

## ASES BOARD REPORT

November 2019

Our enrollment is 40 students. Many of them are taking advantage of the classes offered at the Rec. Hall and at their church.

On Monday, November 4<sup>th</sup>, we began our Early Release Time of 4:45pm rather than 5:45. This allows the children to get home while it is still light out. On Wednesday, November 5<sup>th</sup>, we had to cancel ASES as there was only one bus driver available for all afternoon bus runs.

I am grateful for the support you have shown our program. If you have any questions or concerns, please let me know. We want the ASES program to be successful and to have a good name in our community.

Sincerely,

Debbie Hedlund    ASES Coordinator

# Cuyama Joint Unified School District 2019 CAASPP Results

Progress Toward College and Career  
Readiness



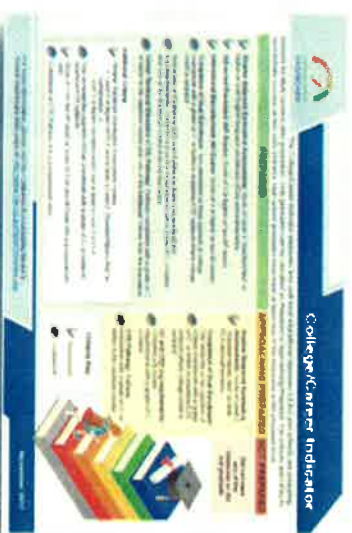
## Why does the CAASPP Matter?



- The CAASPP is California's annual measure of students' performance and progress
- It gives students and parents an update on students' academic progress
- It is an indicator of how well our schools did last year
- It provides teachers information about what their current students need
- It helps us measure how each student is doing at each grade level on their path to college and career readiness

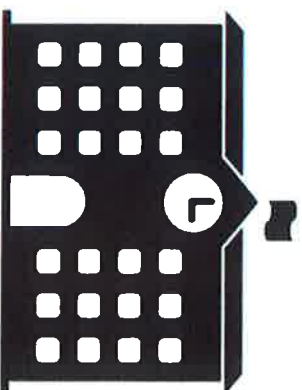
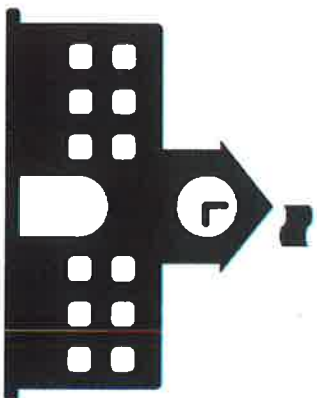
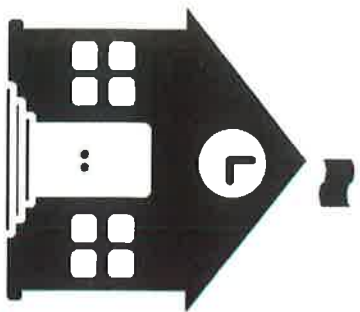
When 11th graders meet standards on both the ELA and math tests, they are ready for college and career according to the CDE

When 11th graders exceed standards, they are ready for college level courses in the CSU system



From elementary, to middle, to high school, the CAASPP is one way to measure our students' progress toward college and career readiness

When our students are meeting or exceeding grade level standards, they are on track





