate by reference the following:

(a) Financial information including the general purpose financial statements of the District for the preceding fiscal year, prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. If audited financial information is not available by the time the Annual Report is required to be filed pursuant to Section 4(a) hereof, the financial information included in the Annual Report may be unaudited, and the District will provide audited financial information to the MSRB as soon as practical after it has been made available to the District.

(b) Operating data, including the following information with respect to the District's preceding fiscal year (to the extent not included in the audited financial statements described in paragraph (a) above):

(i) State funding received by the District for the last completed fiscal year;

(ii) enrollment of the District for the last completed fiscal year;

(iii) outstanding District indebtedness, as of the last completed fiscal year;

- (iv) assessed valuation of taxable property within the District for the current fiscal year;
- (v) largest local secured taxpayers within the District for the current fiscal year; and
- (vi) the District's adopted budget for the current fiscal year.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or to the Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each other document so incorporated by reference.

SECTION 6. Reporting of Designated Listed Events.

(a) The District agrees to provide or cause to be provided to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) Business Days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on any debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on any credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations 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 purposes of item (ix) above, the described event shall be deemed to occur when any of the following shall occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the United States 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 governing body and officials or officers in possession but subject to the supervision and orders of a court or other governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or

liquidation by a court or governmental authority have 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, not later than ten (10) business days after the occurrence of the event:

- (i) Unless described in paragraph 6(a)(v) hereof, other material notices or determinations 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 Owners;
- (iii) Optional, unscheduled or contingent Bond calls;
- (iv) Release, substitution or sale of property securing repayment of the Bonds, if applicable;
- (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; or
- (vii) Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent.
- (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 security holders.

(c) If the District determines that the occurrence of a Listed Event described in Section 6(b) hereof is material under applicable federal security laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB 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 Undertaking shall terminate when the District is no longer an obligated person with respect to the Bonds, as provided in the Rule, upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Dissemination Agent. The Superintendent or Assistant Superintendent of Business Services may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist in carrying out the District's obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is no other designated Dissemination Agent in place, the District shall act as the Dissemination Agent.

The Dissemination Agent, if other than the District, shall be paid compensation for its services provided hereunder, and reimbursement for its costs and expenses. The Dissemination Agent shall not be responsible for the form or content of any document provided by the District hereunder.

SECTION 9. Amendment. Notwithstanding any other provision of this Disclosure Undertaking, the District may amend this Disclosure Undertaking under the following conditions, provided no amendment to this Disclosure Undertaking shall be made that affects the rights, duties or obligations of the Dissemination Agent without its written consent:

(a) The amendment may be made only 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 obligated person, or type of business conducted;

(b) This Disclosure Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Holders, as determined either by parties unaffiliated with the District or another obligated person (such as the Bond Counsel) or by the written approval of the Bondholders; provided, that the Annual Report containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

SECTION 10. Additional Information. If the District chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Undertaking, the District shall have no obligation under this Disclosure Undertaking to update such information or to include it in any future disclosure or notice of occurrence of a Designated Material Event.

Nothing in this Disclosure Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Designated Material Event, in addition to that which is required by this Disclosure Undertaking.

SECTION 11. Default. The District shall give notice to the MSRB of any failure to provide the Annual Report when the same is due hereunder, which notice shall be given prior to July 1 of that year. In the event of a failure of the District to comply with any provision of this Disclosure Undertaking, any Bondholder 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 Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the District to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriter and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Record Keeping. The District shall maintain records of all Annual Reports and notices of material Listed Events including the content of such disclosure, the names of the entities with whom such disclosure were filed and the date of filing such disclosure.

SECTION 14. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of California, applicable to contracts made and performed in such State of California.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

Dated: _____, 2024

ACCEPTED:

KOPPEL & GRUBER PUBLIC FINANCE,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Chino Valley Unified School District

Name of Issue: \$_____ General Obligation Bonds, Election of 2016, Series 2024D

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the above-named Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 4(a) of the Disclosure Undertaking dated _____, 2024. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

[ISSUER/DISSEMINATION AGENT]

By: _____

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Disclosure Undertaking”) is executed and delivered by Chino Valley Unified School District (the “District”) as of _____, 2024 in connection with the execution and delivery of its 2024 General Obligation Refunding Bonds (the “Bonds”). The Bonds are being issued pursuant to a Resolution, adopted by the Board of Education of the District on _____, 2024 (the “Resolution”). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the respective Resolution.

In consideration of the execution and delivery of the Bonds by the District and the purchase of such Bonds by the Underwriter described below, the District hereby covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the District for the benefit of the Bondholders and in order to assist Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) in complying with Rule 15c2-12(b)(5) (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SECTION 2. Additional Definitions. In addition to the above definitions and the definitions set forth in the Resolution, 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 4 and 5 of this Disclosure Undertaking.

“Bondholder” or “Holder” means any holder of the Bonds or any beneficial owner of the Bonds so long as they are immobilized with DTC.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” shall mean the District, or, any alternate or successor dissemination agent, designated in writing by the Superintendent or Assistant Superintendent of Business Services (or otherwise by the District), which Dissemination Agent has evidenced its acceptance in writing. Initially, and in the absence of the specific designation of a successor or alternate Dissemination Agent, the Dissemination Agent shall be Koppel & Gruber Public Finance.

“Financial Obligation” as used in this Disclosure Undertaking is defined in the Rule as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a 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 to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Event” means any of the events listed in Section 6 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, through its Electronic Municipal Market Access (“EMMA”) website located at <http://emma.msrb.org>, or any other entity designated or authorized by the Commission.

SECTION 3. CUSIP Numbers and Final Official Statement. The CUSIP Numbers for the Bonds have been assigned. The Final Official Statement relating to the Bonds is dated _____, 2024.

SECTION 4. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent (if other than the District), not later than 240 days after the end of the District's fiscal year (currently ending June 30), commencing on or prior to February 25, 2025 with the report for the fiscal year ending June 30, 2024, to provide to the MSRB, in a format prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 5 of this Disclosure Undertaking. As of the date of this Certificate, the format prescribed by the MSRB is the Electronic Municipal Market Access system. Information regarding requirement for submissions to EMMA is available at <http://emma.msrb.org>.

The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 5 of this Disclosure Undertaking; provided that the audited financial statements of the District may be submitted, when and if available, separately from the balance of the relevant Annual Report. If the District does not have audited financial statements available when it submits the relevant Annual Report, it shall submit unaudited financial statements, as described in Section 5(a) below.

(b) Not later than 15 Business Days prior to the filing date required in paragraph (a) above for providing the Annual Report to the MSRB, 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 paragraph (a) above, the District shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(c) The Dissemination Agent (if other than the District) shall:

(i) determine each year prior to the date for providing the Annual Report the format for filing with the MSRB; and

(ii) file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided to the MSRB.

SECTION 5. Content of Annual Report. The District's Annual Report shall contain or incorporate by reference the following:

(a) Financial information including the general purpose financial statements of the District for the preceding fiscal year, prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. If audited financial information is not available by the time the Annual Report is required to be filed pursuant to Section 4(a) hereof, the financial information included in the Annual Report may be unaudited, and the District will provide audited financial information to the MSRB as soon as practical after it has been made available to the District.

(b) Operating data, including the following information with respect to the District's preceding fiscal year (to the extent not included in the audited financial statements described in paragraph (a) above):

(i) State funding received by the District for the last completed fiscal year;

(ii) enrollment of the District for the last completed fiscal year;

- (iii) outstanding District indebtedness, as of the last completed fiscal year;
- (iv) assessed valuation of taxable property within the District for the current fiscal year;
- (v) largest local secured taxpayers within the District for the current fiscal year; and
- (vi) the District's adopted budget for the current fiscal year.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or to the Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each other document so incorporated by reference.

SECTION 6. Reporting of Designated Listed Events.

(a) The District agrees to provide or cause to be provided to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) Business Days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on any debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on any credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations 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 purposes of item (ix) above, the described event shall be deemed to occur when any of the following shall occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the United States 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 governing body and officials or officers in possession but subject to the supervision and orders of a court or other

governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority have 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, not later than ten (10) business days after the occurrence of the event:

- (i) Unless described in paragraph 6(a)(v) hereof, other material notices or determinations 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 Owners;
- (iii) Optional, unscheduled or contingent Bond calls;
- (iv) Release, substitution or sale of property securing repayment of the Bonds, if applicable;
- (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; or
- (vii) Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent.
- (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 security holders.

(c) If the District determines that the occurrence of a Listed Event described in Section 6(b) hereof is material under applicable federal security laws, the District shall within ten (10) business days of occurrence file a notice of such occurrence with the MSRB 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 Undertaking shall terminate when the District is no longer an obligated person with respect to the Bonds, as provided in the Rule, upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Dissemination Agent. The Superintendent or Assistant Superintendent of Business Services may, from time to time, appoint or engage an alternate or successor Dissemination Agent to assist in carrying out the District's obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is no other designated Dissemination Agent in place, the District shall act as the Dissemination Agent.

The Dissemination Agent, if other than the District, shall be paid compensation for its services provided hereunder, and reimbursement for its costs and expenses. The Dissemination Agent shall not be responsible for the form or content of any document provided by the District hereunder.

SECTION 9. Amendment. Notwithstanding any other provision of this Disclosure Undertaking, the District may amend this Disclosure Undertaking under the following conditions, provided no amendment to this Disclosure Undertaking shall be made that affects the rights, duties or obligations of the Dissemination Agent without its written consent:

(a) The amendment may be made only 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 obligated person, or type of business conducted;

(b) This Disclosure Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Holders, as determined either by parties unaffiliated with the District or another obligated person (such as the Bond Counsel) or by the written approval of the Bondholders; provided, that the Annual Report containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

SECTION 10. Additional Information. If the District chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Undertaking, the District shall have no obligation under this Disclosure Undertaking to update such information or to include it in any future disclosure or notice of occurrence of a Designated Material Event.

Nothing in this Disclosure Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Designated Material Event, in addition to that which is required by this Disclosure Undertaking.

SECTION 11. Default. The District shall give notice to the MSRB of any failure to provide the Annual Report when the same is due hereunder, which notice shall be given prior to July 1 of that year. In the event of a failure of the District to comply with any provision of this Disclosure Undertaking, any Bondholder 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 Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking in the event of any failure of the District to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriter and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Record Keeping. The District shall maintain records of all Annual Reports and notices of material Listed Events including the content of such disclosure, the names of the entities with whom such disclosure were filed and the date of filing such disclosure.

SECTION 14. Governing Law. This Disclosure Undertaking shall be governed by the laws of the State of California, applicable to contracts made and performed in such State of California.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Superintendent

Dated: _____, 2024

ACCEPTED:

KOPPEL & GRUBER PUBLIC FINANCE,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Chino Valley Unified School District

Name of Issue: \$_____ 2024 General Obligation Refunding Bonds

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the above-named Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 4(a) of the Disclosure Undertaking dated _____, 2024. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

[ISSUER/DISSEMINATION AGENT]

By: _____

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

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 or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Participants are on file with DTC.

General

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has 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. *The foregoing internet address is included for reference only, and the information on this internet site is not incorporated by reference herein.*

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners

are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District (or the Paying Agent on behalf thereof) 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 Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, printed certificates for the Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Discontinuation of Book-Entry Only System; Payment to Beneficial Owners

In the event that the book-entry system described above is no longer used with respect to the Bonds, the following provisions will govern the payment, transfer and exchange of the Bonds.

The principal of the Bonds and any premium and interest upon the redemption thereof prior to maturity will be payable in lawful money of the United States of America upon presentation and surrender of the Bonds at the office of the Paying Agent, initially located in Houston, Texas. Interest on the Bonds will be paid by the Paying Agent by check or draft mailed to the person whose name appears on the registration books of the Paying Agent as the registered owner, and to that person's address appearing on the registration books as of the close of business on the Record Date. At the written request of any registered owner of at least \$1,000,000 in aggregate principal, payments shall be wired to a bank and account number on file with the Paying Agent as of the Record Date.

Any Bond may be exchanged for a Bond of any authorized denomination of like tenor upon presentation and surrender at the office of the Paying Agent, initially located in Houston, Texas, together with a request for exchange signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred only on the Bond registration books upon presentation and surrender of the Bond at such office of the Paying Agent together with an assignment executed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new Bond or Bonds of any authorized denomination or denominations requested by the owner equal in the aggregate to the unmatured principal amount of the Bond surrendered and bearing interest at the same rate and maturing on the same date.

Neither the District nor the Paying Agent will be required to exchange or transfer any Bond during the period from the Record Date through the next Interest Payment Date.

APPENDIX F

THE SAN BERNARDINO COUNTY POOL

The following information concerning the San Bernardino County Treasury Pool (the “Treasury Pool”) has been provided by the Treasurer and has not been confirmed or verified by the District, the Municipal Advisor or the Underwriter. Neither the District, the Municipal Advisor nor the Underwriter has made an independent investigation of the investments in the Treasury Pool nor any assessment of the current County investment policy. The value of the various investments in the Treasury Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the Treasurer may change the investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Treasury Pool will not vary significantly from the values described herein. Finally, neither the District, the Municipal Advisor nor the Underwriter makes any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained is correct as of any time subsequent to its date. Further information may be obtained from the Treasurer at the following website: <http://www.sbcounty.gov/ATC/Treasurer/>. However, the information presented on such website is not incorporated into this Official Statement by any reference.

APPENDIX G

CERTAIN DATA CONCERNING THE REGIONAL ECONOMY OF THE CHINO VALLEY UNIFIED SCHOOL DISTRICT

General

The District lies within San Bernardino County (the “County”) and includes property within three cities, Ontario, Chino and Chino Hills (collectively, the “Cities”). Major economic indicators, such as employment, sales and housing starts, are not available for the District. The following economic information regarding the County and the Cities is provided as a description of the regional economy.

San Bernardino County, located in Southern California, was established by an act of the State Legislature on May 23, 1853, forming the County from the eastern part of Los Angeles County. The County encompasses an area of over 22,000 square miles and includes seventeen incorporated cities.

A large and well-diversified economy ranging from agriculture to scientific equipment characterizes the County. It is widely known for its temperate climate, geographical location, and its educational and recreational facilities.

The County is the largest county in the State and the United States, encompassing 20,000 square miles. The County is bordered on the west by Los Angeles County, on the north by Kern and Inyo Counties and on the east and south by the County of Riverside. Composed essentially of three topographic regions - valley, mountain and desert - elevation in the County ranges from a high of 11,502 feet above sea level to a low of 181 feet above sea level. The Mojave Desert makes up much of the County, including the Mojave National Preserve in the eastern part of the County. The western part of the county includes the San Bernardino National Forest.

Population

Historical population figures for the Cities of Chino, Chino Hills, and Ontario, the County and the State are set forth in the table below.

POPULATION

Year	Chino	Chino Hills	Ontario	San Bernardino County	California
2019	87,743	82,863	178,606	2,165,876	39,605,361
2020	91,547	78,472	175,427	2,181,654	39,538,223
2021	90,322	78,222	176,206	2,179,007	39,286,510
2022	92,334	77,601	178,682	2,180,777	39,078,674
2023	93,137	77,058	180,717	2,182,056	38,940,231

As of January 1 for 2019, 2021-2023. As of April 1 for 2020.

Source: State of California, Department of Finance, Population Estimates for Cities, Counties and State.

Principal Employers

The following table lists the principal employers in the County ranked by number of employees.

PRINCIPAL EMPLOYERS San Bernardino County 2021-22

<u>Employer Name</u>	<u>Number of Employees</u> ⁽¹⁾⁽²⁾
San Bernardino County	5,000-9,999
Amazon	5,000-9,999
Loma Linda University Medical Center	5,000-9,999
Staters Brothers	1,000-5,000
Burlington Distribution Corp	1,000-5,000
Environmental Systems Research	1,000-5,000
FedEx Ground	1,000-5,000
Inland Empire Health Plan	1,000-5,000
San Antonio Community Hospital	1,000-5,000
San Manuel Indian Bingo and Casino	1,000-5,000

⁽¹⁾ Data represents estimated number of employees.

⁽²⁾ Due to the confidentiality of reporting number of employees, ranges have been provided.

Source: San Bernardino County 'Annual Comprehensive Financial Report' for the fiscal year ended June 30, 2022.

Industry

The County employment centers around services, retail trade and government. The following table shows the estimated number of labor force by industry group for the Riverside -San Bernardino-Ontario Metropolitan Statistical Area and the County for the period from 2018 through 2022.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Civilian Labor Force	2,045,200	2,075,200	2,095,800	2,125,300	2,160,600
Civilian Employment	1,957,500	1,991,200	1,888,900	1,968,700	2,071,200
Civilian Unemployment	87,700	84,000	206,900	156,600	89,400
Civilian Unemployment Rate	4.3%	4.0%	9.9%	7.4%	4.1%
Total Farm	14,500	15,400	14,100	13,700	13,900
Total Nonfarm	1,506,600	1,552,700	1,495,800	1,575,100	1,660,300
Total Private	1,249,400	1,291,500	1,247,800	1,333,100	1,410,900
Goods Producing	206,800	209,700	202,200	207,700	216,400
Mining and Logging	1,200	1,200	1,300	1,400	1,600
Construction	105,200	107,200	104,900	110,100	115,200
Manufacturing	100,400	101,300	96,000	96,100	99,600
Service Providing	1,299,800	1,343,100	1,293,700	1,367,400	1,443,900
Trade, Transportation and Utilities	379,400	395,100	406,900	443,200	464,500
Wholesale Trade	66,100	67,700	65,600	67,400	69,700
Retail Trade	181,200	180,700	168,800	177,000	180,600
Transportation, Warehousing and Utilities	132,100	146,600	172,500	198,800	214,200
Information	11,400	11,500	9,600	9,700	10,200
Financial Activities	44,600	45,000	44,100	45,200	46,800
Professional and Business Services	151,400	157,900	154,800	169,400	179,100
Educational and Health Services	239,500	250,300	248,800	254,300	266,400
Leisure and Hospitality	170,600	175,900	141,300	160,200	179,600
Other Services	45,800	46,200	40,200	43,600	47,900
Government	257,200	261,200	248,000	242,000	249,400
Total, All Industries	1,521,100	1,568,100	1,509,900	1,588,800	1,674,200

Note: Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households and persons involved in labor-management trade disputes. Employment reported by place of work. Items may not add to total due to independent rounding. The "Total, All Industries" data is not directly comparable to the employment data found in this Appendix G.

Source: State of California, Employment Development Department, Industry Employment & Labor Force – by Annual Average, March 2022 Benchmark.

Employment

The table below lists recent employment and unemployment figures for the County.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT⁽¹⁾ COUNTY OF SAN BERNARDINO 2018-2022

<u>Year</u>	<u>Labor Force</u>	<u>Employment⁽²⁾</u>	<u>Unemployment⁽³⁾</u>	<u>Unemployment Rate (%)</u>
2018	955,100	915,800	39,200	4.1
2019	967,100	929,800	37,400	3.9
2020	974,700	880,900	93,800	9.6
2021	992,200	918,600	73,600	7.4
2022	1,008,500	967,200	41,300	4.1

Note: Data is not seasonally adjusted.

(1) Annual averages, unless otherwise specified.

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

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

Source: California Employment Development Department, Local Area Unemployment Statistics.

Commercial Activity

Commercial activity is an important contributor to the County's economy. The table below shows the County's taxable transactions from 2018-2022.

TAXABLE SALES COUNTY OF SAN BERNARDINO (Dollars in Thousands)

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services</u>					
Motor Vehicle and Parts Dealers	\$5,225,645	\$5,250,487	\$5,443,825	\$6,831,493	\$6,753,609
Home Furnishings & Appliance Stores	1,411,829	1,360,696	1,377,292	1,600,838	1,584,670
Building Material/Garden Equipment and Supplies	1,947,555	2,067,762	2,572,112	2,765,799	2,742,221
Food and Beverage Stores	1,457,929	1,515,920	1,678,489	1,802,817	1,867,972
Gasoline Stations	3,784,769	3,686,424	2,803,749	4,344,230	5,477,070
Clothing and Clothing Accessories/Others	2,336,827	2,486,386	2,107,972	3,032,918	2,977,482
General Merchandise Stores	3,618,710	3,724,380	4,078,967	4,729,193	4,866,993
Food Services and Drinking Places	3,693,545	3,892,261	3,438,490	4,565,359	4,956,526
Other Retail Group	3,428,976	3,601,588	5,244,381	8,673,264	8,821,515
Total Retail and Food Services	26,905,784	27,585,905	28,745,277	38,345,912	40,048,059
<u>All other outlets</u>	<u>\$13,648,240</u>	<u>\$14,182,842</u>	<u>\$14,520,235</u>	<u>\$17,032,185</u>	<u>\$19,944,787</u>
Total All Outlets	\$40,554,024	\$41,768,748	\$43,265,512	\$55,378,097	\$59,992,846

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Counties by Type of Business.

TAXABLE SALES
CITY OF ONTARIO, CALIFORNIA
(Dollars in Thousands)

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services:</u>					
Motor Vehicle and Parts Dealers	\$1,476,857	\$1,490,992	\$1,499,220	\$2,038,472	\$2,056,583
Home Furnishings and Appliance Stores	213,477	213,804	190,178	210,221	215,726
Building Material/Garden Equipment and Supplies	239,649	390,564	450,558	469,604	523,968
Food and Beverage Stores	90,855	95,115	106,685	110,384	115,387
Gasoline Stations	620,835	612,899	403,921	621,247	841,033
Clothing and Clothing Accessories Stores	651,409	658,969	380,854	652,958	754,605
General Merchandise Stores	220,380	219,008	236,236	402,562	751,060
Food Services and Drinking Places	451,266	472,257	363,513	499,836	570,339
Other Retail Group	885,444	800,019	785,828	792,918	983,682
Total Retail and Food Services	4,850,172	4,953,629	4,416,993	5,798,203	6,812,383
<u>All other outlets:</u>	<u>\$3,088,952</u>	<u>\$3,232,525</u>	<u>\$3,167,144</u>	<u>\$3,767,053</u>	<u>\$4,040,181</u>
Totals All Outlets	\$7,939,125	\$8,186,154	\$7,584,137	\$9,565,256	\$10,852,564

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

**TAXABLE SALES
CITY OF CHINO, CALIFORNIA
(Dollars in Thousands)**

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services:</u>					
Motor Vehicle and Parts Dealers	\$130,667	\$119,815	\$96,497	\$136,719	\$150,901
Home Furnishings and Appliance Stores	66,382	70,771	55,509	73,721	69,696
Building Material/Garden Equipment and Supplies	66,326	66,962	76,194	81,413	83,391
Food and Beverage Stores	45,842	51,494	60,944	59,788	62,434
Gasoline Stations	132,639	137,149	102,153	157,324	192,289
Clothing and Clothing Accessories Stores	96,748	96,889	67,870	109,012	108,436
General Merchandise Stores	250,945	241,936	239,433	262,338	267,757
Food Services and Drinking Places	165,770	169,805	150,835	191,551	215,491
Other Retail Group	117,835	111,104	95,152	113,339	140,229
Total Retail and Food Services	1,073,154	1,065,926	944,589	1,185,205	1,290,625
<u>All other outlets:</u>	<u>\$1,466,393</u>	<u>\$1,431,622</u>	<u>\$1,662,759</u>	<u>\$1,598,059</u>	<u>\$1,827,514</u>
Totals All Outlets	\$2,539,547	\$2,497,548	\$2,607,348	\$2,783,264	\$3,118,138

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

**TAXABLE SALES
CITY OF CHINO HILLS, CALIFORNIA
(Dollars in Thousands)**

<u>Type of Business</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Retail and Food Services:</u>					
Motor Vehicle and Parts Dealers	\$12,175	\$11,800	\$9,600	\$12,269	\$14,518
Home Furnishings and Appliance Stores	17,168	11,293	9,500	14,111	12,065
Building Material/Garden Equipment and Supplies	31,172	31,909	43,007	40,829	37,837
Food and Beverage Stores	40,851	38,588	42,541	42,955	42,905
Gasoline Stations	99,623	99,943	67,407	111,268	125,077
Clothing and Clothing Accessories Stores	39,955	36,102	23,126	33,793	30,299
General Merchandise Stores	132,601	137,533	123,831	148,901	170,241
Food Services and Drinking Places	166,366	174,424	140,522	190,606	220,704
Other Retail Group	57,670	54,282	50,041	61,501	63,288
Total Retail and Food Services	597,582	595,873	509,577	656,233	716,935
<u>All other outlets:</u>	<u>\$126,875</u>	<u>\$119,412</u>	<u>\$121,158</u>	<u>\$160,800</u>	<u>\$212,646</u>
Totals All Outlets	\$724,456	\$715,285	\$630,735	\$817,033	\$929,582

Note: Totals may not equal sums due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales – Cities by Type of Business.

Building Activity

In addition to annual building permit valuations, the numbers of permits for new dwelling units issued each year from 2018 through 2022 are shown in the following tables for the County and the Cities.

SAN BERNARDINO COUNTY BUILDING PERMIT VALUATIONS For Years 2018 through 2022 (Valuations in Thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$1,455,281	\$1,450,638	\$1,139,459	\$1,484,898	\$1,463,811
Non-Residential	<u>1,080,130</u>	<u>1,377,100</u>	<u>1,064,696</u>	<u>1,165,646</u>	<u>2,083,951</u>
Total	\$2,535,411	\$2,827,738	\$2,204,155	\$2,650,544	\$3,547,762
Units					
Single Family	3,311	4,096	3,631	4,376	3,701
Multiple Family	<u>1,775</u>	<u>1,884</u>	<u>910</u>	<u>2,636</u>	<u>2,852</u>
Total	5,086	5,980	4,541	7,012	6,553

Note: Totals may not equal sums due to rounding.

Source: California Homebuilding Foundation CHF|CIRB.

CITY OF ONTARIO BUILDING PERMIT VALUATIONS For Years 2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$517,398,634	\$328,837,354	\$114,158,739	\$163,586,222	\$126,844,227
Non-Residential	<u>185,202,363</u>	<u>268,018,615</u>	<u>125,536,668</u>	<u>294,622,805</u>	<u>246,686,420</u>
Total	\$702,600,997	\$596,855,969	\$239,695,407	\$458,209,027	\$373,530,647
Units					
Single Family	1,056	1,091	472	531	382
Multiple Family	<u>273</u>	<u>322</u>	<u>74</u>	<u>659</u>	<u>325</u>
Total	1,329	1,413	546	1,190	707

Note: Totals may not equal sums due to rounding.

Source: California Homebuilding Foundation CHF|CIRB.

CITY OF CHINO
BUILDING PERMIT VALUATIONS
For Years 2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$180,370,273	\$134,437,064	\$123,389,439	\$195,657,039	\$200,753,973
Non-Residential	<u>136,375,157</u>	<u>112,260,719</u>	<u>291,329,951</u>	<u>125,449,620</u>	<u>115,926,351</u>
Total	\$316,745,430	\$246,697,783	\$414,719,390	\$321,106,659	\$316,680,324
Units					
Single Family	378	520	448	465	488
Multiple Family	<u>454</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>154</u>
Total	832	520	448	465	642

Note: Totals may not equal sums due to rounding.
Source: California Homebuilding Foundation CHF|CIRB.

CITY OF CHINO HILLS
BUILDING PERMIT VALUATIONS
For Years 2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$84,244,200	\$19,733,046	\$18,466,030	\$12,806,945	\$13,676,822
Non-Residential	<u>26,845,829</u>	<u>10,275,178</u>	<u>24,849,230</u>	<u>17,330,586</u>	<u>8,352,323</u>
Total	\$111,090,029	\$30,008,224	\$43,315,260	\$30,137,531	\$22,029,145
Units					
Single Family	177	32	42	33	14
Multiple Family	<u>68</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>42</u>
Total	245	32	42	33	56

Note: Totals may not equal sums due to rounding.
Source: California Homebuilding Foundation CHF|CIRB.

APPENDIX H

ACCRETED VALUES TABLE

**CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
GENERAL OBLIGATION BONDS
ELECTION OF 2016, SERIES 2024D**

§ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
2024 General Obligation Refunding Bonds

CONTRACT OF PURCHASE

_____, 2024

Board of Education
Chino Valley Unified School District
5130 Riverside Drive
Chino, California 91710

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”), offers to enter into this Contract of Purchase (the “Contract of Purchase”) with the Chino Valley Unified School District (the “District”), which, upon the District’s acceptance hereof, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Contract of Purchase 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. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Official Statement (as defined herein) or, if not defined in the Official Statement, in the Resolution (as defined herein).

Inasmuch as the sale contemplated hereby represents a negotiated transaction, the District acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the District and the Underwriter and that the Underwriter has financial and other interests that differ from those of the District, (ii) the Underwriter is acting solely as a principal and not acting as a municipal advisor, financial advisor or fiduciary to the District and has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the District on other matters), (iii) the only obligations the Underwriter has to the District with respect to the transaction contemplated hereby expressly are set forth in this Contract of Purchase, except as otherwise provided by applicable rules and regulations of the Securities and Exchange Commission (“SEC”) or the rules of the Municipal Securities Rulemaking Board (“MSRB”), and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The District acknowledges that it has previously provided the Underwriter with an acknowledgment of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB.

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, 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 \$_____ aggregate initial principal amount of the District's 2024 General Obligation Refunding Bonds (the "Bonds"). The Bonds shall bear interest at the rates, shall mature in the years and shall be subject to redemption as shown on Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall be dated the date of delivery (the "Date of Delivery") and shall bear interest from such date, payable semiannually on February 1 and August 1, commencing August 1, 2024.

The Underwriter shall purchase the Bonds at a price of \$_____ (which is equal to the principal amount of the Bonds of \$_____, plus [net] original issue premium of \$_____, less an Underwriter's discount of \$_____). Certain costs of issuance of the Bonds shall be paid by the District in accordance with Section 12 hereof.

2. **The Bonds.** The Bonds shall otherwise be as described in the Official Statement (defined herein), and shall be issued and secured pursuant to the provisions of the Resolution of the District adopted on February 15, 2024 (the "Resolution"), this Contract of Purchase, and Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Act").

The Bonds shall be executed and delivered under and in accordance with the provisions of this Contract of Purchase and the Resolution. The Bonds shall bear CUSIP numbers; be in fully registered book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"); and initially be issued in authorized denominations of five thousand dollars (\$5,000) principal amount, or any integral multiple thereof.

[The proceeds of the Bonds are expected to be applied to refund on a current basis of all or a portion of the District's 2014 General Obligation Bonds (the "Refunded Bonds") and pay the costs of issuance of the Bonds.

Pursuant to an Escrow Agreement dated as of May 1, 2024 (the "Escrow Agreement"), by and between the District and The Bank of New York Mellon Trust Company, N.A., as escrow bank (the "Escrow Agent"), the net proceeds of the Bonds will be deposited into an escrow fund held pursuant to the Escrow Agreement and invested in certain Federal Securities, as such term is defined therein, the principal of and interest on which shall be used to pay (i) the interest due on the Refunded Bonds on and prior to their respective first optional redemption dates, and (ii) the redemption price of the Refunded Bonds on their first optional redemption date.]

3. **Use of Documents.** The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Bonds, the Continuing Disclosure Undertaking (as defined herein), this Contract of Purchase, the Escrow Agreement, the Preliminary Official Statement, the Official Statement, the Resolution 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 Contract of Purchase.

4. **Public Offering of Bonds; Establishment of Issue Price.** The Underwriter agrees to make a bona fide public offering of all the Bonds at the initial public offering prices or yields to be set forth on the inside cover of the Official Statement and Exhibit A hereto.

(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 Norton Rose Fulbright US LLP (“Bond Counsel”), 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 Keygent LLC, the District’s municipal advisor (the “Municipal Advisor”) and any notice or report to be provided to the District may be provided to the Municipal Advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price 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 Contract of Purchase, 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 the Closing Date 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. 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 Contract of Purchase 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 Contract of Purchase, the maturities, if any, of the Bonds for which 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 (5th) 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 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 retail or other 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:

(A) (i) 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 (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) 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

(C) 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 retail or other 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 retail or other 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 retail or other 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 retail or other third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail or other third-party distribution agreement, to comply with its corresponding 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 Bond.

(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 Contract of Purchase by all parties.

5. Review of Official Statement. The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated _____, 2024 (the “Preliminary Official Statement”). The District represents that it has duly authorized and prepared the Preliminary Official Statement for use by the Underwriter in connection with the sale of the Bonds, and that it has deemed the Preliminary Official Statement to be final, as of its date, except for either revision or addition of the offering price(s), interest rate(s), yield(s) to maturity, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s), redemption provisions and other terms of the Bonds which depend upon the foregoing

as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “SEC”) promulgated under the Securities Exchange Act of 1934, as amended (the “Rule”).

The Underwriter agrees that prior to the time the final Official Statement (as defined herein) 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 electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

The Underwriter agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access system within one business day after receipt thereof from the District, but in no event later than the Closing.

6. **Closing.** At 9:00 A.M., California Time, on _____, 2024 (the “Closing”) or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (the “Closing”), the District will deliver or cause to be delivered to the Underwriter, through the facilities of DTC in New York, New York, 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 registered in the name of Cede & Co., as nominee of DTC, and at the offices of Norton Rose Fulbright US LLP, Los Angeles, California (“Bond Counsel”), the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price set forth in Section 1 hereof in immediately available funds by wire transfer to the account or accounts designated by the District.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriter that:

(a) Due Organization. The District is a unified 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) Due Authorization. (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 District has full legal right, power, and authority to refund the Refunded Bonds, to enter into this Contract of Purchase, the Continuing Disclosure Undertaking and the Escrow Agreement, to adopt the Resolution, to perform its obligations under each such document or instrument, to approve the Official Statement, and to carry out and effectuate the transactions contemplated by this Contract of Purchase, the Escrow Agreement, the Continuing Disclosure Undertaking and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Resolution, the Escrow Agreement, the Continuing Disclosure Undertaking and this Contract of Purchase have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Contract of Purchase and the Escrow Agreement, assuming the due authorization, execution and delivery by the other party thereto, and the Continuing Disclosure Undertaking, constitute valid and legally binding obligations of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as enforcement may be

subject to the application of equitable principles or the exercise of judicial discretion in appropriate cases if equitable remedies are sought, and by the limitations on legal remedies against public agencies in the State; and (v) the District has duly authorized the consummation by it of all transactions contemplated by this Contract of Purchase.

(c) Consents. 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, the execution and delivery of this Contract of Purchase, the Escrow Agreement and the Continuing Disclosure Undertaking, the adoption of the Resolution, or the consummation of the other transactions effected or contemplated herein or hereby, which have not been taken or obtained, 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) Internal Revenue Code. The District has complied with the requirements of the Internal Revenue Code of 1986 (the "Code"), as amended, with respect to the Bonds.

(e) No Conflicts. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Contract of Purchase, the Escrow Agreement, the Continuing Disclosure Undertaking, the Resolution and the Bonds, and the compliance with the provisions hereof and thereof do not conflict with or constitute on the part of the District a violation of or default under the State Constitution or any existing law, charter, ordinance, regulation, decree, order or resolution and do not conflict with or result in a violation or breach of, or constitute a 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) Litigation. As of the time of acceptance hereof, no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, 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 of the titles of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, or the application of the proceeds of the sale of the Bonds, or the collection or levy of *ad valorem* property taxes contemplated by the Resolution, and the application thereof to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, this Contract of Purchase, the Escrow Agreement, the Continuing Disclosure Undertaking or the Resolution or contesting the powers of the District or its authority with respect to the Bonds, the Resolution, this Contract of Purchase, the Escrow Agreement, or the Continuing Disclosure Undertaking; or (iii) in which a final adverse decision could (a) materially adversely affect the operations or financial condition of the District or the consummation of the transactions contemplated by this Contract of Purchase, the Continuing Disclosure Undertaking, the Escrow Agreement or the Resolution, (b) declare this Contract of Purchase to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from

gross income for federal income tax purposes and the exemption of such interest on the Bonds from State personal income taxation.

(g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, neither the District, nor any other person or entity on behalf of the District, will have issued in the name and on behalf of the District 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) Certificates. 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.

(i) Continuing Disclosure. In accordance with the requirements of the Rule and pursuant to the Resolution, at or prior to the Closing, the District shall have duly authorized, executed and delivered a continuing disclosure undertaking with respect to the Bonds (the “Continuing Disclosure Undertaking”) on behalf of each obligated person for which financial and/or operating data is presented in the Official Statement. The Continuing Disclosure Undertaking shall be substantially in the form attached to the Official Statement as Appendix D. Except as otherwise disclosed in the Official Statement, the District has not, within the past five years, failed to comply in a material respect with any of its previous undertakings pursuant to the Rule to provide annual reports or notice of certain listed events.

(j) Official Statement Accurate and Complete. The Preliminary Official Statement, at the date thereof and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. As of the date thereof and as of the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

(l) No Material Adverse Change. The financial statements of, and other financial information regarding the District, in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District.

(m) Representation Regarding Refunded Bonds. 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 Refunded Bonds or enter into this Contract of Purchase for the sale of the Bonds to the Underwriter.

8. **Covenants of the District.** The District covenants and agrees with the Underwriter that:

(a) Securities Laws. 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 it is not so subject as of the date hereof;

(b) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution;

(c) Official Statement. 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 Contract of Purchase 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, inside front cover page, and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the "Official Statement") in such quantities as may be requested by the Underwriter not later than seven (7) business days following the date this Contract of Purchase is signed, in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

(d) Subsequent Events. The District hereby agrees to notify the Underwriter of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is twenty five (25) days following the End of the Underwriting Period;

(e) References. References herein to the Preliminary Official Statement and the Official Statement include the cover, inside front cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto; and

(f) Amendments to Official Statement. During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the District and the Underwriter), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter and (ii) shall notify the Underwriter promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriter, at the District's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Underwriter, as the Underwriter

may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, at its own expense, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Contract of Purchase, the “End of the Underwriting Period” is used as defined in the Rule and shall occur on the later of (A) the date of Closing or (B) when the Underwriter no longer retains an unsold balance of the Bonds; unless otherwise advised in writing by the Underwriter on or prior to the date of Closing, or otherwise agreed to by the District and the Underwriter, the District may assume that the End of the Underwriting Period is the date of Closing.

9. Representations, Warranties and Agreements of the Underwriter. The Underwriter represents to and agrees with the District that, as of the date hereof and as of the date of the Closing:

(a) The Underwriter is duly authorized to execute this Contract of Purchase and to take any action under this Contract of Purchase required to be taken by it.

(b) The Underwriter is in compliance with MSRB Rule G-37 with respect to the District, and is not prohibited thereby from acting as underwriter with respect to securities of the District.