## How many students met state standards on the 2019 CAASPP?

Percent of ALL students who met or exceeded standards

35%

English Language Arts

23%

Math

This means about  
**3 in 10** students  
are on track for  
college and career



## How did we do in comparison to last year?

Percent of ALL students who met or exceeded standards

**0.4%**  
increase

English Language Arts

**6.1%**  
increase

Math

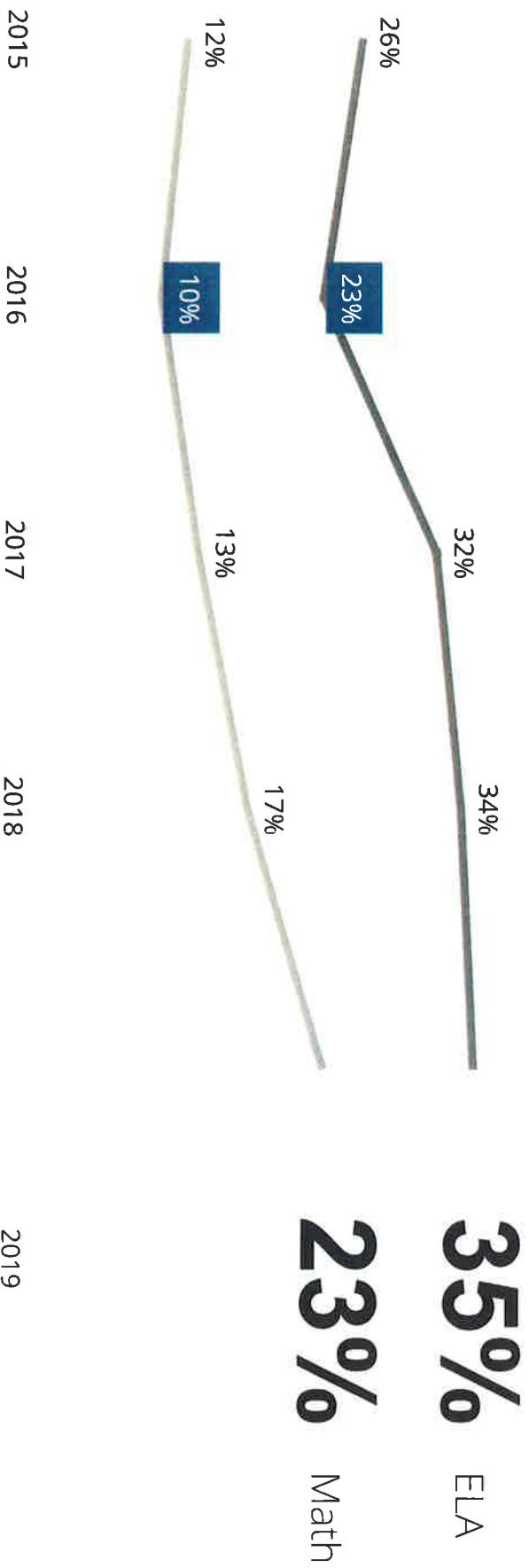
This means that 10 more students are  
**on track** this year



# How did our scores change over time?

Percent of ALL students who met or exceeded standards

If a value below has a blue box and white text, it means that our scores decreased from the year before. Remember that improving over time does not mean we will see improvements every year.



# How do our results compare to others on the ELA test?

Percent of ALL students who met or exceeded standards, with change from last year in the circles

Our District grew 0.4% in 2019, less than both the county and state, which grew 1.1% and 1.0%





# How do our results compare to others on the Math test?

Percent of ALL students who met or exceeded standards, with change from last year in the circles

Our District grew 6.1% in 2019, more than both the county and state, which grew 1.7% and 1.0%



## How did we do in comparison to similar districts?

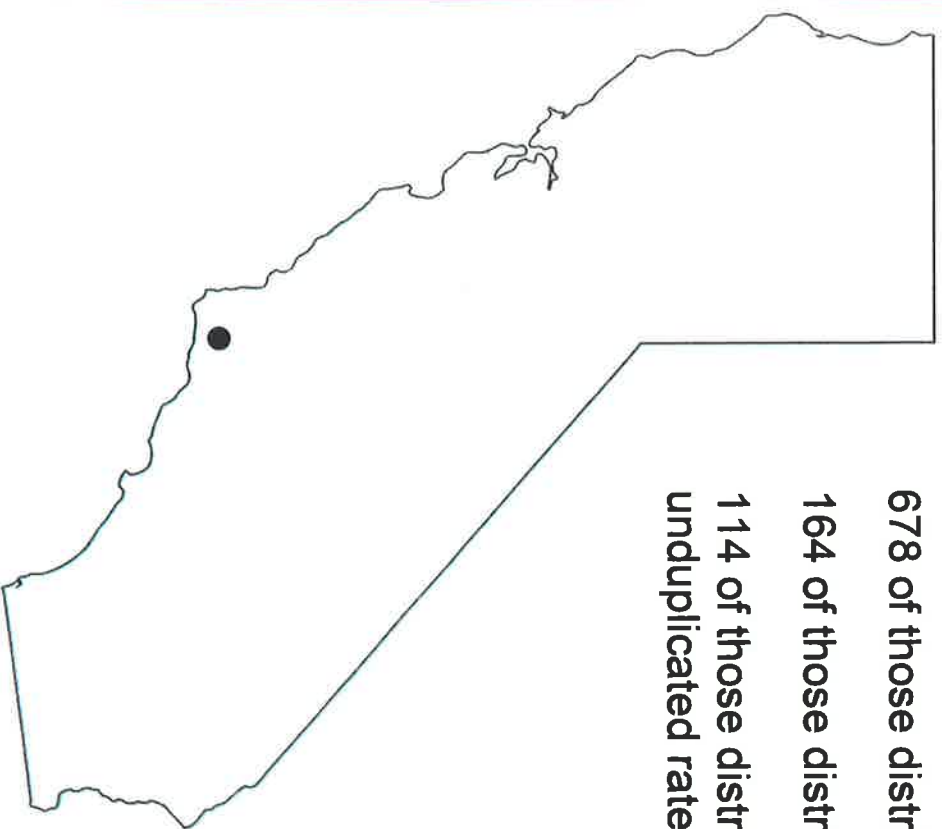
Our district had 784 students enrolled last year

There are about 1,000 school districts in California...