(c) The Underwriter has, and has had, no financial advisory relationship, as that term is defined in Government Code Section 53590(c), or MSRB Rule G-23, with the District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

10. Conditions to Closing. The Underwriter has entered into this Contract of Purchase 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 date of Closing. The Underwriter’s obligations under this Contract of Purchase are, and shall be subject, at the option of the Underwriter, to the following further conditions at the Closing:

(a) Representations True. 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 date of the Closing; and the District shall be in compliance with each of the agreements made by it in this Contract of Purchase;

(b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Contract of Purchase, the Continuing Disclosure Undertaking 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 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 their obligations required under or specified in the Resolution, this Contract of Purchase or the Official Statement to be performed at or prior to the Closing;

(c) Adverse Rulings. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Contract of Purchase (and not reversed on appeal or otherwise set aside), or shall be pending, or, to the best knowledge of the District, threatened, which has any of the effects described in Section 7(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;

(d) Banking Moratorium. There has not been declaration of a general banking moratorium by federal, New York or State authorities, or a general suspension of trading on any national securities exchange;

(e) Exchange Trading Restrictions. There has been no 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;

(f) General Obligation Bond Offering Invalidity. No order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, 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;

(g) Marketability. Between the date hereof and the Closing, the market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall not have been materially adversely affected, in the reasonable judgment of the Underwriter, by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or passed by either House of Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation of the interest received by the owners of the Bonds, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of

federal income taxation of the interest received by the owners of the Bonds;
or

(ii) 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;

(2) legislation enacted by the State legislature or a decision rendered by a State Court, or a ruling, order, or regulation (final or temporary) made by a State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof;

(3) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status to any rating of the District's outstanding indebtedness (without regard to any insurance) by a national rating agency;

(4) there shall have occurred (i) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(5) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

(6) 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 contained 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;

(7) any fact or event shall exist or have existed that requires or has required an amendment of or supplement to the Official Statement;

(8) there shall have occurred any materially adverse change in the affairs or financial condition of the District;

(9) 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, its

property, 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

(10) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

(e) Delivery of Documents. At or prior to the date of the Closing, the Underwriter shall receive sufficient copies of the following documents in each case dated as of the date of Closing and satisfactory in form and substance to the Underwriter:

(1) Opinions of Bond Counsel. (A) The approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District in substantially the form set forth in the Official Statement as Appendix B; and (B) a defeasance opinion of Bond Counsel with respect to the defeasance of the Refunded Bonds addressed to the District and the Underwriter, and including therein an opinion that the Escrow Agreement has been duly authorized and delivered by the District and, assuming due authorization, execution and delivery by the Escrow Agent, is a valid and binding agreement of the District;

(2) Reliance Letter. A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the opinion described in Section 10(e)(1)(A) above;

(3) Supplemental Opinion of Bond Counsel. A supplemental opinion of Bond Counsel in form and substance satisfactory to the Underwriter, dated the date of Closing and addressed to the District and the Underwriter, substantially to the effect that:

(i) the description of the Bonds and the security for the Bonds and statements in the Official Statement on the cover page thereof and under the captions “INTRODUCTION,” “THE BONDS,” “TAX MATTERS,” and “LEGAL MATTERS – Continuing Disclosure – Current Undertaking,” to the extent they purport to summarize certain provisions of the Bonds, the Resolution, the Continuing Disclosure Undertaking, and the form and content of Bond Counsel’s approving opinion with respect to the treatment of interest on the Bonds under California and federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to (i) any information contained in Appendices C, E, F, G or H to the Official Statement, (ii) financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, including in any of the appendices thereto, (iii) information with respect to DTC or its book-entry only system included therein, (iv) any CUSIP numbers or information relating thereto, (v) the District’s compliance with its obligations to file annual reports or provide notice of the events described in the Rule, (vi) any information with respect to

the Underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption “UNDERWRITING”; and (vii) any information with respect to the rating on the Bonds and the rating agency referenced therein, including but not limited to information under the caption “RATINGS”;

(ii) the Continuing Disclosure Undertaking and this Contract of Purchase have each been duly authorized, executed and delivered by the District, and assuming due authorization, execution and delivery by all the other parties thereto, constitute legal, valid and binding agreements of the District and are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors’ rights and except as such enforcement may be subject to the application of equitable principles, and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

(iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(4) Disclosure Counsel Letter. A letter of Norton Rose Fulbright US LLP, dated the date of Closing and addressed to the District and the Underwriter, substantially to the effect that based on such counsel’s participation in conferences with representatives of the Underwriter, the Municipal Advisor to the District, the District and others, during which conferences the contents of the Official Statement and related matters were discussed, and in reliance thereon and on the records, documents, certificates and opinions described therein, such counsel advises the District, as a matter of fact and not opinion, that during the course of its engagement as Disclosure Counsel no information came to the attention of such counsel’s attorneys rendering legal services in connection with such representation which caused such counsel to believe that the Official Statement as of its date contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for provided that Bond Counsel need not express any opinion with respect to (i) any information contained in Appendices C, E, F, G or H to the Official Statement, (ii) financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion contained in the Official Statement, including in any of the appendices thereto, (iii) information with respect to The Depository Trust Company or its book-entry only system included therein, (iv) any CUSIP numbers or information relating thereto, (v) the District’s compliance with its obligations to file annual reports or provide notice of the events described in Rule 15c2-12 promulgated under the Securities Act of 1934, (vi) any information with respect to the Underwriter or underwriting matters with respect to the Bonds, including but not limited to information under the caption “UNDERWRITING”; and (vii) any information with

respect to the ratings on the Bonds and the rating agency referenced therein, including but not limited to information under the caption “RATINGS”);

(5) District Certificates. A certificate signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Contract of Purchase, (ii) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the date of Closing, (iii) the District has complied with all the terms of the Resolution, the Escrow Agreement, the Continuing Disclosure Undertaking and this Contract of Purchase to be complied with by the District prior to or concurrently with the Closing, and, as to the District, such documents are in full force and effect, (iv) such District officials have reviewed the Preliminary Official Statement and Official Statement and on such basis certify that the Preliminary Official Statement, as of its date did not, and the Official Statement, as of its date and the date of Closing, did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (v) the Bonds being delivered on the date of the Closing to the Underwriter under this Contract of Purchase substantially conform to the descriptions thereof contained in the Resolution, (vi) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should be disclosed in order to make the statements in the Official Statement in light of the circumstances in which they were made not misleading, and (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to the best knowledge of such officials, threatened against the District, contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the District on behalf of the District or the due adoption of the Resolution;

(6) Reserved;

(7) Rating. Evidence satisfactory to the Underwriter (i) that the Bonds shall have been rated “___” by Moody’s Investors Service (“Moody’s”) and “___” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC, and (ii) that any such rating has not been revoked or downgraded;

(8) Resolution. A certificate, together with fully executed copies of the Resolution, of the Secretary to or Clerk of the Board of Education of the District to the effect that:

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

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

(9) Official Statement. A certificate of the appropriate official of the District evidencing his or her determinations respecting the Preliminary Official Statement in accordance with the Rule;

(10) Certificate of the Paying Agent. A certificate of The Bank of New York Mellon Trust Company, N.A., as the paying agent for the bonds (the “Paying Agent”), signed by a duly authorized officer thereof, and in form and substance satisfactory to the Underwriter, substantially to the effect that no litigation is pending or, to the best of the Paying Agent’s knowledge, threatened (either in state or federal courts) (i) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (ii) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or any agreement with the Paying Agent;

(11) Certificate of the Escrow Agent. A certificate of the Escrow Agent, dated the date of Closing, signed by a duly authorized officer of such Escrow Agent, and in form and substance satisfactory to the Underwriter, to the effect that (i) the Escrow Agent has all necessary power and authority to enter into and perform its duties under its Escrow Agreement; (ii) the Escrow Agent has duly authorized, executed and delivered such Escrow Agreement, and, assuming due authorization, execution and delivery by the District, such Escrow Agreement constitutes the valid and binding agreement of such Escrow Agent enforceable against the Escrow Agent in accordance with its terms, except as enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights and to the application of equitable principles; (iii) the execution and delivery of such Escrow Agreement and compliance with the provisions thereof have been duly authorized by all necessary corporate action on the part of such Escrow Agent and, to the best knowledge of such Escrow Agent, will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, bylaws or any agreement to which such Escrow Agent is subject or by which it is bound; and (iv) no litigation is pending or, to the best knowledge of such Escrow Agent, threatened (either in state or federal courts) against the Escrow Agent in any way contesting or affecting the validity or enforceability of the Bonds or such Escrow Agreement;

(12) Verification Report. A report and opinion of Robert Thomas CPA, LLC (the “Verification Agent”) with respect to the sufficiency of monies or securities, and investment earnings thereon, held under the Escrow Agreement to refund the respective series of Refunded Bonds, all as provided in the Escrow Agreement;

(13) Underwriter’s Counsel Opinion. The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation San Francisco, California, as counsel to the Underwriter, in a form and substance satisfactory to the Underwriter;

(14) Continuing Disclosure Undertaking. An executed copy of the Continuing Disclosure Undertaking, substantially in the form presented in the Official Statement as Appendix D thereto;

(15) Escrow Agreement. The Escrow Agreement, and executed by the respective parties thereto; and

(16) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as Bond Counsel or 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 and of the Official Statement, 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.

(f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter as provided in Section 6 herein, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect except with respect to the obligations of the District and the Underwriter under Sections 12(c) and 14 hereof.

If the District is unable to satisfy the conditions to the Underwriter's obligations contained in this Contract of Purchase or if the Underwriter's obligations shall be terminated for any reason permitted by this Contract of Purchase, this Contract of Purchase may be cancelled 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, if by telephone, 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.

11. **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) receipt by the District and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than the District.

12. **Expenses.** (a) To the extent that the transactions contemplated by this Contract of Purchase are consummated, the District shall pay (or cause to be paid), and the Underwriter shall be under no obligation to pay, the following costs of issuance with respect to the Bonds, including but not limited to the following: (i) the fees and disbursements of the District's Bond Counsel, Disclosure Counsel and Municipal Advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees for the Bond ratings, including all necessary travel expenses; (iv) the cost of the printing and distribution of the Preliminary Official Statement and Official Statement; (v) the initial fees of the Paying Agent and Fiscal Agent (as defined herein); (vi) expenses for travel, lodging, and subsistence related to rating agency visits and other meetings connected to the authorization, sale, issuance and distribution of the Bonds; (vii) the initial fees of the Escrow Agent; (viii) the fees of the Verification Agent; and (ix) all other fees and expenses incident to the issuance and sale of the Bonds. The District hereby authorizes the Underwriter to wire a portion of the collective purchase price for the Bonds equal to \$_____ to The Bank of New York Mellon Trust Company, N.A., as fiscal agent for the District (the "Fiscal Agent"), for the payment of such costs. In the event that following payment of the expenses set forth above, there is any portion remaining, such remaining amount shall be deposited into the debt service fund for the Bonds. 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.

(b) Notwithstanding any of the foregoing, the Underwriter shall pay all out of pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP fees, the fees and disbursement of counsel to the Underwriter, and other expenses (except those expressly provided above) without limitation, except travel and related expenses attributable to District personnel in connection with the bond ratings.

(c) Notwithstanding Section 10(f) hereof, the District hereby agrees, in the event the purchase and sale of the Bonds does not occur as contemplated hereunder, to reimburse the Underwriter for any costs described in Subsection 12(a)(vi) above that are attributable to District personnel.

13. **Notices.** Any notice or other communication to be given under this Contract of Purchase (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 Chino Valley Unified School District, 5130 Riverside Drive, Chino, California 91710, Attention: Associate Superintendent, Business Services, or if to the Underwriter, to Stifel, Nicolaus & Company, Incorporated, 515 South Figueroa Street, Suite 1800, Los Angeles, California 90071, attention: Robert Barna, Managing Director.

14. **Parties in Interest; Survival of Representations and Warranties.** This Contract of Purchase when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriter. This Contract of Purchase 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 Contract of Purchase 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 Contract of Purchase.

15. **Execution in Counterparts.** This Contract of Purchase 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 BLANK]

16. **Applicable Law.** This Contract of Purchase shall be interpreted, governed and enforced in accordance with the laws of the State applicable to contracts made and performed in such State.

Very truly yours,

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Underwriter**

By: _____
Authorized Representative

The foregoing is hereby agreed to and
accepted at _____ p.m., California
Time, as of the date first above written:

CHINO VALLEY UNIFIED SCHOOL DISTRICT

By: _____
Associate Superintendent,
Business Services

EXHIBIT A

\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
2024 General Obligation Refunding Bonds

\$ _____ Serial Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering -Price Rule</u>
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\$ _____ Term Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering -Price Rule</u>
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* 10% of each maturity of the Bonds sold to the public on the sale date.

⁽¹⁾ Yield to call at par on August 1, 20__.

Redemption Provisions

[To Come]

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

\$ _____
CHINO VALLEY UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
2024 General Obligation Refunding Bonds

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (the “Stifel”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the [General Rule] Maturities.*** As of the date of this certificate, for each Maturity of the [General Rule] Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***[Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule I (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Purchase Agreement, the Underwriting Group has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. ***Defined Terms.***

(a) *[General Rule Maturities]* means those Maturities of the Bonds listed in Schedule A hereto [as the “General Rule Maturities.”]

(b) *[Hold-the-Offering-Price Maturities]* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

(c) *[Holding Period]* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2024), or (ii) the date on which an Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means Chino Valley Unified School District.

(e) *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.

(f) *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. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) [Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.]

(h) *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 representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

STIFEL, NICOLAUS & COMPANY
INCORPORATED

By:_____

Name:_____

Dated: _____, 2024

SCHEDULE A

**IDENTIFICATION OF GENERAL RULE MATURITIES AND
HOLD-THE-OFFERING-PRICE MATURITIES**

\$ _____ Serial Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering -Price Rule</u>
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\$ _____ Term Bonds

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Rule*</u>	<u>Hold-the- Offering -Price Rule</u>
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* 10% of each maturity of the Bonds sold to the public on the sale date.

⁽¹⁾ Yield to call at par on August 1, 20__.

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(see attached)

B-B-1

ESCROW AGREEMENT

by and between the

CHINO VALLEY UNIFIED SCHOOL DISTRICT

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Prior Bonds Paying Agent and
as Escrow Agent

Dated as of [May 1], 2024

Pertaining to the Defeasance of

CHINO VALLEY UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)

2014 General Obligation Refunding Bonds

ESCROW AGREEMENT

This Escrow Agreement (the “Agreement”), made and entered into as of [May 1], 2024, by and between the CHINO VALLEY UNIFIED SCHOOL DISTRICT, a unified school district, organized and existing under, and by virtue of 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 Agent and as Prior Bonds Paying Agent (the “Escrow Agent”);

WITNESSETH:

WHEREAS, a duly called election was held in the District on March 5, 2002 (the “2002 Election”), and thereafter canvassed pursuant to law; and

WHEREAS, at the 2002 Election, there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum aggregate principal amount of \$150,000,000 to finance the projects described in the proposition (“Measure M”) payable from the levy of an *ad valorem* property tax against the taxable property in the District (the “Authorization”); and

WHEREAS, as authorized at the 2002 Election, the Board of Education of the District (the “Governing Board”) has previously approved the issuance, among other series, of (i) \$35,000,000 aggregate initial principal amount of the District’s General Obligation Bonds, 2002 Election, Series B (the “2002B Bonds”), (ii) \$25,000,000 aggregate initial principal amount of the District’s General Obligation Bonds, 2002 Election, 2005 Series C (the “2005C Bonds”), and (iii) \$49,999,999.20 aggregate initial principal amount of the District’s General Obligation Bonds 2002 Election, 2006 Series D (the “2002D Bonds”); and

WHEREAS, a duly called election was held in the District on November 8, 2016 (the “2016 Election”), and thereafter canvassed pursuant to law; and

WHEREAS, in 2014, to effect the advance refunding of a portion of the 2005C Bonds, the Governing Board approved the issuance of \$22,425,000 aggregate initial principal amount of the District’s 2014 General Obligation Refunding Bonds (the “Prior Bonds”), of which \$ _____ of initial principal amount is presently outstanding and subject to refunding; and

WHEREAS, the District has authorized the issuance of its 2024 General Obligation Refunding Bonds (Tax-Exempt) (the “2024 Bonds”), a portion of the proceeds of which are to be used, to refund all or a portion of the Prior Bonds (the “Refunded Bonds”); and

NOW, THEREFORE, in consideration of the mutual premises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. As used herein, the following terms shall have the following meanings:

“Code” means the Internal Revenue Code of 1986.

“Escrow Fund” means the Escrow Fund established and held by the Escrow Agent pursuant to Section 3 hereof.

“Escrow Requirements” means an amount sufficient to pay the principal of, redemption price, and interest on the Refunded Bonds through and including the Redemption Date, as shown on Exhibit A hereto.

“Escrow Securities” means such securities eligible to be used to defease the Refunded Bonds under the Prior Bonds Resolutions and deposited in the Escrow Fund pursuant to Section 5 hereof.

“Prior Bonds Resolution” means the 2014 Prior Bonds Resolution.

“Redemption Date” means the 2014 Redemption Date.

“2014 Prior Bonds Resolution” means the resolution adopted by the Governing Board of the District adopted on July 17, 2014, pursuant to which the Prior Bonds were issued.

“2014 Redemption Date” means [August 1, 2024], which is the date on which the Refunded Bonds are to be redeemed or paid.

SECTION 2. The District hereby appoints The Bank of New York Mellon Trust Company, N.A. as Escrow Agent under this Agreement for the benefit of the holders of the Refunded Bonds. The Escrow Agent hereby accepts the duties and obligations of Escrow Agent under this Agreement and agrees that the irrevocable instructions to the Escrow Agent herein provided are in a form satisfactory to it. The applicable and necessary provisions of the Prior Bonds Resolution, including particularly the redemption provisions thereof, are incorporated herein by reference. Reference herein to, or citation herein of, any provisions of the Prior Bonds Resolution shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

SECTION 3. Pursuant to this Agreement, there is created and established with the Escrow Agent special and irrevocable trust funds designated the Escrow Fund to be held by the Escrow Agent separate and apart from all other funds and accounts, and used only for the purposes and in the manner provided in this Agreement.

SECTION 4. The District herewith deposits, or causes to be deposited, with the Escrow Agent into the Escrow Fund, to be held in irrevocable trust by the Escrow Agent and to be applied solely as provided in this Agreement, the amount of \$_____ from the proceeds of the 2024 Bonds.

SECTION 5. The Escrow Agent acknowledges receipt of the moneys described in Section 4. The Escrow Agent agrees immediately to invest \$_____ of amounts in the Escrow Fund in the Escrow Securities set forth in Exhibit B hereto and to retain the amount of \$_____

uninvested. Such amounts shall be applied by the Escrow Agent to the payment of the Escrow Requirements for the equal and ratable benefit of the holders of the Refunded Bonds.

The Escrow Agent may conclusively rely upon the verification report by Robert Thomas CPA, LLC, dated _____, 2024 as to the sufficiency of the funds to make the payments required for the defeasance of the Refunded Bonds and a full redemption of the outstanding Refunded Bonds.

SECTION 6. The District hereby directs and the Escrow Agent hereby agrees that the Escrow Agent will perform all the duties expressly required to be taken by it hereunder. The liability of the Escrow Agent for the payment of the Escrow Requirements shall be limited to the application, in accordance with this Agreement, of the moneys and Escrow Securities available for such purposes in the Escrow Fund.

SECTION 7. The District irrevocably instructs the Escrow Agent to pay to the Prior Bonds Paying Agent from amounts held in the Escrow Fund:

(a) the amount equal to the redemption price of the principal amount of the Refunded Bonds called for redemption on the 2014 Redemption Date, plus interest accrued thereon to the 2014 Redemption Date, all as shown on Exhibit A hereto. The District irrevocably instructs the Prior Bonds Paying Agent under the 2014 Prior Bonds Resolution to provide notice of redemption of the Refunded Bonds as provided therein and to electronically post such notice to the MSRB's EMMA website at <https://emma.msrb.org> in the form attached as Exhibit C hereto no later than [July 12], 2024 (and no earlier than [June 17], 2024). In addition, the District irrevocably instructs the Prior Bonds Paying Agent under the 2014 Prior Bonds Resolution to provide notice of defeasance of the Refunded Bonds as provided therein and to electronically post such notice to the MSRB's EMMA website at <https://emma.msrb.org> in the form attached as Exhibit D hereto on May [7], 2024; and

(b) The sole remedy for the Escrow Agent's failure to post notices of defeasance and redemption on the MSRB's EMMA website shall be an action by the holders of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance.

Any notices to the District shall be sent as follows:

CHINO VALLEY UNIFIED SCHOOL DISTRICT

5130 Riverside Drive

Chino, CA 91710

Fax: 909-590-2838

Sandra Chen, Associate Superintendent, Business Services

Email: sandra_chen@chino.k12.ca.us

Gregory Stachura, Assistant Superintendent, Facilities, Planning & Operations

Email: greg_stachura@chino.k12.ca.us

SECTION 8. The trust hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien limited to all moneys and Escrow Securities in the Escrow Fund, including the interest earnings thereon, until paid out, used and applied in accordance with this Agreement.

SECTION 9. This Agreement is made pursuant to and in furtherance of the Prior Bonds Resolution and for the benefit of the District and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered, amended or supplemented without the written consent of all such holders and the written consent of the Escrow Agent and the District; provided, however, that the District and the Escrow Agent may, without the consent of, or notice to, such holders enter into such amendments or supplements as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure an ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or agency that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to transfer to the Escrow Agent and make subject to this Agreement additional funds, securities or properties.

The Escrow Agent and Prior Bonds Paying Agent shall be entitled to conclusively rely upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 10. In consideration of the services rendered by the Escrow Agent under this Agreement, the District agrees to and shall pay to the Escrow Agent its fees, plus expenses, including all reasonable expenses, charges, counsel fees and other disbursements incurred by it or by its attorneys, agents and employees in and about the performance of their powers and duties hereunder, and the Escrow Agent shall have no lien whatsoever upon any of the moneys or Escrow Securities in the Escrow Fund for the payment of such proper fees and expenses.

SECTION 11. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the trusts hereby created by giving not less than 60 days' written notice to the District and the Prior Bonds Paying Agent, specifying the date when such resignation will take effect in the same manner as a notice is to be mailed pursuant to Section 7 hereof, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of the Refunded Bonds or by the District as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and to the District and the Prior Bonds Paying Agent and signed by the holders of a majority in principal amount of the Refunded Bonds.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in the case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor Escrow Agent may be appointed by the holders of a majority in principal amount of the Refunded Bonds, by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys-in-fact, duly authorized in writing; provided, nevertheless, that in any such event, the District shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in principal amount of the Refunded Bonds, and any such temporary Escrow Agent so appointed by the District shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the District pursuant to the foregoing provisions of this Section within 60 days after written notice of the removal or resignation of the Escrow Agent has been given to the District, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation or institution with trust powers organized under the financial institution laws of the United States or any state, and shall have at the time of appointment capital and surplus of not less than \$50,000,000. For purpose of this Section 11, a corporation or institution with trust powers organized under the financial institution laws of the United States of America or any state shall be deemed to have combined capital and surplus of at least \$50,000,000 if it has a combined capital surplus of at least \$20,000,000 and is a wholly-owned subsidiary of a corporation having a combined capital and surplus of at least \$50,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the District, an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trust, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of such successor Escrow Agent or the District execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all moneys and Escrow Securities held by it to its successor. Should any transfer, assignment or instrument in writing from the District be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instrument in writing shall, on request, be executed, acknowledged and delivered by the District.

Any corporation or association into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it shall be a party or any successor

to a substantial portion of the Escrow Agent's corporate trust business, shall, if it meets the qualifications set forth in the fifth paragraph of this Section, be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. The liability of the Escrow Agent to make payments required in the Agreement shall be limited to the moneys and Escrow Securities in the Escrow Fund.

SECTION 12. The Escrow Agent shall have no power or duty to invest any funds held under this Agreement except as provided in Sections 4 and 5 hereof. The Escrow Agent shall have no power or duty to transfer or otherwise dispose of the moneys or Escrow Securities held hereunder except as provided in this Agreement.

SECTION 13. To the extent permitted by law, the District hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the District or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of any securities to be purchased pursuant thereto, the retention of such securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement. The District shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct by the Escrow Agent of the terms of this Agreement. In no event shall the District or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent. The District shall pay the Escrow Agent full compensation for its duties under this Agreement, including out-of-pocket costs such as publication costs, prepayment expenses, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase of any Escrow Securities after the date hereof. Under no circumstances shall amounts deposited in or credited to the Escrow Fund be deemed to be available for said purposes.

SECTION 14. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the District, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the moneys and the Escrow Securities to accomplish the redemption of the Refunded Bonds pursuant to the Prior Bonds Resolution or to the validity of this Agreement as to the District and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's successors, assigns, agents and employees, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent

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 Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this 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 nationally recognized bond counsel) may be deemed to be conclusively established by a written certification of the District. Whenever the Escrow Agent shall deem it necessary or desirable that a matter specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of nationally recognized bond counsel be proved or established prior to taking, suffering, or omitting any such action, such matter may be established only by such a certificate or such an opinion. The Escrow Agent shall incur no liability for losses arising from any investment made pursuant to this Agreement.

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

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this 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 Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the District shall provide to the Escrow Agent 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 Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The District understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The District shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent 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 Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent'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 Agent, including without limitation the risk of the Escrow Agent 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 Agent 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 Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval 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 Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

If the Escrow Agent learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of securities that is to be submitted pursuant to this Escrow Agreement, the Escrow Agent shall promptly request alternative written investment instructions from the District with respect to escrowed funds which were to be invested in securities. The Escrow Agent shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Agent shall hold 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 Agent shall not be responsible for the investment of such funds or interest thereon. The Escrow Agent may conclusively rely upon the District's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

The Escrow Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics, pandemics, quarantine restrictions, acts of civil or military authority or governmental action or other similar occurrences.

SECTION 15. This Agreement shall terminate upon payment of all Refunded Bonds on the latest Redemption Date. Upon such termination, all moneys and Escrow Securities remaining in the Escrow Fund after payment of all fees and expenses of the Escrow Agent shall be released to the District.

SECTION 16. This Agreement is made in the State of California under the Constitution and laws of the State of California and is to so be construed.

SECTION 17. If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined

by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

All the covenants, promises and agreements in this Agreement contained by or on behalf of the District or by or on behalf of the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 18. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed by their duly authorized officers as of the date first-above written.

CHINO VALLEY UNIFIED SCHOOL
DISTRICT

By _____
Superintendent

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent
and as Prior Bonds Paying Agent

By _____
Authorized Officer

EXHIBIT A
ESCROW REQUIREMENTS

EXHIBIT B
SCHEDULE OF ESCROW SECURITIES

EXHIBIT C
FORM OF 2014 REDEMPTION NOTICE
NOTICE OF REDEMPTION

NOTICE OF REDEMPTION TO THE HOLDERS OF
CHINO VALLEY UNIFIED SCHOOL DISTRICT (COUNTY OF SAN BERNARDINO, CALIFORNIA)

2014 GENERAL OBLIGATION REFUNDING BONDS

NOTICE IS HEREBY GIVEN that, there have been called for redemption on [August 1, 2024] the outstanding Bonds of the above captioned bonds, totaling \$_____ in principal amount, plus premium, if any, as listed below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Rate</u>	<u>Redemption Price</u>	<u>*CUSIP Number</u>
08/01/20	\$	%	%	169583
08/01/20				169583
08/01/20				169583
08/01/20				169583

Since the Bonds are held under the book entry system, payment will be made directly to the registered holder.

CHINO VALLEY UNIFIED SCHOOL DISTRICT (COUNTY OF SAN
BERNARDINO, CALIFORNIA)

By: The Bank of New York Mellon Trust Company, N.A.
as Trustee Agent

Bondholder Communications: 800-254-2826



Dated: _____, 2024

IMPORTANT TAX NOTICE

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee.

**Note: The Issuer and Trustee/Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.*

Notice #:[_____]

EXHIBIT D
FORM OF 2014 DEFEASANCE NOTICE

NOTICE OF DEFEASANCE

CHINO VALLEY UNIFIED SCHOOL DISTRICT
2014 GENERAL OBLIGATION REFUNDING BONDS

<u>Maturity</u>	<u>Principal Amount</u>	<u>Rate</u>	<u>Redemption Price</u>	<u>*CUSIP Number</u>
08/01/20	\$	%	%	169583
08/01/20				169583
08/01/20				169583
08/01/20				169583

Notice is hereby given to the owners of the above captioned Chino Valley Unified School District (the “**District**”) 2014 General Obligation Refunding Bonds (the “**Defeased Bonds**”) that there has been deposited with The Bank of New York Mellon Trust Company, N.A. (the “**Escrow Agent**”), moneys and certain securities as permitted by the resolution adopted by the Governing Board of the District adopted on July 17, 2014, pursuant to which the Defeased Bonds were issued, which will be sufficient (as evidenced by an accountant’s or verification agent’s report delivered to the Escrow Agent) to pay the principal and interest on the Defeased Bonds (i) when due and (ii) on the redemption date of [August 1, 2024], as applicable.

Upon such deposit with the Escrow Agent, all liability of the District with respect to the Defeased Bonds will cease, terminate and be completely discharged; provided, however, that the owners of the Defeased Bonds are entitled to the payment of the principal, premium, and interest on the Defeased Bonds, and the District shall remain liable for such payment, but only out of the money deposited as described above.

Neither the District nor the Paying Agent shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its corrections indicated in this Notice of Defeasance. It is included solely for convenience of the owners of the Defeased Bonds.

Dated this May [7], 2024

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Paying
Agent

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Lea Fellows, Associate Superintendent, Human Resources
Joe Durkin, Director, Human Resources
Jaime Ortega, Director, Human Resources

**SUBJECT: RESOLUTION 2023/2024-38, RELEASE OF TEMPORARY
CERTIFICATED EMPLOYEES**

=====

BACKGROUND

Pursuant to Education Code 44954(b), the Board of Education is required to notify temporary employees in a position requiring certificated qualifications of the Board's decision to release the employees from a position for the succeeding school year.

RECOMMENDATION

It is recommended the Board of Education adopt Resolution 2023/2024-38, Release of Temporary Certificated Employees and authorize the Superintendent or his designee to send Notice of Release to employees affected with an effective date of June 30, 2024.

FISCAL IMPACT

None.

NE:LF:JD:JO:jw

**Chino Valley Unified School District
Resolution 2023/2024-38
Release of Temporary Certificated Employees**

WHEREAS, Education Code 44954(b) requires that the Board of Education shall notify temporary employees, in positions requiring certification qualifications of the Board's decision to release the employees from such positions if they will not have preferential rights to vacancies for the next succeeding school year;

WHEREAS, the District currently employs numerous temporary employees in positions requiring certification qualifications; and

WHEREAS, the Board of Education has determined to release all temporary certificated employees for the 2024/2025 school year, at this time.

NOW, THEREFORE, BE IT RESOLVED the Board of Education hereby directs that a notice of non-reelect be sent pursuant to Education Code 44954(b) by the District to all temporary certificated employees with an effective date of June 30, 2024.

BE IT FURTHER RESOLVED that to the extent that any teacher presently contracted as temporary asserts a claim to probationary employment, said teacher is also hereby non-reelected from all probationary employment in the District pursuant to Education Code 44929.21.

APPROVED, PASSED, AND ADOPTED by the Board of Education of the Chino Valley Unified School District this 15th day of February 2024 by the following votes:

Bridge:	_____
Cruz:	_____
Monroe	_____
Na:	_____
Shaw	_____

I, Norm Enfield, Ed.D., Secretary of the Board of Education of the Chino Valley Unified School District, certify that the foregoing is a full, true, and correct copy of a resolution adopted by the Board at a regular meeting as stated.

Norm Enfield, Ed.D., Superintendent
Secretary, Board of Education

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Lea Fellows, Associate Superintendent, Human Resources
Joe Durkin, Director, Human Resources
Jaime Ortega, Director, Human Resources

**SUBJECT: RESOLUTION 2023/2024-40, NOTICE OF LAYOFF OF CERTAIN
CLASSIFIED STAFF PURSUANT TO EDUCATION CODE 45117
AND 45298**

=====

BACKGROUND

The Nutrition Services Eligibility Program is being discontinued, as such the classified position supporting this program is no longer needed. This requires the elimination of one (1) full time position for the 2024/2025 school year.

It has been determined by the Health Services Department that due to lack of funding, the Bilingual Typist Clerk I position is being eliminated. This results in the elimination of one (1) full time position for the 2024/2025 school year.

Resolution 2023/2024-40 outlines the recommendation for discontinued services.

RECOMMENDATION

It is recommended the Board of Education adopt Resolution 2023/2024-40, Notice of Layoff of Certain Classified Staff Pursuant to Education Code 45117 and 45298.

FISCAL IMPACT

\$84,542.00 annual savings to the Nutrition fund and \$82,560.00 annual savings to restricted budgets.

NE:LF:JD:JO:jw

**Chino Valley Unified School District
Resolution 2023/2024-40
Notice of Layoff of Certain Classified Staff Pursuant to
Education Code 45117 and 45298**

WHEREAS, due to lack of funds or lack of work, the Board of Education of the Chino Valley Unified School District hereby finds that it is in the best interest of the District to eliminate existing classified positions to the following extent:

POSITION(S) ELIMINATED

One (1)	Nutrition Eligibility Specialist	1.00 FTE
One (1)	Bilingual Typist Clerk I	1.00 FTE

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The classified position specified herein above be eliminated by layoff pursuant to the District rules and regulations and applicable provisions of the California Education Code.
2. The said elimination by layoff becomes effective at the conclusion of the 2023/2024 school year in accordance with Education Code section 45117, subject to any negotiations to the extent required by law.
3. Pursuant to Education Code 45117, the Superintendent or his designee is directed to give notices of layoff to the affected classified employees.
4. Pursuant to Education Code 45298, the affected classified employees laid off, pursuant to this resolution shall be eligible for reemployment.

APPROVED, PASSED, AND ADOPTED by the Board of Education of the Chino Valley Unified School District this 15th day of February, 2024 by the following vote:

Bridge:	_____
Cruz:	_____
Monroe:	_____
Na:	_____
Shaw:	_____

I, Norm Enfield, Ed.D., Secretary of the Board of Education of the Chino Valley Unified School District, certify that the foregoing is a full, true, and correct copy of a resolution adopted by the Board at a regular meeting as stated.

Norm Enfield, Ed.D., Superintendent
Secretary, Board of Education

CHINO VALLEY UNIFIED SCHOOL DISTRICT
REGULAR MEETING OF THE BOARD OF EDUCATION
February 1, 2024

MINUTES

I. OPENING BUSINESS

I.A. CALL TO ORDER – 4:45 P.M.

1. Roll Call

President Shaw called to order the regular meeting of the Board of Education, Thursday, February 1, 2024, at 4:45 p.m. with Bridge, Cruz, Monroe, Na, and Shaw present.

Administrative Personnel

Norm Enfield, Ed.D., Superintendent

Sandra H. Chen, Associate Superintendent, Business Services

Grace Park, Ed.D., Associate Superintendent, CIIS

Lea Fellows, Assistant Superintendent, CIIS

Hilda Flores, Ed.D. Assistant Superintendent, Human Resources

Gregory J. Stachura, Assistant Supt., Facilities, Planning, and Operations

2. Public Comment on Closed Session Items

None.

3. Closed Session

President Shaw adjourned to closed session at 4:45 p.m. regarding conference with legal counsel existing litigation: two cases; student admissions; student discipline matters; conference with labor negotiators: A.C.T. and CSEA; public employee appointment: elementary principal and assistant principal; public employee discipline/dismissal/release; and public employee performance evaluation: Superintendent.

I.B. RECONVENE TO REGULAR OPEN MEETING – 6:00 P.M.

1. Report Closed Session Action

President Shaw reconvened the organizational meeting of the Board of Education at 6:00 p.m. with Bridge, Cruz, Monroe, Na, and Shaw present. The Board met in closed session from 4:45 p.m. to 5:46 p.m. regarding conference with legal counsel existing litigation: two cases: student admissions; student discipline matters; conference with labor negotiators: A.C.T. and CSEA; public employee appointment: elementary principal and

assistant principal; public employee discipline/dismissal/release; and public employee performance evaluation: Superintendent. By a unanimous vote of 5-0, with Bridge, Cruz, Monroe, Na, and Shaw voting yes, appointed Kitt Madkin as assistant principal at Glenmeade ES effective date to be determined. No further action was taken that required public disclosure.

2. Pledge of Allegiance
Led by student Shaant Puri.

I.C. RECOGNITIONS

1. Ayala HS: Entrepreneur Team
President Shaw presented certificates of recognition to Ayala HS students from the Entrepreneur team.
2. Security Officer Don Davis and Bus Driver Yicela Davila
President Shaw presented certificates of recognition to security officer Don Davis and bus driver Yicela (Gigi) Davila for their actions to save the life of a student in distress.

I.D. COMMENTS FROM STUDENT REPRESENTATIVE

Chloe Kubeldis said that winter sports are starting to wrap up at each high school, and encouraged everyone to support District teams who will play in CIF; said Chino Hills HS ASB is playing their staff versus seniors basketball game on February 23 at 6:00 p.m.; said leadership applications are open at Chino HS for interested applicants for the upcoming school year, and other high schools will have their applications out in the next couple of months; gave a reminder of when the teen advisory board of Chino Hills meets; and expressed gratitude for impactful educators that sacrifice time and effort for their students.

I.E. COMMENTS FROM EMPLOYEE REPRESENTATIVES

Brenda Walker, A.C.T. President, addressed the Board regarding the District's value and respect for its teachers; spoke about District vacancies, and the reasons why; highlighted special education teachers and speech pathologist vacancies and workloads; spoke about ideas shared to attract and retain; said that in 2008, speech and language pathologist left the District in droves; said the A.C.T. is asking to compensate its unit members for the cost of living increase, and not put the District in financial distress; spoke about the District's reserves; and said the Association is anxious to bargain in good faith.

Emily Lao, CHAMP President, shared highlights from a day at work with a team of 6th grade teachers, principals, instructional coaches, and District administrators with a mathematical expert; and thanked the team of teachers with who she worked with today.

I.F. COMMENTS FROM THE AUDIENCE ON ITEMS NOT ON THE AGENDA

The following individuals addressed the Board: Kristi Hirst, Lance Preston, Edgar regarding District policies; Nick Wilson regarding the direction of the state and country; Katherine Gardner regarding Sonja Shaw; Bree R regarding Board members attending Glendora school board meetings; Bridget Ayres regarding apprenticeship opportunities for students through the Associated Builders & Contractors; Ashlee Peters regarding District climate; Darlene Berg regarding kindness; Mindy S regarding ethnic studies and discrimination against African American students; Sara Omari regarding communication deficits; Kelly Stuart regarding civil rights; Elder Cashey regarding health and safety issues; Misty S regarding A.C.T. President Brenda Walker and misinformation; Sarah Palmer regarding teacher salary; Bobby Omari recognizing Black History Month and teacher support; Claudia Cruz, Xavier Guzman, Cathy Lopez regarding secondary special education teachers; Byron Gonzalez in support of the school Board; Lauren Andruska-Heyen, Brooke Tierney, regarding speech language pathologist caseloads; Kristal regarding teacher negotiations, conflicting information, and need for transparency; and Wei Yeh regarding District vacancies.

I.G. CHANGES AND DELETIONS

The following changes/deletions were read into the record: Item III.E.1., Certificated/Classified Personnel Items was yellow-sheeted.

II. ACTION

II.A. ADMINISTRATION

II.A.1. Revision of Board Bylaw 9124—Legal Services

Amanda Swager addressed the Board opposed to this item. Moved (Cruz) seconded (Na) motion failed (1-4, Bridge, Cruz, Na, and Monroe voted no) to approve the revision of Board Bylaw 9124—Legal Services. Student representative voted no.

II.B. CURRICULUM, INSTRUCTION, INNOVATION, AND SUPPORT

- II.B.1. Schoolwide Title I Program for Rhodes ES for the 2023/2024 School Year**
Moved (Na) seconded (Monroe) carried unanimously (5-0) to adopt the Schoolwide Title I Program for Rhodes ES for the 2023/2024 school year.

III. CONSENT

Moved (Na) seconded (Bridge) carried unanimously (5-0) to approve the consent items, as amended. Student representative voted yes.

III.A. ADMINISTRATION

- III.A.1. Minutes of the January 18, 2024 Regular Meeting**
Approved the minutes of the January 18, 2024 regular meeting.
- III.A.2. Revision of Board Bylaw 9321 and Exhibit 1 & 2—Closed Session**
Approved the revision of Board Bylaw 9321 and Exhibit 1 & 2—Closed Session.

III.B. BUSINESS SERVICES

- III.B.1. Warrant Register**
Approved/ratified the warrant register.
- III.B.2. 2023/2024 Applications to Operate Fundraising Activities and Other Activities for the Benefit of Students**
Approved/ratified the 2023/2024 applications to operate fundraising activities and other activities for the benefit of students.
- III.B.3. Fundraising Activities**
Approved/ratified the fundraising activities.
- III.B.4. Donations**
Accepted the donations.
- III.B.5. Legal Services**
Approved/ratified payment for legal services to the law offices of Atkinson, Andelson, Loya, Ruud & Romo; Margaret A. Chidester & Associates; and Tao Rossini, APC.