678 of those districts have more than 500 students

164 of those districts have fewer than 1,500 students

114 of those districts are a similar size and have a similar unduplicated rate as our district



When looking at  
CAASPP math growth in 2019,  
we **ranked 11**  
among 114 similar  
school districts in California

# How did we do helping our lowest achieving students in ELA?

Percent of students who scored at Level 1 ("did not meet standards")

**40%**  
scored at level 1  
in 2015



**32%**  
scored at level 1  
in 2019



16 fewer  
students scored  
at level 1 in 2019  
than in 2015

## Bell Schedules 2019-20

School	District	Grade Level	Regular Start Time
Benjamin Foxen School	Blochman	5-8	8:30 a.m.
Family Partnership Charter School, Orcutt & Solvang	Blochman	K-12	8:15 a.m.
Trivium Charter School	Blochman	K-12	9 a.m.
Jonata Middle School	Buellton	6-8	8:25 a.m.
Carpinteria Middle School	Carpinteria	6-8	8:30 a.m.
Carpinteria High School	Carpinteria	9-12	8 a.m.
Rincon High School (Continuation School)	Carpinteria	9-12	9 a.m.
Santa Ynez Valley Charter School	College	K-8	8:25 a.m.
Cuyama Elementary School	Cuyama	K-8	8:15 a.m.
Cuyama Valley High School	Cuyama	9-12	8 a.m.
Sierra Madre High School (Continuation School)	Cuyama	9-12	8 a.m.
Kermit McKenzie Intermediate School	Guadalupe	5-8	8:25 a.m.
Lompoc Valley Middle School	Lompoc	7-8	8:20 a.m.
Vandenberg Middle School	Lompoc	7-8	8:40 a.m.
Cabrillo High School	Lompoc	9-12	7:45 a.m.
Lompoc High School	Lompoc	9-12	8 a.m.
Maple High School (Continuation School)	Lompoc	9-12	8:34 a.m.
Los Olivos School	Los Olivos	6-8	8:15 a.m.
Olga Reed Elementary School	Orcutt	TK-8	8 a.m.
Lakeview Junior High School	Orcutt	7-8	9 a.m.
Orcutt Academy Elementary School (Charter School)	Orcutt	4-8	8:40 a.m.
Orcutt Junior High School	Orcutt	7-8	8:58 a.m.
Orcutt Academy High School (Charter School)	Orcutt	9-12	7:49 a.m.
Goleta Valley Junior High School	Santa Barbara	7-8	8:30 a.m.
La Colina Junior High School	Santa Barbara	7-8	8:30 a.m.
La Cumbre Junior High School	Santa Barbara	7-8	8:20 a.m.
Santa Barbara Junior High School	Santa Barbara	7-8	8:20 a.m.
Dos Pueblos High School	Santa Barbara	9-12	8 a.m.
San Marcos High School	Santa Barbara	9-12	8 a.m.
Santa Barbara High School	Santa Barbara	9-12	8 a.m.
La Cuesta Continuation School	Santa Barbara	10-12	8:30 a.m.
Arellanes Junior High School	Santa Maria-Bonita	7-8	8:36 a.m.
El Camino Junior High School	Santa Maria-Bonita	7-8	8:30 a.m.
Fesler Junior High School	Santa Maria-Bonita	7-8	8:32 a.m.
Tommie Kunst Junior High School	Santa Maria-Bonita	7-8	8:40 a.m.
Pioneer Valley High School	Santa Maria Joint	9-12	7:30 a.m.
Ernest Righetti High School	Santa Maria Joint	9-12	7:30 a.m.
Santa Maria High School	Santa Maria Joint	9-12	7:30 a.m.
Delta High School (Continuation School)	Santa Maria Joint	10-12	8:15 a.m.
Solvang School	Solvang	6-8	8:30 a.m.
Santa Ynez Valley Union High School	Santa Ynez	9-12	8 a.m.
Reguio High School (Continuation School)	Santa Ynez	10-12	8 a.m.
Vista de las Cruces School (served at Jonata MS)	Vista	6-8	8:25 a.m.

15 out of 43 middle schools and high schools, including charter schools and continuation schools, (or 34.8%) are impacted by SB 328. All 15 impacted are high schools. No middle schools are impacted. (SB 328 requires middle schools begin no earlier than 8 a.m. and high schools begin no earlier than 8:30 a.m.)