III.C. CURRICULUM, INSTRUCTION, INNOVATION, AND SUPPORT

III.C.1. Student Admission Cases 23/24-02A and 23/24-03A

Approved student admissions 23/24-02A and 23/24-03A.

III.C.2. Student Expulsion Case 23/24-48

Approved student expulsion case 23/24-48.

III.C.3. School Sponsored Trips

Approved/ratified the school-sponsored trips for Walnut ES; Magnolia JHS; Ayala HS; Chino Hills HS; and Don Lugo HS.

II.D. FACILITIES, PLANNING, AND OPERATIONS

III.D.1. Purchase Order Register

Approved/ratified the purchase order register, provided under separate cover.

III.D.2. Agreements for Contractor/Consultant Services

Approved/ratified the Agreements for Contractor/Consultant Services.

III.D.3. Surplus/Obsolete Property

Declared the District property surplus/obsolete and authorized staff to sell/dispose of said property.

III.D.4. Change Orders and Notices of Completion for CUPCCAA Projects

Approved the Change Orders and Notices of Completion for CUPCCAA Projects.

III.D.5. Resolutions 2023/2024-34, 2023/2024-35, and 2023/2024-36, Authorization to Utilize Piggyback Contracts

Adopted Resolutions 2023/2024-34, 2023/2024-35, and 2023/2024-36, Authorization to Utilize Piggyback Contracts.

III.D.6. Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS-Alterations Phase 4 Bldgs. A, G, J, BP 09-03

Approved the Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS-Alterations Phase 4 Bldgs. A, G, J, BP 09-03.

III.D.7. Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS-Alterations Phase 4 Bldgs. A, G, J, BP 09-05

Approved the Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS-Alterations Phase 4 Bldgs. A, G, J, BP 09-05.

III.E. HUMAN RESOURCES**III.E.1. Certificated/Classified Personnel Items**

Approved/ratified the certificated/classified personnel items, as amended.

III.E.2. Rejection of Claim

Rejected the claim and referred it to the District's insurance adjuster.

IV. INFORMATION**IV.A. FACILITIES, PLANNING, AND OPERATIONS****IV.A.1. Resolution 2023/2024-33 of the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California, Authorizing the Issuance and Sale of its General Obligation Bonds, Election of 2016, Series 2024D, in an Aggregate Principal Amount Not to Exceed \$143,500,133.25, and Approving Certain Other Matters Relating to Said Bonds**

Received for information Resolution 2023/2024-33 of the Board of Education of the Chino Valley Unified School District of the County of San Bernardino, California, Authorizing the Issuance and Sale of its General Obligation Bonds, Election of 2016, Series 2024D, in an Aggregate Principal Amount Not to Exceed \$143,500, 133.25, and Approving Certain Other Matters Relating to Said Bonds.

V. COMMUNICATIONS**BOARD MEMBERS AND SUPERINTENDENT**

Don Bridge congratulated the Chino HS wrestling team CIF Dual meet champions for their division; attended the Chino Hills HS versus Etiwanda basketball game; attended San Bernardino County Schools Governor's budget perspective advisory last week; attended the Alternative Education Center graduation for 2024; and said he attended the SBCSBA meeting where Golden Bell Award winners were honored including Ayala HS, and presented a certificate of recognition in that regard.

James Na thanked the evening's audience for attending the meeting; said the District appreciates parental involvement; said it's important to teach children to respect teachers and staff members because it goes a long way; spoke about the importance of safe learning environments for students to learn; spoke about Ayala HS teacher Mr. Art Boren's work with students; said he attended the District science fair; thanked

Greg Stachura for removing obstacles at Buena Vista HS for walking students; said many accomplishments are coming up under the leadership of Dr. Park; and said it has been a great meeting.

Jon Monroe spoke about the apprenticeship program that a speaker brought to the attention of the Board; said skills and training opportunities are important for students that are not college bound; spoke about the behavior of some at the meetings and that we can't control how others behave but we can control the way we act; said he hopes negotiations can be resolved; thanked Dr. Enfield for the information he provided regarding CSBA policy language and appreciates looking outside the box for alternatives.

Andrew Cruz spoke about supporting teachers for the past 12 years; said he supports the idea presented by a speaker regarding apprenticeships; said the PLCs are amazing; spoke about the wrestler from Chino HS that won CIF; said he attended several school events; spoke about an entry gate issue at Country Springs ES, and possibly the need for a buzzer system; spoke about CRT that brings the country forward; said he is participating for the Run for Russ 5K event this Saturday; and shared information regarding long COVID.

Superintendent Enfield gave an update on the District office and explained how the building is being financed; gave a reminder of the upcoming Festival of Arts and Art Fair in February at Magnolia JHS; and announced the Julie Gobin Memorial Hit the Greens for Scholarships.

President Shaw thanked the speaker who presented the apprenticeship opportunity, and career education opportunities; attended the AEC graduation; attended Eagle Canyon ES's first annual spelling bee; addressed legal billings associated with parental notification; spoke about the love of parents; defended attending other local Board meetings; spoke about agendas and narratives to breakup families; said she is proud of the Board working together on the bigger picture; said she appreciates the Superintendent and staff; and said she is grateful people are being brought together.

VI. ADJOURNMENT

President Shaw adjourned the organizational meeting of the Board of Education at 8:05 p.m.

Sonja Shaw, President

Andrew Cruz, Clerk

Recorded by: Patricia Kaylor, Administrative Secretary, Board of Education

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024
TO: Members, Board of Education
FROM: Norm Enfield, Ed.D., Superintendent
PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Liz Pensick, Director, Fiscal Services
SUBJECT: WARRANT REGISTER

=====

BACKGROUND

Education Code 42650 requires the Board to approve and/or ratify all designated payment of expenses of the District. These payments are made in the form of warrants, and the warrant (check) form is approved by the County Superintendent.

All items listed are within previously budgeted amounts. There is no fiscal impact beyond currently available appropriations.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve/ratify the warrant register, provided under separate cover.

FISCAL IMPACT

\$8,846,379.76 to all District funding sources.

NE:SHC:LP:lf

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Liz Pensick, Director, Fiscal Services

SUBJECT: FUNDRAISING ACTIVITIES

=====

BACKGROUND

Board Policy 3452 Business and Noninstructional Operations – Student Activity Funds and Board Policy 1230 Community Relations – School Connected Organizations require that fundraising activities be submitted to the Board of Education for approval. All on-campus fundraising activities are subject to CVUSD reopening guidelines.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve/ratify the fundraising activities.

FISCAL IMPACT

None.

NE:SHC:LP:lf

CHINO VALLEY UNIFIED SCHOOL DISTRICT
February 15, 2024

<u>SITE/DEPARTMENT</u>	<u>ACTIVITY/DESCRIPTION</u>	<u>DATE</u>
<u>Chaparral ES</u>		
PTO	Scholastic Book Fair	4/29/24 - 5/3/24
<u>Eagle Canyon ES</u>		
PTA	Skate Express Family Night	2/22/24
PTA	Sweetheart Dance	2/23/24
PTA	See's Candies	2/25/24 - 3/8/24
<u>Glenmeade ES</u>		
PTA	Mother Son Dance	3/1/24
<u>Hidden Trails ES</u>		
PTA	Fun Run	3/11/24 - 4/12/24
<u>Rhodes ES</u>		
PEP Club	Carl's Jr. Coupon Books	3/1/24 - 5/31/24
PEP Club	Paint Night	4/12/24
<u>Canyon Hills JHS</u>		
ASB - General	Panda Express Dine Out	2/28/24
<u>Townsend JHS</u>		
PTO	Chipotle Dine Out	4/9/24
<u>Ayala HS</u>		
ASB - Model United Nations	7 Leaves Café	2/16/24 - 2/23/24
ASB - Boys' Volleyball	Spirit Pack	2/16/24 - 4/12/24
Band & Color Guard Boosters	Flaming Flock	2/16/24 - 4/30/24
Grad Night Boosters	Angels Baseball Night	2/16/24 - 5/1/24
Grad Night Boosters	Family Dine Outs	2/16/24 - 5/1/24
ASB - Dance Production	Donation Drive	2/16/24 - 6/30/24
Football Boosters	Los Portales Dine Out	3/4/24
Band & Color Guard Boosters	Panda Express Dine Out	3/15/24
ASB - Dance Production	Dancing with the Staff	3/21/24
ASB - Dance Production	Dancing with the Staff Concessions	3/21/24

CHINO VALLEY UNIFIED SCHOOL DISTRICT
February 15, 2024

<u>SITE/DEPARTMENT</u>	<u>ACTIVITY/DESCRIPTION</u>	<u>DATE</u>
<u>Ayala HS (cont.)</u>		
Wrestling Boosters	Dave & Busters Ticket's	3/22/24
ASB - Model United Nations	Chipotle Dine Out	4/3/24
<u>Chino HS</u>		
Sports Boosters - Swim	Spaghetti Dinner	3/9/24
CHAPSS Boosters	Thinknlocal	3/25/24 - 4/30/24
<u>Chino Hills HS</u>		
ASB - Asian Cultural Recognition Club	7 Leaves Café	2/16/24
ASB - General	Food Truck Concessions	2/23/24 - 2/24/24
General Boosters - Softball	Applebee's Flapjack Breakfast	3/1/24 - 3/31/24
ASB - General	Freshman Orientation Concessions	3/4/24
ASB - FCCLA	Double Good Popcorn	3/11/24 - 3/15/24
<u>Don Lugo HS</u>		
ASB - Track & Field	Jog-a-Thon	2/23/24
Sports Boosters	Baseball Concessions	2/27/24 - 5/15/24
Grad Night Boosters	Chick-fil-A	3/4/24
Sports Boosters	Golf Tournament	4/20/24

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024
TO: Members, Board of Education
FROM: Norm Enfield, Ed.D., Superintendent
PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Liz Pensick, Director, Fiscal Services
SUBJECT: DONATIONS

=====

BACKGROUND

Board Policy 3290 Business and Noninstructional Operations - Gifts, Grants, and Bequests states the Board of Education may accept any bequest or gift of money or property on behalf of the District. All gifts, grants, and bequests shall become property of the District. Use of the gift shall not be impaired by restrictions or conditions imposed by the donor. Approximate values are determined by the donor.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education accept the donations.

FISCAL IMPACT

Any cost for repairs of donated equipment will be a site expense.

NE:SHC:LP:lf

CHINO VALLEY UNIFIED SCHOOL DISTRICT
February 15, 2024

<u>DEPARTMENT/SITE DONOR</u>	<u>ITEM DONATED</u>	<u>APPROXIMATE VALUE</u>
<u>Don Lugo HS</u>		
Patricia Velez Gilbert	Cash	\$50.00
Patricia Gilbert & Eugene Beaucage	Cash	\$100.00
John & Yolanda Beasley	Cash	\$200.00

CHINO VALLEY UNIFIED SCHOOL DISTRICT
Our Motto:
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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Liz Pensick, Director, Fiscal Services

SUBJECT: LEGAL SERVICES

=====

BACKGROUND

The following law firms provide services to the Chino Valley Unified School District and have submitted their invoices. The current invoice amounts, along with the fiscal year-to-date totals for each individual law firm, are listed below.

FIRM	MONTHS	INVOICE AMOUNTS	2023/2024 YEAR-TO-DATE
Atkinson, Andelson, Loya, Ruud & Romo	December	\$3,257.28	\$286,018.16
Margaret A. Chidester & Associates	-	-	\$ 26,740.25
Tao Rossini, APC	-	-	\$172,895.06
		-	
	Total	\$3,257.28	\$485,653.47

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve payment for legal services to the law office of Atkinson, Andelson, Loya, Ruud & Romo.

FISCAL IMPACT

\$3,257.28 to the General Fund.

NE:SHC:LP:lf

CHINO VALLEY UNIFIED SCHOOL DISTRICT

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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Liz Pensick, Director, Fiscal Services

**SUBJECT: REQUEST FOR ALLOWANCE OF ATTENDANCE DUE TO STATE
OF EMERGENCY DECLARED BY GOVERNOR NEWSOM DUE TO
HURRICANE HILARY**

=====

BACKGROUND

When one or more schools were kept open but experienced a material decrease in attendance pursuant to Education Code 46392, a local educational agency (LEA) may obtain approval of attendance and instructional time credit through the filing of Form J-13A, the Request for Allowance of Attendance Due to Emergency Conditions.

A State of Emergency was declared by Governor Newsom on August 18 for the dates of August 19-22, 2023 for San Bernardino County due to Hurricane Hilary. As a result, the District suffered a material decrease to its average daily attendance (ADA) on August 21, 2023.

The California Department of Education's (CDE) approval of the J-13A, combined with other attendance records, serve to document the LEA's compliance with instructional time laws and provide authority to maintain school for less than the required instructional days and minutes without incurring a fiscal penalty to the LEA's Local Control Funding Formula (LCFF) funding.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve the request for allowance of attendance due to Hurricane Hilary.

FISCAL IMPACT

Negate loss of 11 ADA.

NE:SHC:LP:lf

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Hilda Flores, Ed.D., Assistant Superintendent, Curriculum, Instruction, Innovation, and Support
Stephanie Johnson, Director, Student Support Services

SUBJECT: STUDENT EXPULSION CASES 23/24-52 AND 23/24-55

=====

BACKGROUND

The Board of Education has established policies and standards of behavior in order to promote learning and protect the safety and well-being of all students. When these policies and standards are violated, it may be necessary to suspend or expel a student from regular classroom instruction.

Expulsion is an action taken by the Board for severe or prolonged breaches of discipline by a student. Except for single acts of a grave nature, expulsion is used only when there is a history of misconduct, when other forms of discipline, including suspension, have failed to bring about proper conduct, or when the student's presence causes a continuing danger to him/herself or others.

A student may be expelled only by the Board of Education. The Board shall expel, as required by law, any student found to have committed certain offenses listed in Education Code 48915.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

Based upon the recommendation of the Expulsion Hearing Administrative Panel, it is recommended the Board of Education approve student expulsion cases 23/24-52 and 23/24-55.

FISCAL IMPACT

None.

NE:HF:SJ:jg

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Hilda Flores, Ed.D., Assistant Superintendent, Curriculum, Instruction, Innovation, and Support

SUBJECT: **SCHOOL-SPONSORED TRIPS**

BACKGROUND

The Board of Education recognizes that school-sponsored trips are an important component of a student's development and supplement and enrich the classroom learning experience. School-sponsored trips may be conducted in connection with the District's course of study or school related social, educational, cultural, athletic, school band activities, or other extracurricular or cocurricular activities. Resources will be identified and established at the school site to assist economically disadvantaged students in obtaining funding for field trips and, in some cases, student travel. School sponsored trips that require overnight stay or are in excess of 250 miles (one way) require board approval.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve/ratify the following school-sponsored trips for:

School-Sponsored Trips	Date	Fiscal Impact
Site: Marshall ES Event: Thousand Pines Outdoor Science Camp Place: Crestline, CA Chaperone: 49 students/6 chaperones	March 12-15, 2024	Cost: \$365.00 per student Funding Source: Title I
Site: Briggs K-8 Event: Pali Institute Science Camp Place: Running Springs, CA Chaperone: 52 students/6 chaperones	March 18-20, 2024	Cost: \$390.00 per student Funding Source: Fundraising and parents
Site: Canyon Hills JHS Event: Washington D.C. and New York Trip Place: Alexandria, VA; New York City, NY; Washington D.C. Chaperone: 92 students/19 chaperones	March 23-28, 2024	Cost: \$2,939.00 per student Funding Source: Parents

Site: Townsend JHS Event: Washington D.C. and New York Trip Place: Alexandria, VA; New York City, NY; Washington D.C. Chaperone: 67 students/12 chaperones	March 23-28, 2024	Cost: \$2,939.00 per student Funding Source: Parents
Site: Ayala HS Event: Indoor Drumline World Championships Place: Dayton, OH Chaperone: 60 students/10 chaperones	April 16-22, 2024	Cost: \$3,600.00 per student Funding Source: Fundraising and parents
Site: Chino HS Event: Winter Guard International Phoenix Regional Place: Mesa, AZ Chaperone: 27 students/ 5 chaperones	March 1-3, 2024	Cost: \$625.00 per student Funding Source: Fundraising and parents
Site: Don Lugo HS Event: University of California, Davis, Field Day Place: Davis, CA Chaperone: 18 students/3 chaperones	March 1-3, 2024	Cost: \$100.00 per student Funding Source: Fundraising and Perkins grant
Site: Don Lugo HS Event: AVID College Campus Tour Place: San Diego, CA Chaperone: 36 students/6 chaperones	March 4-5, 2024	Cost: \$60.00 per student Funding Source: AVID
Site: Don Lugo HS Event: State Future Farmers of America Leadership Conference Place: Sacramento, CA Chaperone: 24 students/4 chaperones	March 20-24, 2024	Cost: \$425.00 per student Funding Source: Fundraising and parents

FISCAL IMPACT

None.

NE:HF:gks

CHINO VALLEY UNIFIED SCHOOL DISTRICT

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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Grace Park, Ed.D., Associate Superintendent, Curriculum, Instruction,
Innovation, and Support
Eric Dahlstrom, Ed.D., Director, Secondary Curriculum and Instruction

**SUBJECT: CAREER TECHNICAL EDUCATION/CARL D. PERKINS ADVISORY
COMMITTEE**

=====

BACKGROUND

The Carl D. Perkins application for funding requires the existence of a District Career Technical Education/Carl D. Perkins Advisory Committee, as outlined in California Education Code section 8070 which states in part, “the governing board of each school district participating in a Career Technical Education (CTE) program shall appoint a CTE Advisory Committee to develop recommendations on the program and to provide liaison between the district and potential employers.” The Career Technical Education/Carl D. Perkins Advisory Committee shall be Board approved annually.

Members of this committee shall be comprised of students, parents, teachers, members of special populations, business and industry representatives, school administration, and the field office of the Department of Employment Development.

Approval of this item supports the goals identified within the District’s Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve the Career Technical Education/Carl D. Perkins Advisory Committee as follows:

Elizabeth McGraw, Assistant Superintendent, Baldy View Regional Occupational Program;
Yvette Bookout, Computer Operations Support Technician, CVUSD;
Michael Collins, Parent, CTE Teacher, Ayala HS (Engineering & Architecture);
Ashley Cureton, CTE Teacher, Don Lugo HS (Agriculture and Natural Resources);

Scott Eckersall, Engineer, Eckersall LLC (Engineering & Architecture);
Anthony Indolino, Sr. Light & Sign Mechanic (Energy, Environment, & Utilities);
Craig Lindemulder, Parent, CTE Teacher, Chino Hills HS (Arts, Media, & Entertainment);
Evelyn Naing, Engineering Design Development Student;
Jeremiah Park, Engineering Design Development Student;
Nicole Ochoa, Engineering Design Development Student;
Leslie Quinones, Information & Communication Technologies Student;
Madison Ramirez, Information & Communication Technologies Student;
Raina Jiang, Information & Communication Technologies Student;
Tristin Guerrero, Arts, Media and Entertainment Student;
Eric Dahlstrom, Ed.D., District Administration, CVUSD;
Ryan Bell, Counselor, Ayala HS;
Gina Huerta, Career Center Guidance Technician, Buena Vista HS;
Daniel Galindo, Assistant High School Principal, Chino HS;
Yvette Taylor, Assistant High School Principal, Ayala HS;
Oliver Wong Ah Sun, Ed.D., High School Principal, Don Lugo HS;
James Reed, Assistant High School Principal, Chino Hills HS;
Dorinda Sullivan, CTE Teacher/District Librarian (Business & Finance; Marketing, Sales
& Service; Arts, Media, & Entertainment); and
Elizabeth Williams, Industry Sector Advisor, (Hospitality, Tourism Recreation)

FISCAL IMPACT

None.

NE:GP:ED:wrg

CHINO VALLEY UNIFIED SCHOOL DISTRICT

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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning
and Operations
Kathy Casino, Director, Purchasing

SUBJECT: AGREEMENTS FOR CONTRACTOR/CONSULTANT SERVICES

=====

BACKGROUND

All contracts between the District and outside agencies shall conform to standards required by law and shall be prepared under the direction of the Superintendent or designee. To be valid or to constitute an enforceable obligation against the District, all contracts must be approved and/or ratified by the Board of Education.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve/ratify the Agreements for Contractor/Consultant Services.

FISCAL IMPACT

As indicated.

NE:GJS:KC:cb

CURRICULUM, INSTRUCTION, INNOVATION, AND SUPPORT	FISCAL IMPACT
CIIS-2324-149 Solution Tree, Inc. To provide professional development through customized mathematics workshops presented by speaker Sarah Schuhl. Submitted by: Curriculum, Instruction, Innovation, and Support Duration of Agreement: July 1, 2024 - June 30, 2025	Contract amount: \$170,000.00 Funding source: Title II
CIIS-2324-150 Achilles Bardos dba EduMetrisis. To provide online subscription for Behavior Intervention program. Submitted by: Special Education Duration of Agreement: August 1, 2023 - July 30, 2024	Contract amount: \$2,520.00 Funding source: Special Education
CIIS-2324-151 The Lampo Group, LLC dba Ramsey Solutions. To provide software site license and supplemental materials. Submitted by: Don Lugo HS Duration of Agreement: February 1, 2024 - February 1, 2025	Contract amount: \$4,000.00 Funding source: Title 1

FACILITIES, PLANNING, AND OPERATIONS	FISCAL IMPACT
F-2324-050 Quadiant, Inc. To provide annual maintenance renewal, annual commercial, and mobile licenses for warehouse tracking system. Submitted by: Purchasing Dept. Duration of Agreement: July 1, 2023 - June 30, 2025	Contract amount: Per Rate Sheet Funding source: General Fund

HUMAN RESOURCES	FISCAL IMPACT
HR-2324-026 Raptor Technologies, LLC. To provide school site visitor management system. Submitted by: Risk Management Duration of Agreement: February 1, 2024 - January 31, 2025	Contract amount: \$22,440.00 Funding source: General Fund

MASTER CONTRACTS	FISCAL IMPACT
MC-2324-082 Aguas Compita, Inc. To provide catering services. Submitted by: Chino HS Duration of Agreement: February 16, 2024 - June 30, 2027	Contract amount: Per Rate Sheet Funding source: Various

MASTER CONTRACTS	FISCAL IMPACT
MC-2324-083 JML Mexican Restaurants, Inc. dba Tropical Mexico Restaurant. To provide banquet venue. Submitted by: Chino HS Duration of Agreement: February 16, 2024 - June 30, 2027	Contract amount: Per Rate Sheet Funding source: Various
MC-2324-084 C & L Boba Inc. dba Chaos Bubble Shoppe. To provide catering services. Submitted by: Wickman ES Duration of Agreement: February 16, 2024 - June 30, 2027	Contract amount: Per Rate Sheet Funding source: Various
MC-2324-085 LED Entertainment LLC. To provide event planning, production, and game rentals. Submitted by: Ayala HS Duration of Agreement: February 2, 2024 - June 30, 2027	Contract amount: Per Rate Sheet Funding source: Various
MC-2324-086 Kirstie Garcia Samonte dba Kasama Coffee Collective. To provide catering services. Submitted by: Wickman ES Duration of Agreement: February 16, 2024 - June 30, 2027	Contract amount: Per Rate Sheet Funding source: Various
MC-2324-087 Roll 'em Up Franchise Group LLC. To provide catering services. Submitted by: Wickman ES Duration of Agreement: February 16, 2024 - June 30, 2027	Contract amount: Per Rate Sheet Funding source: Various

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

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DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning,
and Operations
Kathy Casino, Director, Purchasing

SUBJECT: SURPLUS/OBSOLETE PROPERTY

=====

BACKGROUND

The Board of Education recognizes that the District may own personal property, which is unusable, obsolete, or no longer needed by the District. The Superintendent or designee shall arrange for the sale or disposal of District personal property in accordance with Board policy and the requirements of Education Code 17545.

Lists of surplus items are emailed to the Facilities/Planning Department to be placed on an upcoming Board agenda. After Board approval, items may be picked up by District warehouse or a liquidation company for public auction. Items not picked up for public auction may be sold through a private sale, donated to charitable organization, or disposed of in the local public dump in accordance with Education Code Section 17546.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education declare the District property surplus/obsolete and authorize staff to sell/dispose of said property.

FISCAL IMPACT

Increase to the General Fund from proceeds of sale.

NE:GJS:KC:cb



CHINO VALLEY UNIFIED SCHOOL DISTRICT SURPLUS / OBSOLETE EQUIPMENT LIST

Purchasing Use Only

Board Approval Date

List the equipment below that your site/department no longer needs. Indicate on the form if the item is in working condition. When the form has been completed and signed, KEEP A COPY, and forward the approved form to Kathy_Casino@chino.k12.ca.us. Equipment that is not transferred to another site/department will be taken before the Governing Board for approval to surplus/dispose. A work order should be submitted via School Dude for surplus to be scheduled for pick up. Items over \$500 and purchased with Restricted Funds should be marked with an asterisk (*).

School Site/Department	Student Support Services	Date Submitted:	01.18.24
Site Contact & Extension	Karla Diaz Ext. 6766		

Adobe E-signature is acceptable

Department Head/Principal Approval:	
Technology Review:	

THIS FORM MUST BE TYPED

Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Office Furniture	Desk chair	Blue fabric	N/A	<input type="checkbox"/>
Office Furniture	2 chairs	Plastic	N/A	<input type="checkbox"/>
Office Furniture	2 chairs	Burgundy cloth	N/A	<input type="checkbox"/>
Classroom Furniture	2 whiteboards	N/A	N/A	<input type="checkbox"/>
Computer Equipment	Xerox Phaser 6180 MFP	GS8EX9167001	27166	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-722Z3Z12	43653	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-69RNT52	47867	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-698NT52	47860	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-396XZ12	44054	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-D5DNHH2	57092	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-4HK5V12	43148	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-397ZZ12	44060	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-6YKNN22	44385	<input type="checkbox"/>

Rev. 6/26/2023

Submit the completed form via email to Kathy_Casino@chino.k12.ca.us, Purchasing Department.



CHINO VALLEY UNIFIED SCHOOL DISTRICT SURPLUS / OBSOLETE EQUIPMENT LIST


Purchasing Use Only

Board Approval Date

List the equipment below that your site/department no longer needs. Indicate on the form if the item is in working condition. When the form has been completed and signed, KEEP A COPY, and forward the approved form to Kathy_Casino@chino.k12.ca.us. Equipment that is not transferred to another site/department will be taken before the Governing Board for approval to surplus/dispose. A work order should be submitted via School Dude for surplus to be scheduled for pick up. Items over \$500 and purchased with Restricted Funds should be marked with an asterisk (*).

School Site/Department	Student Support Services	Date Submitted:	01.18.24
Site Contact & Extension	Karla Diaz ext. 6766		

Adobe E-signature is acceptable

Department Head/Principal Approval:	
Technology Review:	

THIS FORM MUST BE TYPED

Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Computer Equipment	Box full of extra electronics cords	-	-	<input type="checkbox"/>
Computer Equipment	Mitel Phone	-	-	<input type="checkbox"/>
Computer Equipment	Scan Snap ix500	-	-	<input type="checkbox"/>
Computer Equipment	Dell Computer Speaker	CN-OMN008-71623-AL-6860	-	<input type="checkbox"/>
Computer Equipment	HP Laser Jet Pro 400	502-DC1/502P-STUSUPT-SRO1	-	<input type="checkbox"/>
Computer Equipment	Box with 9 keyboards	-	-	<input type="checkbox"/>
Computer Equipment	Xerox Phaser 6280	-	-	<input type="checkbox"/>
Computer Equipment	Fellows Shredder PS70-2	-	-	<input type="checkbox"/>
Computer Equipment	Computer Keyboard Tray	-	-	<input type="checkbox"/>
Computer Equipment	Epson Powerlite 5c	5WJ002077OK	-	<input type="checkbox"/>
Computer Equipment	Dell Monitor	CNOUH85248220-73R-03WQ	-	<input type="checkbox"/>
Computer Equipment	Epson Projector	KM3F932615L	-	<input type="checkbox"/>
Computer Equipment	Epson Power Life 61p Projector	F3hg561537f	22003	<input type="checkbox"/>

Rev. 6/26/2023

Submit the completed form via email to Kathy_Casino@chino.k12.ca.us, Purchasing Department.



CHINO VALLEY UNIFIED SCHOOL DISTRICT SURPLUS / OBSOLETE EQUIPMENT LIST

Purchasing Use Only

Board Approval Date _____

Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Computer Equipment	Dell Computer Tower	DO-SS-FB71482	50195	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-3971022	44062	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-BSL7KD3	87843	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-SS-6YKMN22	44384	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	DO-STUSCANNER	DS3V251	<input type="checkbox"/>
Computer Equipment	Dell Computer Tower	SSS-RECEP-23GQ182	48579	<input type="checkbox"/>

Site Responsibility:

- Inventory all equipment and furniture that is being submitted for surplus or disposal.
- THIS FORM MUST BE TYPED. Accurate information must be reported on the (1) Board Agenda for approval, (2) to the Warehouse for pick up, and for (3) asset accounting.
- Ensure that the Surplus/Obsolete Equipment List is completed and is legible. Include:
 - Product description – choose from the download
 - Make and model, when available
 - All computer equipment and printers must include the serial number
 - CVUSD asset tag
 - Only if the item is in good working condition, select the box.
 - Obtain Principal or Department Head approval. Adobe E-signature is acceptable.
- Submit the completed form to Kathy_Casino@chino.12.ca.us, Purchasing Department, via email.
- If items are technology related equipment, submit form to Technology Director for review.
- Prior to pick up of the surplus items, it is the site/department responsibility to prepare the items for pick up.
 - All items must be on the list and organized and separated from items not listed.
 - All items should be in a central location to minimize pick-up time.
 - All items not in a central location should be identified on the form AND must be easily identifiable within the pickup location.
- Submit a work order, via School Dude, for Warehouse to schedule a pick-up the surplus items.

Purchasing Responsibility:

- Review the list for completeness and authorization.
- Remove assets from Financial 2000.

Textbooks & Library Books:

- Do not complete this form for Surplus or Obsolete Textbooks and Library Books.
- Contact the Media Center, or email Troy_Ingram@chino.k12.ca.us for instructions on how to proceed with this request. (Education Code 60510.5)



CHINO VALLEY UNIFIED SCHOOL DISTRICT SURPLUS / OBSOLETE EQUIPMENT LIST

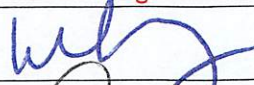
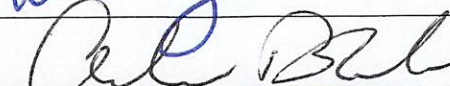
Purchasing Use Only

Board Approval Date

List the equipment below that your site/department no longer needs. Indicate on the form if the item is in working condition. When the form has been completed and signed, KEEP A COPY, and forward the approved form to Anna.Hamilton@chino.k12.ca.us. Equipment that is not transferred to another site/department will be taken before the Governing Board for approval to surplus/dispose. A work order should be submitted via School Dude for surplus to be scheduled for pick up. Items over \$500 and purchased with Restricted Funds should be marked with an asterisk (*).

School Site/Department	Special Education	Date Submitted:	1/19/24
Site Contact & Extension	Racine Guajardo x1426		

Adobe E-signature is acceptable

Department Head/Principal Approval:	
Technology Review:	

THIS FORM MUST BE TYPED

Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Computer Equipment	Xerox Phaser 4510	ART346454	Click or tap here to enter text.	<input type="checkbox"/>
Computer Equipment	Apple iPad	WI-103-0008	40517	<input type="checkbox"/>
Computer Equipment	Apple iPad	WI-103-0009	40505	<input type="checkbox"/>
Computer Equipment	Xerox Phaser 6300	CVUSD-DO-S01 DO-SPECED-01	22270	<input type="checkbox"/>
Computer Equipment	Dell Latitude 3490	DO-SPED-BCMNCQ2	65100	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Choose an item.	Click or tap here to enter	Click or tap here to	Click or tap here to	<input type="checkbox"/>



CHINO VALLEY UNIFIED SCHOOL DISTRICT SURPLUS / OBSOLETE EQUIPMENT LIST

Purchasing Use Only

Board Approval Date

List the equipment below that your site/department no longer needs. Indicate on the form if the item is in working condition. When the form has been completed and signed, KEEP A COPY, and forward the approved form to Kathy_Casino@chino.k12.ca.us. Equipment that is not transferred to another site/department will be taken before the Governing Board for approval to surplus/dispose. A work order should be submitted via School Dude for surplus to be scheduled for pick up. Items over \$500 and purchased with Restricted Funds should be marked with an asterisk (*).

School Site/Department	Rhodes Elementary	Date Submitted:	1/24/2024
Site Contact & Extension	Angie Lim Ext. 6942		

Adobe E-signature is acceptable

Department Head/Principal Approval:	
Technology Review:	

THIS FORM MUST BE TYPED

Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Computer Equipment	Epson Protector	EYM0340102K	17122	<input type="checkbox"/>
Computer Equipment	Epson Protector	SNJXJF72119L	26992	<input type="checkbox"/>
Computer Equipment	Epson Protector	JXJF72119L	25800	<input type="checkbox"/>
Computer Equipment	Epson Protector	VTFK5103065	47147	<input type="checkbox"/>
Computer Equipment	Epson Protector	KM3F092486L	34601	<input type="checkbox"/>
Computer Equipment	DOC CAM	53527-101-20P	Click or tap here to enter text.	<input type="checkbox"/>
Computer Equipment	DOC CAM	5306061300120	45177	<input type="checkbox"/>
Computer Equipment	EPSON DOC CAM	X2450Y00804	57336	<input type="checkbox"/>
Computer Equipment	CHROMEBOOK	11FDMQ2	72282	<input type="checkbox"/>
Computer Equipment	DELL DESK TOP	3DXG732	47105	<input type="checkbox"/>
Computer Equipment	DELL DESKTOP	2HB6JG2	55163	<input type="checkbox"/>
Computer Equipment	DELL DESKTOP	8Y9MYR1	39651	<input type="checkbox"/>
Computer Equipment	AVERMEDIA DOC CAM	53527-10120P	Click or tap here to enter text.	<input type="checkbox"/>
Description <i>REQUIRED</i>	Model #	Serial #	CVUSD Asset Tag	Good Working Condition
Computer Equipment	AVERMEDIA DOC CAM	5306061300120	45177	<input type="checkbox"/>
Computer Equipment	HP Printer Deskjet	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	HIFI VHS & DVD Combo	Click or tap here to enter text.	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Daewoo VHS & DVD Combo	47C00805	Click or tap here to enter text.	<input type="checkbox"/>
Choose an item.	Dell Key Board	CR0G4D2W-M8D00	Click or tap here to enter text.	<input type="checkbox"/>

Rev. 6/26/2023

Submit the completed form via email to Kathy_Casino@chino.k12.ca.us, Purchasing Department.

February 15, 2024

Page 435



CHINO VALLEY UNIFIED SCHOOL DISTRICT SURPLUS / OBSOLETE EQUIPMENT LIST

Purchasing Use Only

Board Approval Date

Computer Equipment	GEARHEAD KEYBOARD	KB2500U	Click or tap here to enter text.	<input type="checkbox"/>
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Site Responsibility:

1. Inventory all equipment and furniture that is being submitted for surplus or disposal.
2. THIS FORM MUST BE TYPED. Accurate information must be reported on the (1) Board Agenda for approval, (2) to the Warehouse for pick up, and for (3) asset accounting.
3. Ensure that the Surplus/Obsolete Equipment List is completed and is legible. Include:
 - a. Product description – choose from the download
 - b. Make and model, when available
 - i. All computer equipment and printers must include the serial number
 - c. CVUSD asset tag
 - d. Only if the item is in good working condition, select the box.
 - e. Obtain Principal or Department Head approval. Adobe E-signature is acceptable.
4. Submit the completed form to Kathy_Casino@chino.12.ca.us, Purchasing Department, via email.
5. If items are technology related equipment, submit form to Technology Director for review.
6. Prior to pick up of the surplus items, it is the site/department responsibility to prepare the items for pick up.
 - a. All items must be on the list and organized and separated from items not listed.
 - b. All items should be in a central location to minimize pick-up time.
 - c. All items not in a central location should be identified on the form AND must be easily identifiable within the pickup location.
7. Submit a work order, via School Dude, for Warehouse to schedule a pick-up the surplus items.

Purchasing Responsibility:

1. Review the list for completeness and authorization.
2. Remove assets from Financial 2000.

Textbooks & Library Books:

1. Do not complete this form for Surplus or Obsolete Textbooks and Library Books.
2. Contact the Media Center, or email Troy_Ingram@chino.k12.ca.us for instructions on how to proceed with this request. (*Education Code 60510.5*)

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning, and Operations
Kathy Casino, Director, Purchasing

SUBJECT: AWARD OF BID NO. 23-24-10I, AYALA HS STADIUM SOUND SYSTEM REPLACEMENT

=====

BACKGROUND

Public Contract Code 20111 requires that contracts for public works exceeding \$15,000.00 be legally advertised and awarded to the lowest responsible bidder, who shall provide such bid security as the Board requires.

A Notice to Contractors Calling for Bids for Bid No. 23-24-10I, Ayala HS Stadium Sound System Replacement, was sent to contractors currently listed on the 2023-2024 list of qualified contractors on January 4, 2024. Bids were submitted at 1:00 p.m. on January 18, 2024. The bid results are as follows:

Contractor	Bid Amount
Sunset Electrical Contractors, Inc.	\$124,876.00
Time & Alarm Systems, Inc.	\$159,355.00
Aaron Han dba Polar Electrical Co., Inc	\$179,000.00
D3 Development Group	\$266,000.00

The basic scope of work for this project is the replacement of the existing stadium sound system with new equipment, speakers, etc., at Ayala HS.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education award Bid No. 23-24-10I, Ayala HS Stadium Sound System to Sunset Electrical Contractors, Inc.

FISCAL IMPACT

\$124,876.00 to Arts & Music Block Grant.

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning and Operations
Martin Silveira, Director, Maintenance and Operations

SUBJECT: CHANGE ORDERS AND NOTICES OF COMPLETION FOR CUPCCAA PROJECTS

BACKGROUND

On May 9, 2013, the Board of Education adopted Resolution 2012/2013-71, Adoption of California Uniform Public Construction Cost Accounting Act (CUPCCAA). Per Public Contract Code 22030, the adoption of CUPCCAA allows the use of alternate bidding procedures for projects under \$175,000.00, while still ensuring the District receives the lowest pricing possible from responsible vendors and contractors. Utilizing CUPCCAA, the District has completed the projects listed below.

CUPCCAA Project	Project Description	Contractor	Original Quotation	Change Order	Total	Fund Source	Completion Date
CC2024-28	Chino Hills HS Security Project	Dan Lyman Construction, Inc.	\$44,307.50	(\$6,951.50)	\$37,356.00	01	January 3, 2024
CC2024-30	District Wide Planter Infill Project	Plant's Choice, Inc.	\$24,255.00	(\$549.99)	\$23,705.01	01	December 28, 2023
CC2024-36	Adult School Construction Classroom Floor Installation	Angelo Construction	\$20,618.00	N/A	\$20,618.00	11	January 19, 2024

Documentation indicating satisfactory completion and compliance with specifications has been obtained from the following individuals: Carlos Camarena, Maintenance Supervisor, Jonathan Campbell, Maintenance Supervisor, Alex Rivera, Maintenance Supervisor; and Martin Silveira, Director, Maintenance and Operations.

Staff recommends approval of the Change Orders and Notices of Completion for these projects.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve the Change Orders and Notices of Completion for CUPCCAA Projects.

FISCAL IMPACT

\$61,061.01 to General Fund 01

\$20,618.00 to Adult Education Fund 11

NE:GJS:MS:cb

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning
and Operations
Kathy Casino, Director, Purchasing

**SUBJECT: RESOLUTION 2023/2024-39, AUTHORIZATION TO UTILIZE
PIGGYBACK CONTRACT**

=====

BACKGROUND

Public Contract Code (PCC) 20111 requires school district governing boards to competitively bid and award any contracts involving an expenditure of more than \$114,500.00 to the lowest responsible bidder.

Notwithstanding, PCC 20111, PCC 20118 and Administrative Regulation 3311 state that without advertising for bids and upon a determination that it is in the best interest of the District, the Board may authorize District staff by contract, lease, requisition, or purchase order of another public corporation or agency, to lease data-processing equipment, or to purchase materials, supplies, equipment, automotive vehicles, tractors and other personal property for the District in the manner that the other public corporation or agency is authorized to make the leases or purchases from a vendor (piggyback).

Alternatively, if there is an existing contract between a public corporation or agency and a vendor for the lease or purchase of personal property, the District may authorize the lease or purchase of personal property directly to the vendor under the same terms that are available to the public corporation or agency under the contract.

Staff requests approval of the following resolutions to provide authorization for the District to participate by piggyback in contracts as itemized below:

Resolution	Contract	Contractor(s)	Description	Term
2023/2024-39	Savanna School District #40-04/2020-21	Elite Modular Leasing & Sales, Inc.	Purchase, Lease, Relocation, Dismantling, and Removal of DSA Approved Portable Buildings	1/16/2024-2/08/2025

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education adopt Resolution 2023/2024-39, Authorization to Utilize Piggyback Contract.

FISCAL IMPACT

Unknown.

NE:GJS:KC:cb

**Chino Valley Unified School District
Resolution 2023/2024-39
Authorization to Utilize the Savanna School District SSPU #40-04/2020-21
With Elite Modular Leasing & Sales, Inc.
to Purchase, Lease, Relocation, Dismantling, and Removal of DSA Approved
Portable Buildings
Through the Piggyback Contract**

WHEREAS, the Board of Education (Board) of the Chino Valley Unified School District (District) has determined that a true and very real need exists to procure purchase, lease, relocation, dismantling, and removal of DSA approved portable buildings for the District.

WHEREAS, Savanna School District currently has a piggyback contract, #40-04/2020-21, in accordance with Public Contract Code 20118 with Elite Modular Leasing & Sales, Inc., that contains the materials, supplies, equipment and/or other personal property the District currently requires; and

WHEREAS, the board of education of a school district, without advertising for bids if the board has determined it to be in the best interests of the district, may authorize by contract, lease, requisition, or purchase order of any public corporation or agency, including any county, city, town, or district, to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, and other personal property for the district in the manner in which the public corporation or agency is authorized by law to make the leases or purchases from a vendor; and

WHEREAS, the board of education of a school district is required to make a determination that a purchase and/or lease through a public corporation or agency is in the best interests of the district to take advantage of this exception; and

WHEREAS, the Board has determined that it is in the best interest of the District to authorize the purchase of purchase, lease, relocation, dismantling, and removal of DSA approved portable buildings through the piggyback contract procured by the Savanna School District #40-04/2020-21.

NOW, THEREFORE BE IT RESOLVED the Board hereby finds, determines, and declares as follows:

Section 1. Recitals. All of the recitals set forth above are true and correct.

Section 2. Purchase through Other Public Agency. Pursuant to Public Contract Code 20118, that authorizing the purchase of purchase, lease, relocation, dismantling, and removal of DSA approved portable buildings through the piggyback contract originally procured by the Savanna School District #40-04/2020-21 is in the best interest of the District because there is volume pricing that can be used to reduce the District's overall price.

Section 3. Authorization. The Board hereby authorizes the acquisition of information technology goods and services in accordance with Public Contract Code 20118 through the piggyback contract originally procured by the Savanna School District #40-04/2020-21.

Section 4. Other Actions. The Superintendent or his designee are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the purchase, sale, and lease, and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, and that any and all such prior actions by the District's Superintendent, or his designee, are hereby ratified by the Board.

Section 5. Effective Date. This resolution shall be effective as of January 16, 2024, for the term ending February 8, 2025.

APPROVED, PASSED, AND ADOPTED by the Board of Education of the Chino Valley Unified School District this 15th day of February 2024 by the following vote:

Bridge	_____
Cruz	_____
Monroe	_____
Na	_____
Shaw	_____

I, Norm Enfield, Ed.D., Secretary of the Chino Valley Unified School District Board of Education, do hereby certify that the foregoing is a full, true, and correct copy of the Resolution passed and adopted by said Board at a regularly scheduled and conducted meeting held on said date, which Resolution is on file in the office of said Board.

Norm Enfield, Ed.D., Superintendent
Secretary, Board of Education

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning, and Operations

SUBJECT: CHANGE ORDER FOR BID NO. 22-23-20F, AYALA HS, CHINO HS, CHINO HILLS HS, AND DON LUGO HS FOOTBALL SCOREBOARD REPLACEMENT PROJECT

BACKGROUND

On December 15, 2022, the Board of Education awarded Bid No. 22-23-20F, Ayala HS, Chino HS, Chino Hills HS, and Don Lugo HS to Tricore Enterprises, Inc. During the course of construction, modifications to the original approved plans are made due to unforeseen conditions, revisions, or amended project scope. The following change order has been reviewed and recommended for approval by District staff.

Change Order	Contractor	Amount
1	Tricore Enterprises, Inc.	\$70,188.14
Bid Amount:		\$2,925,000.00
Revised Total Project Amount:		\$2,995,188.14

The change order results in a net increase of \$70,188.14 to the construction cost and no days added to the contract time. Approval of the change order allows for compensation to the contractor to perform the additional work as described.

Staff recommends the approval of the Change Order for this bid.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve the Change Order for Bid No. 22-23-20F, Ayala HS, Chino HS, Chino Hills HS, and Don Lugo HS Football Scoreboard Replacement Project.

FISCAL IMPACT

\$70,188.14 to Measure G Fund 25.

2/15 ✓



Chino Valley Unified School District
Facilities, Planning, and Operations Division

CHANGE ORDER

Date: November 13, 2023 BID/ CUPCCAA #: 22-23-20F Change Order #: 01
Project Title: Ayala HS, Chino HS, Chino Hills HS, and Don Lugo HS Football Scoreboard Replacement Project
Owner: Chino Valley Unified School District DSA Application #: AHS A04-121429; CHS A04-121432; CHHS A04-12143; DAL A04-121431 DSA File #: 36-H3
Architect: PBK Architects Contractor: Tricore Enterprises, Inc.

The Contractor is hereby authorized to make the following changes to your construction contract when this change order has been approved by the undersigned parties:

ITEM NO. 1:	Description:	Ayala HS – Additional footing work/investigation required
	Reason:	Unforeseen conditions discovered at footing location.
	Document Ref:	CO #3
	Requested by:	Chino Valley USD
	Change in Contract Sum:	\$29,840.00
	Time Extension:	0 days
ITEM NO. 2:	Description:	Chino HS – Furnish and install N3R Transformer along with concrete pad.
	Reason:	Additional electrical equipment/work required for scoreboard to be operational
	Document Ref:	CO #4 R2
	Requested by:	Chino Valley USD
	Change in Contract Sum:	\$13,449.38
	Time Extension:	0 days
ITEM NO. 3:	Description:	Chino Hills HS – Furnish and install N3R Transformer along with concrete pad.
	Reason:	Additional electrical equipment/work required for scoreboard to be operational
	Document Ref:	CO #4 R2
	Requested by:	Chino Valley USD
	Change in Contract Sum:	\$13,449.38
	Time Extension:	0 days
ITEM NO. 4:	Description:	Don Lugo HS – Furnish and install N3R Transformer along with concrete pad.
	Reason:	Additional electrical equipment/work required for scoreboard to be operational
	Document Ref:	CO #4 R2
	Requested by:	Chino Valley USD
	Change in Contract Sum:	\$13,449.38
	Time Extension:	0 days

12/14

PROJECT SUMMARY

Location	Original Contract Amount	Previous Change Orders	This Change Order	Revised Amount
Ayala HS	\$731,250.00	\$0.00	\$29,840.00	\$761,090.00
Chino HS	\$731,250.00	\$0.00	\$13,449.38	\$744,699.38
Chino Hills HS	\$731,250.00	\$0.00	\$13,449.38	\$744,699.38
Don Lugo HS	\$731,250.00	\$0.00	\$13,449.38	\$744,699.38
Totals:	\$2,925,000.00	\$0.00	\$70,188.14	\$2,995,188.14

CONTRACT SUMMARY

The original contract amount was: \$2,925,000.00

Previously approved change order amount(s): \$0.00

The contract amount will be **increased** by this Change Order: \$70,188.14

The new contract amount including this change order will be: \$2,995,188.14

The original contract completion date was: 1/17/2024

Previously approved Change Order for contract time: 00 days

The contract time will be increased by this Change Order: 00 days

The date of completion as a result of this Change Order is: 1/17/2024

APPROVED BY:

David Coronado, SVP

Contractor – Tricore Enterprises Inc

Signature

11/15/2023

Date

John Buck

DSA Inspector of Record (if applicable) – TYR, Inc.

Signature

11/17/23

Date

Robert Lavey

Architect / Engineer (if applicable) – PBK Architects

Signature

12/13/2023

Date

NA

Construction / Project Manager

Signature

Date

NA

Authorized Department Head (if applicable)

Signature

Date

NA

Director, Technology (if applicable)

Signature

Date

Carlos Camarena

CVUSD Project Manager

Signature

12/13/2023

Date

Martin Silveira

Director, Maintenance & Operations (if applicable)

Signature

Date

Director, Planning (if applicable)

Signature

Date

Greg Stachura

Owner (Authorized Agent)

Signature

1/29/2024

Date

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning and Operations

**SUBJECT: CHANGE ORDER AND NOTICE OF COMPLETION FOR
BID NO. 22-23-01F, AYALA HS - ALTERATIONS PHASE 4 BLDGS. A,
G, J, BP 13-01**

=====

BACKGROUND

On July 21, 2022, the Board of Education awarded Bid No. 22-23-01F, Ayala HS- Alterations Phase 4 Bldgs. A, G, J, BP 13-01, to California Waters Development, Inc. dba California Waters. During the course of construction, modifications to the original approved plans are made due to unforeseen conditions, revisions, or amended project scope. The following change order has been reviewed and recommended for approval by District staff.

Change Order	Contractor	Amount
1	California Waters Development, Inc. dba California Waters	(\$26,202.00)
Bid Amount:		\$1,059,400.00
Revised Total Project Amount:		\$1,033,198.00
Retention Amount:		\$51,659.90

The change order resulted in a net decrease of \$26,202.00 to the construction cost and no days added to the contract time. Approval of the change order allows for compensation to the contractor to perform the additional work as described. All contracted work was completed on December 27, 2023.

Documentation indicating satisfactory completion and compliance with specifications has been obtained from the following individuals: Bob Lavey, PBK Architects; Hung Truong, CW Driver Construction Manager; John Michael, DSA Inspector of Record; Sam Sousa, Construction Coordinator; Beverly Beemer, Director, Planning; and Gregory Stachura, Assistant Superintendent, Facilities, Planning and Operations.

Staff recommends the approval of the Change Order and Notice of Completion for this bid. The final retention payment of 5% of the value of work done under this contract shall be made 35 days after the Notice of Completion is recorded with the County Recorder.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve the Change Order and Notice of Completion for Bid No. 22-23-01F, Ayala HS – Alterations Phase 4 Bldgs. A, G, J, BP 13-01.

FISCAL IMPACT

(\$26,202.00) to Measure G Fund 21.

NE:GJS:cb



Chino Valley Unified School District
Facilities, Planning, and Operations Division

NOTIFICATION OF PROJECT COMPLETION

Purchase Order # 231953

BID/RFP # 22-23-01F

CUPCCAA# N/A

CUPCCAA BID # N/A

AMOUNT

BID AMOUNT	\$1,059,400.00
CHANGE ORDER #:	\$-26,202.00
TOTAL:	\$1,033,198.00

PROJECT DESCRIPTION Ayala High School – Alteration Phase 4 Bldgs. A, G, J

This is to verify that work has been completed at: Ayala High School
14255 Peyton Dr, Chino Hills, CA 91709

by California Waters Development Inc. dba California Waters (BP 13-01 Swimming Pool & Equipment) on 12/27/2023

and the Notice of Completion can now be submitted to the Board of Education for approval.

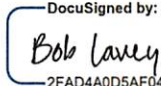
John Michael
Knowland Construction Services
DSA Inspector of Record (if applicable)

DocuSigned by:

6A4504017F574D3...
Signature

01/19/2024 | 17:59 PST
Date

Bob Lavey
PBK WLC Architects
Architect / Engineer (if applicable)

DocuSigned by:

2FAD4A0D5AF04C5...
Signature

01/20/2024 | 14:48 PST
Date

Hung Truong
CW Driver
Construction/Sr. Project Manager

DocuSigned by:

DB919CAC3A0446B...
Signature

01/19/2024 | 17:31 PST
Date

Authorized Department Head (if applicable)

Signature

Date

Director, Technology (if applicable)

Signature

Date

Samuel Sousa
CVUSD Project Manager

Signature

Date

Director, Maintenance, Operations & Construction (if applicable)	Signature	Date
Beverly Beemer		1/31/2024
Director, Planning (if applicable)	Signature	Date
Greg Stachura		2/1/24
Owner (Authorized Agent)	Signature	Date



Chino Valley Unified School District
Facilities, Planning, and Operations Division

CHANGE ORDER

Date: 01/19/2024 BID/ CUPCCAA #: 22-23-01F Change Order #: 001
 Project Title: Ayala High School Phase 4 – Alterations
 Owner: Chino Valley Unified School District DSA Application #: A04-120790 DSA File #: 36-H3
 Architect: PBK Architects Contractor: California Waters Development Inc. dba California Waters (BP 13-01)

The Contractor is hereby authorized to make the following changes to your construction contract when this change order has been approved by the undersigned parties:

ITEM NO. 1:	Description:	Reconcile Unused Unforeseen Allowance
	Reason:	Reconcile Unused Unforeseen Allowance
	Document Ref:	Change Order Request No. A-028 (PCO #A-253)
	Requested by:	District
	Change in Contract Sum:	(\$26,202.00) / DEDUCT
	Time Extension:	0 Calendar Days

CONTRACT SUMMARY

The original contract amount was:	<u>\$1,059,400.00</u>
Previously approved change order amount(s):	<u>\$0.00</u>
The contract amount will be increased/ decreased by this Change Order:	<u>(\$26,202.00)</u>
The new contract amount including this change order will be:	<u>\$1,033,198.00</u>
The original contract completion date:	<u>12/27/2023</u>
The contract time will be increased/decreased by days:	<u>0 days</u>
The date of completion as a result of this Change Order is:	<u>12/27/2023</u>

APPROVED BY:

Kathryn Taylor

Contractor – California Waters

DocuSigned by:
Kathryn Taylor
5C0E263678DB4B4...
Signature

01/31/2024 | 07:44 PST






Date

John Michael
Knowland Construction Services
DSA Inspector of Record (if applicable)

DocuSigned by:
John Michael
6A4504017F574D3...
Signature

01/31/2024 | 09:23 PST

Date

Bob Lavey PBK Architects Inc. Architect / Engineer (if applicable)	<div>DocuSigned by:  2FAD4A0D5AF04C5...</div> <hr/> Signature	01/31/2024 08:22 PST <hr/> Date
Hung Truong CW Driver Construction/Sr. Project Manager	<div>DocuSigned by:  DB919CAC3A0446B...</div> <hr/> Signature	01/31/2024 07:53 PST <hr/> Date
Authorized Department Head (if applicable)	<hr/> Signature	<hr/> Date
Director, Technology (if applicable)	<hr/> Signature	<hr/> Date
Samuel Sousa CVUSD Project Manager	 <hr/> Signature	1/31/24 <hr/> Date
Beverly Beemer Director, Planning (if applicable)	 <hr/> Signature	1/31/24 <hr/> Date
Greg Stachura Owner (Authorized Agent)	 <hr/> Signature	2/1/24 <hr/> Date

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning, and Operations
Martin Silveira, Director, Maintenance and Operations
Kathy Casino, Director, Purchasing

**SUBJECT: APPROVAL OF PAYMENT TO KNORR SYSTEMS, INC. UNDER
THREAT OF POTENTIAL LITIGATION OR DISPUTED CLAIM**

=====

BACKGROUND

Public Contract Code Section 20111, subdivision (a) requires school district governing boards to competitively bid and award any contracts involving an expenditure of more than \$114,500 to the lowest responsible bidder.

In February 2023, the pool heaters at Chino Hills HS began to fail and were deemed to be beyond economical repair. Because this failure was during the peak of swim season, the Maintenance & Operations Department (M&O) made temporary repairs to the heaters to keep them running through the end of the school year and immediately obtained quotes for replacement heaters. Shortly thereafter, M&O submitted a requisition to the Purchasing Department to purchase the two new replacement heaters from Knorr Systems, Inc., and a purchase order was issued.

On January 31, 2024, District staff received communication from the San Bernardino County Superintendent of Schools, District Financial Services Division, that payment to Knorr Systems could not be processed due to total cost of the heaters exceeding the bid limit.

With this bid deficiency/error, the Board of Education must approve payment to Knorr Systems, Inc. under threat of potential litigation or disputed claim.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve payment to Knorr Systems, Inc., under threat of potential litigation or disputed claim.

FISCAL IMPACT

\$167,262.05 to General Fund 01.

NE:GJS:MS:KC:cb

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Lea Fellows, Associate Superintendent, Human Resources
Joseph Durkin, Director, Human Resources
Jaime Ortega, Director, Human Resources

SUBJECT: CERTIFICATED/CLASSIFIED PERSONNEL ITEMS

=====

BACKGROUND

Board approval of personnel transactions is required by Board Bylaw 9324 Bylaws of the Board - Minutes and Recordings and Education Code 35163. Included are new hires based on need, which includes replacements, growth, and/or class size reduction.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve/ratify the certificated/classified personnel items.

FISCAL IMPACT

All personnel assignments are within the approved staffing ratio for the appropriate school year budget.

NE:LF:JD:JO:jw

CERTIFICATED PERSONNEL

<u>NAME</u>	<u>POSITION</u>	<u>LOCATION</u>	<u>EFFECTIVE DATE</u>
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**HIRED AT THE APPROPRIATE PLACEMENT ON THE CERTIFICATED SALARY SCHEDULE
AND APPROPRIATE CREDENTIAL FOR THE 2023/2024 SCHOOL YEAR****APPOINTMENT**

MARTINEZ, Erik	Special Education Teacher	Hidden Trails ES	01/18/2024
JACOBO, Gilberto	English Teacher	Townsend JHS	02/16/2024

APPOINTMENT - EXTRA DUTY - SPORTS

HENDERSON, Raymond (NBM)	Baseball (GF)	Ayala HS	02/16/2024
TOWNSELL, Brandy (NBM)	Boys Volleyball (GF)	Ayala HS	02/16/2024
BECK, Kyle (NBM)	Track & Field (B)	Don Lugo HS	02/16/2024

TOTAL: \$4,186.00

APPOINTMENT- EXTRA DUTY – DEPARTMENT CHAIR

ARTEAGA SAAVEDRA, Jeannette	2-3 Grade Level Chair	Cal Aero K-8	02/01/2024
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DELETE - EXTRA DUTY – DEPARTMENT CHAIR

BROOKS, Noelle	2-3 Grade Level Chair	Cal Aero K-8	01/31/2024
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APPOINTMENT- EXTRA DUTY – ACTIVITIES

YOUNG, Ann	Academic Competition Team	Don Lugo HS	08/07/2023
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TOTAL: \$2,078.00

RETIREMENT

HANCOCK, Mary (20 years of service)	Independent Study Teacher	Alternative Education	01/31/2024
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RESIGNATIONS

ROHDE, Katie	SAI Teacher	Special Education	02/01/2024
ROSENBERY, Kimberly	Science Teacher	Canyon Hills JHS	02/02/2024

CERTIFICATED PERSONNEL (cont.)

**APPOINTMENT OF CERTIFICATED SUBSTITUTES EFFECTIVE JULY 1, 2023, THROUGH
JUNE 30, 2024**

DO, Therese
LIVINGSTON, Bryce
ZACARIAS, Cecilia

FIRMAN, Richard
PROVENS, Jon

GODINEZ, James
TARIN, Lisa

CLASSIFIED PERSONNEL

<u>NAME</u>	<u>POSITION</u>	<u>LOCATION</u>	<u>EFFECTIVE DATE</u>
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HIRED AT THE APPROPRIATE PLACEMENT ON THE CLASSIFIED SALARY SCHEDULE**APPOINTMENT**

PONVANIT, Nithiya	Elementary Library/Media Center Assistant (GF)	Glenmeade ES	02/16/2024
THOSS, Preslee	Nutrition Services Professional (NS)	Liberty ES	02/16/2024
LAU, Ka Man	Bilingual Typist Clerk I Mandarin (C)	Rolling Ridge ES	02/16/2024
MEDINA, Alejandra	Paraprofessional II (SELPA/GF)	Rolling Ridge ES	02/16/2024
MAXSON, Julie	Typist Clerk I (GF)	Townsend JHS	02/16/2024
AVILA, Blanca	Playground Supervisor (GF)	Chino HS	02/16/2024
BUSTILLOS, Michael	Security Person (GF)	Don Lugo HS	02/16/2024
DUENAS, Dominique	Account Clerk III (GF)	Business Services	02/16/2024
SMITH, Rocio	Licensed Vocational Nurse (GF)	Health Services	02/16/2024
DELGADO, Christine	Personnel Clerk III (GF)	Human Resources	02/16/2024

REVISION TO EFFECTIVE DATE ON THE FEBRUARY 1, 2024 BOARD AGENDA

OTHMAN, Othman	Nutrition Services Manager Rover (NS)	Nutrition Services	02/05/2024
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PROMOTION

ARROYO, Freddie Jr	FROM: Custodian I (GF) 8 hrs./261 contract days TO: Custodian II (GF) 8 hrs./261 contract days	Maintenance Maintenance	02/16/2024
AGUILERA, Gabriel	FROM: Warehouse Delivery Worker (GF) 8 hrs./261 contract days TO: Purchasing Clerk III (GF) 8 hrs./261 contract days	Warehouse Purchasing	02/16/2024

CHANGE OF ASSIGNMENT

SANCHEZ, Tatyana	FROM: Paraprofessional II (SELPA/GF) 6 hrs./181 work days TO: Assistive Technology Assistant (GF) 6 hrs./183 work days	Newman ES Special Education	02/16/2024
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LEAVE OF ABSENCE

MENENDEZ, Nora	Nutrition Services Professional (NS)	Chino HS	02/29/2024 through 03/04/2024
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CLASSIFIED PERSONNEL (cont.)

<u>NAME</u>	<u>POSITION</u>	<u>LOCATION</u>	<u>EFFECTIVE DATE</u>
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PLACED ON 39 MONTH RE-EMPLOYMENT LIST

SERL, Julie	Nutrition Services Professional (NS)	Ayala HS	02/02/2024
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RESIGNATION

ZACARIAS, Cecilia	Paraprofessional II (SELPA/GF)	Country Springs ES	02/01/2024
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RETIREMENT

MOLINA, Teresa (6 Years of Service)	Bus Driver (GF)	Transportation	02/01/2024
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APPOINTMENT OF SHORT-TERM EMPLOYEES EFFECTIVE JANUARY 1, 2024, THROUGH JUNE 30, 2024

KENNEDY, Christina	Typist Clerk II	Student Support Services
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APPOINTMENT OF CLASSIFIED SUBSTITUTES EFFECTIVE JULY 1, 2023, THROUGH JUNE 30, 2024

DELGADILLO, Krystal	GATICA, Isabella	GONZALES, Raven
HERNANDEZ, Angel	ORTEGA, Erika	WINDING, Tiara

(504) = Federal Law for Individuals with Handicaps
 (ABG) = Adult Education Block Grant
 (ASB) = Associated Student Body
 (ASF) = Adult School Funded
 (ATE) = Alternative to Expulsion
 (B) = Booster Club
 (BTSA) = Beginning Teacher Support & Assessment
 (C) = Categorically Funded
 (CDF) = Child Development Fund
 (CVLA) = Chino Valley Learning Academy
 (CWY) = Cal Works Youth
 (E-rate) = Discount Reimbursements for Telecom.
 (G) = Grant Funded
 (GF) = General Fund
 (HBE) = Home Base Education
 (MAA) = Medi-Cal Administrative Activities
 (MG) = Measure G – Fund 21
 (MH) = Mental Health – Special Ed.
 (NBM) = Non-Bargaining Member
 (ND) = Neglected and Delinquent

(NS) = Nutrition Services Budget
 (OPPR) = Opportunity Program
 (PFA) = Parent Faculty Association
 (R) = Restricted
 (ROP) = Regional Occupation Program
 (SAT) = Saturday School
 (SB813) = Medi-Cal Admin. Activities Entity Fund
 (SELPA) = Special Education Local Plan Area
 (SOAR) = Students on a Rise
 (SPEC) = Spectrum Schools
 (SS) = Summer School
 (SWAS) = School within a School
 (VA) = Virtual Academy
 (WIA) = Workforce Investment Act

Chino Valley Unified School District
Our Motto:
Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Lea Fellows, Associate Superintendent, Human Resources
Whitney Fields, Director, Risk Management and Human Resources

SUBJECT: COMPREHENSIVE SCHOOL SAFETY PLAN FOR EACH SCHOOL

=====

BACKGROUND

The Board recognizes that students and staff have the right to a safe and secure campus where they are free from physical and psychological harm. The Board is fully committed to maximizing school safety and to creating a positive learning environment that includes strategies for violence prevention and high expectations for student conduct, responsible behavior, and respect for others.

The school site council at each school shall develop a comprehensive school safety plan relevant to the needs and resources of that particular school. New school campuses shall develop a safety plan within one year of initiating operations. (Education Code 32281, 32286)

The school safety plan shall take into account the school's staffing, available resources, and building design, as well as other factors unique to the site.

Pursuant to Education Code 32288, the comprehensive safety plans shall be forwarded to the Board, which is provided under separate cover.

Approval of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education approve the Comprehensive School Safety Plan for each school.

FISCAL IMPACT

None.

NE:LF:WF:jw

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Sandra H. Chen, Associate Superintendent, Business Services
Liz Pensick, Director, Fiscal Services

SUBJECT: 2022/2023 INDEPENDENT AUDITOR'S ANNUAL FINANCIAL AUDIT REPORT

=====

BACKGROUND

Education Code 41020 states the Governing Board of each school district must provide an annual audit of all funds under the jurisdiction and control of the District.

Education Code 41020 further requires that not later than December 15 of each year, a copy of the annual audit report for the prior year be filed with the County Superintendent of Schools, the State Department of Education, and the State Controller's Office.

By January 31 of each year, the Board of Education must review the annual audit for the prior year at a public meeting. This year, the District requested an extension to March 31. This extension was requested due to the additional time needed by CDE for the approval of outstanding J-13A waivers to finalize the annual audit reports. The Annual Audit Report has been provided under separate cover.

Consideration of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education receive for information the 2022/2023 Independent Auditor's Annual Financial Audit Report.

FISCAL IMPACT

None.

NE:SHC:LP:lf

Chino Valley Unified School District

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Hilda Flores, Ed.D., Assistant Superintendent, Curriculum, Instruction, Innovation, and Support

**SUBJECT: SAN BERNARDINO COUNTY SUPERINTENDENT OF SCHOOLS
WILLIAMS FINDINGS DECILE 1-3 SCHOOLS SECOND
QUARTERLY REPORT 2023/2024**

=====

BACKGROUND

California Education Code 1240 requires that the San Bernardino County Superintendent of Schools visit all decile 1-3 schools (Williams monitored schools currently based on the 2012 Academic Performance Index and all Quality Education Investment Act schools) identified in the county and report the results of findings on a quarterly basis to ensure compliance with the Williams Legislation. The San Bernardino County Superintendent of Schools' office is required to file quarterly reports on schools' progress in rectifying any findings.

Consideration of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education receive for information the San Bernardino County Superintendent of Schools Williams Findings Decile 1-3 Schools Second Quarterly Report 2023/2024.

FISCAL IMPACT

None.

NE:HF:gks



January 31, 2024

Dr. Norm Enfield, Superintendent
Chino Valley Unified School District
5130 Riverside Drive
Chino, CA 91710-4130

Dear Dr. Enfield:

Thank you for your continued collaboration throughout the Williams monitoring process. As you may know, California Education Code section 1240 requires that I annually visit Williams-monitored schools identified in our county and report to you the results of my findings on a quarterly basis (October, January, April, and July). This report serves as your district's *second quarterly report* for the 2023-24 fiscal year.

Education Code section 1240(c)(2)(C) also requires that the results of the visits and/or reviews be reported to the governing board of each school district at a regularly scheduled meeting held in accordance with public notification requirements. *Please be sure to include this report as an agenda item for your next regularly scheduled Board meeting.*

In summary, there are no findings to report in the following areas:

1. Instructional Materials

The instructional materials sufficiency reviews were conducted during the first quarter of the 2023-24 fiscal year as part of the Williams site visitation process and the findings were reported in the first quarterly reports generated in October 2023.

2. School Facilities

The facilities inspections were conducted during the first quarter of the 2023-24 fiscal year as part of the Williams site visitation process and the findings were reported in the first quarterly reports generated in October 2023.

My findings are as follows:

3. School Accountability Report Cards (SARC)

2021-22 SARCs published in the 2022-23 school year were reviewed for accuracy of information pertaining to the quality, currency, and availability of instructional materials, and facilities good repair. Preliminary findings were provided to districts and charter schools with an opportunity for revision and resubmission, as appropriate. Upon final review, no inaccuracies were reported for your Williams-monitored site(s).

4. Teacher Assignments

Enclosed are the 2022-23 annual assignment monitoring review findings. The annual assignment monitoring review for the 2023-24 fiscal year will begin on or after April 1, 2024, according to data availability from the Commission on Teacher Credentialing (CTC) and the California Department of Education (CDE), and findings will be included in the corresponding quarterly report.

On behalf of the SBCSS Williams team, it has been a pleasure to work in partnership with you and the staff of the Chino Valley Unified School District.

Sincerely,



Ted Alejandre
County Superintendent

Enclosure

cc: Ms. Sonja Shaw, Board President
Dr. Grace Park, Williams Liaison
Ms. Gurveen Sidhu, SARC Contact
Ms. Jenny Owen, SBCSS Director, Communications and Intergovernmental Relations
Mr. James Fields, SBCSS Senior Manager, Intergovernmental Relations and Communications
Ms. Amanda Shoffner, SBCSS Credentials Manager

**Chino Valley Unified School District
Williams Teacher Assignment Monitoring Data
2022-23 Fiscal Year**

School Name	Enrollment	EL Enrollment	Monitoring Determinant(s)			Teacher Vacancies (Based on SARC Data)	Teacher Vacancies Filled (Based on SARC Data)	Overall Teacher Misassignments ¹ (Based on Census Date)	Teacher Misassignments Corrected During CalSAAS Review (Based on Census Date)
			ESSA Assistance Status 2019	15% or More Teachers Not Credentialed	% Teachers Not Credentialed				
Allegiance STEAM Academy Thrive*	896	77	NA	Y	16.7%	0	0	4	1
Walnut Avenue Elementary	464	139	ATSI	NA	NA	1	1	4	0
	1,360	216				1	1	8	1

Footnotes:

¹Overall misassignments includes both corrected and uncorrected misassignments determined during the CalSAAS review.

*District-authorized charter school

Definitions & Explanations:

"Teacher vacancy" means a position to which a single designated certificated employee has not been assigned at the beginning of the year for an entire year or, if the position is for a one-semester course, a position to which a single designated certificated employee has not been assigned at the beginning of a semester for an entire semester. [E.C. Section 35186(h)(3) and C.C.R. Title 5 Section 4600(b)]

"Misassignment" means the placement of a certificated employee in a teaching or services position for which the employee does not hold a legally recognized certificate or credential or the placement of a certificated employee in a teaching or services position that the employee is not otherwise authorized by statute to hold. [E.C. 35186(h)(2)]

More than one misassignment may be identified within a certificated assignment (e.g., a special education teacher lacking authorization for potentially more than one disability). English learners (EL) misassignments are one per teacher of record and included in the total of misassignments.

Chino Valley Unified School District

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Hilda Flores, Ed.D., Assistant Superintendent, Curriculum, Instruction, Innovation, and Support

SUBJECT: CHINO VALLEY LEARNING ACADEMY STUDENT ATTENDANCE CALENDARS FOR THE 2024/2025 AND 2025/2026 SCHOOL YEARS

=====

BACKGROUND

The Student Attendance Calendar is adopted sufficiently in advance of the new school year in order to provide educational partners with ample time to provide input and conduct advance planning for the coming year. The Student Attendance Calendar is not intended to constitute the employee work year calendar, which will be negotiated to the extent required by law.

Effective the 2024/2025 school year, Chino Valley Learning Academy (CVLA) will adopt the traditional student attendance calendar, reflecting 180 school days. This will replace the previously Board adopted school calendars for the 2024/2025 and 2025/2026 school years only.

Consideration of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education receive for information the Chino Valley Learning Academy student attendance calendars for the 2024/2025 and 2025/2026 school years.

FISCAL IMPACT

None.

NE:HF:gks

Chino Valley Unified School District
2024-2025 STUDENT ATTENDANCE CALENDAR
 180 School Days – Traditional

JULY 2024

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	●	●			

AUGUST 2024

S	M	T	W	Th	F	S
				X	○	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER 2024

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

OCTOBER 2024

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER 2024

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

DECEMBER 2024

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	△	20	21
22	23	24	25	26	27	28
29	30	31				

JANUARY 2025

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY 2025

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

MARCH 2025

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

APRIL 2025

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

MAY 2025

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	○	24
25	26	27	28	29	30	31

JUNE 2025

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

IMPORTANT DATES

July 4	Independence Day	Jan 20	Martin Luther King Day	<div> <div></div> First Day of School <div></div> Last Day of School <div></div> Legal Holiday <div></div> School Closed </div>
July 30-31	● New Teacher Workday	Feb 10	Lincoln's Birthday	
Aug 1	X K-6 Teacher Workday	Feb 17	Washington's Birthday	
Aug 2	○ All Teacher Workday	Mar 24-28	Spring Break	
Aug 5	First Day of School	April 18	School Closed	
Sept 2	Labor Day	May 22	Last Day of School	
Nov 1	School Closed	May 23	○ All Teacher Workday	
Nov 11	Veterans' Day	May 26	Memorial Day	
Nov 25-29	Thanksgiving Break	June 19	Juneteenth	
Dec 19	△ 7-12 Teacher Workday/TK-12 Non-School Day			
Dec 19-Jan 3	Christmas/Winter Break			

Chino Valley Unified School District
2025-2026 STUDENT ATTENDANCE CALENDAR
180 School Days – Traditional

JULY 2025

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	●	●	X		

AUGUST 2025

S	M	T	W	Th	F	S
					○	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

SEPTEMBER 2025

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

OCTOBER 2025

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

NOVEMBER 2025

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

DECEMBER 2025

S	M	T	W	Th	F	S
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14	15	16	17	△	19	20
21	22	23	24	25	26	27
28	29	30	31			

JANUARY 2026

S	M	T	W	Th	F	S
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18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY 2026

S	M	T	W	Th	F	S
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MARCH 2026

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29	30	31				

APRIL 2026

S	M	T	W	Th	F	S
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MAY 2026

S	M	T	W	Th	F	S
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24	25	26	27	28	29	30
31						

JUNE 2026

S	M	T	W	Th	F	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

IMPORTANT DATES

July 4	Independence Day	Jan 19	Martin Luther King Day	<div> <div>First Day of School</div> <div>Last Day of School</div> </div> <div> <div>Legal Holiday</div> </div> <div> <div>School Closed</div> </div>
July 29-30	● New Teacher Workday	Feb 9	Lincoln's Birthday	
July 31	X K-6 Teacher Workday	Feb 16	Washington's Birthday	
Aug 1	○ All Teacher Workday	Mar 30-Apr 3	Spring Break	
Aug 4	First Day of School	Apr 6	School Closed	
Sept 1	Labor Day	May 21	Last Day of School	
Nov 10	School Closed	May 22	○ All Teacher Workday	
Nov 11	Veterans' Day	May 25	Memorial Day	
Nov 24-28	Thanksgiving Break	June 19	Juneteenth	
Dec 18	△ 7-12 Teacher Workday/TK-12 Non-School Day			
Dec 18-Jan 2	Christmas/Winter Break			

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Grace Park, Ed.D., Assistant Superintendent, Curriculum, Instruction,
Innovation, and Support
Eric Dahlstrom, Ed.D., Director, Secondary Curriculum and Instruction

SUBJECT: TEXTBOOK ADOPTION FOR ADVANCED PLACEMENT COURSES

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BACKGROUND

To provide current standards-aligned instructional materials to the students in the Chino Valley Unified School District, as mandated by the state of California, the programs specified below are proposed for adoption.

The selection process for these materials involved representative teachers with a vested interest in the materials. The Office of Curriculum and Instruction secured samples of the materials and distributed them to teachers and students for piloting purposes. The materials were evaluated using the following criteria: quality of match to course and California standards, quality of lesson design, quality of teacher materials, provision for universal access, and overall quality of the materials.

All recommended instructional materials shall be available for public inspection at the District Samuel R. Burton Professional Development and Media Center from February 26, 2024, through March 7, 2024.

The textbooks were presented to the Coordinating Curriculum Councils and A.C.T. has been consulted.

Consideration of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended that the Board of Education receive for information the following instructional materials for the textbook adoption for advanced placement courses:

AP Biology

- a) Pearson. *Campbell Biology 12th Edition*. Urry, et al. 2021.

Replaces: Pearson. *AP Biology 9th Edition*. Reece, et al. 9th – 12 Grade. 2011.

AP Environmental Science

- b) Bedford, Freeman & Worth. *Environmental Science for the AP Course*. Andrew Friedland; Rick Relyea. 2023.

Replaces: Wiley. *Environmental Science, Earth as a Living Planet 6th Edition*. Daniel Botkin; Edward Keller. 2007.

AP English 12

- c) Bedford, Freeman & Worth. *Literature & Composition, Essential Voices, Essential Skills for the AP Course*. Shea, et al. 2022.; and Norton. *The Norton Guide to AP Literature, Writing & Skills*. Melissa Smith; Susan Barber. 2022.

Replaces: Pearson. *Literature: An Introduction to Fiction, Poetry, and Drama, 9th Edition*. Kennedy. 2005.

FISCAL IMPACT

\$353,457.82 estimated costs to A-G Completion Improvement Grant.

NE:GP:ED:wrg

CHINO VALLEY UNIFIED SCHOOL DISTRICT

Our Motto:

Student Achievement • Safe Schools • Positive School Climate
Humility • Civility • Service

DATE: February 15, 2024

TO: Members, Board of Education

FROM: Norm Enfield, Ed.D., Superintendent

PREPARED BY: Gregory J. Stachura, Assistant Superintendent, Facilities, Planning, and Operations

SUBJECT: MEASURE G FINANCIAL/PERFORMANCE AUDIT REPORT

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BACKGROUND

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in Education Code sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a Citizens' Oversight Committee.
4. Requires the school district to conduct an annual independent financial audit and performance audit in accordance with the Government Auditing Standards issued by the comptroller general of the United States of the bond proceeds until all of the proceeds have been expended.

5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

The objectives of the financial/performance audit are twofold:

1. Determine whether expenditures charged to the building fund have been made in accordance with the bond project list approved by the voters through the approval of Measure G.
2. Determine whether salary transactions charged to the building fund were in support of Measure G and not for District general administration or operations.

The Board of Education must review the annual audit for the prior year at a public meeting. The Annual Audit Report has been provided under separate cover.

Consideration of this item supports the goals identified within the District's Strategic Plan.

RECOMMENDATION

It is recommended the Board of Education receive for information the Measure G Financial/Performance Audit Report.

FISCAL IMPACT

None.

NE:GJS:cb