*Edited on 10/18/19 by SBCEO*



**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**WORK STUDY SESSION**  
**Thursday, October 24, 2019, 6:00 P.M.**  
**Cafeteria, Cuyama Elementary School**  
**2300 Highway 166, Cuyama, CA**  
**Minutes**

I. The meeting will be called to order by Board President, José Valenzuela, at 6:04 p.m.

<u>ROLL CALL:</u>	Trudi Callaway	<u>A</u>	Stephen Bluestein Ed. D.	<u>P</u>
	Whitney Goller	<u>P</u>	Superintendent	
	Heather Lomax	<u>P</u>		
	Michael Mann	<u>A</u>		
	José Valenzuela	<u>P</u>		

FLAG SALUTE: Led by Dr. Stephen Bluestein

II. PUBLIC FORUM/HEARING:

At this time, any member of the public may address the Board of Education. Following recognition by the president, each speaker may have the floor for five minutes. Persons addressing the Board are requested to give name, address, and the group or organization they represent, if any, in order that an accurate record can be made in the minutes. Items not appearing on the agenda cannot, by law, be the subject of Board action. Such items may be placed on future agendas for full discussion and/or action.

III. WORK STUDY SESSION- DISCUSSION AND INFORMATION:

NO ACTION WILL BE TAKEN AT THIS MEETING

- a. Public Safety Power Shutoff (PSPS) by Pacific Gas and Electric Company.

The Cuyama Joint Unified School District Trustees will participate in a study session informed by stakeholder input on the matter of Cuyama Joint Unified School District Schools and their procedures regarding opening and/or closing the school during these events.

IV. ADJOURNMENT: The Study Session will adjourn at 7:07 p.m.

Moved By: Heather Lomax 2<sup>nd</sup> By: Whitney Goller

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

Materials prepared in connection with an item on the special session agenda may be reviewed in the Superintendent's Office 24 hours in advance of the meeting and will be available for public inspection at the meeting. An individual who requires disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the Board meeting should contact the Superintendent or designee. (Government Code 54954.2)

**Suggestions:**

Angela Wilson: Do we have a generator at either site?

Dr. Bluestein: No, we do not.

Whitney Goller: Suggests building a few PSPS days into our schedule for 2020-2021. Would like teachers to have packets ready for the students to take home, so they have some type of work to do. Wants to know what the plan would be if we were to stay open. Once the RO tank is empty, we cannot flush toilets or wash hands. There is no phones once the power is offline. Need a system for the phones and water. I do not agree with keeping the school open if the power is out.

Heather Lomax: Need a backup plan for parents who are working. Need power for a fire suppression systems. Fire suppression that is in the kitchen is chemical and is not triggered by electricity. The server room does not have excessive fire suppression systems.

Angela Wilson: Concerned for adequate heating and cooling. Not wanting to be responsible for heat stroke or other incidents that could harm students.

Debbie Hedlund: ASES must stay open if the school stays open. That means we commit to having the students from 7:45-6 PM. With the dark during daylight savings, we cannot have the students around with flashlights.

Angela Wilson: Would rather have days added at the end of the year. Need to have a plan to deal with this and the emergency situation that we've here before. PSPS stated that they will be able to tell us at 48 hours, 24 hours, and the time of. Could be difficult to contact parents in these situations.

Amber Rahe: Having a school cell phone can contact everyone.

Whitney Goller: We are worried about having the battery die.

Jubel Russell: As an incentive, to reimburse the teachers.

Whitney Goller: More of our parents need the translation.

Heather Lomax: Site Safety Plan needs to be revised to reflect the PSPS alerts. 1,000 gallons in the RO system.

Kevin Lebsack: They would slow because of the pressure vessel not working.

Jubel: Buy a backup generator to run the well, and maybe on the fire alarms. If they won't let us put a larger generator, then we need to put a smaller required one.

Whitney Goller: The bond spending is a great idea.

Heather Lomax: We can look at it being on a compressor and/or a generator.

Angela Wilson: At the meeting she went to, it seemed that our electricity came from Morro Bay, but Dr. Bluestein said that it came from Buttonwillow.

Dr. Bluestein: The contractor is supposed to give an update of when/how we can get a generator, but that Santa Barbara has extremely strict air quality concerns.

Nicole Furstenfeld: It would be too disruptive to move the elementary, the high school would need to be moved.

Angela Wilson: Need to address medically fragile students.

Laura Price: Everyone should go to the store and see their generators to know what to use.

Luke: Santa Barbara OEM, SBUSD, head of emergency planning. Communication planning. Parents need to know how to get the information and how the process will be. This should be sent home and posted online.

Whitney Goller: Include the emergency procedures in the handbook. Needs plan in place available on the school website. Social media and Cuyama Strong. Remind parents several times a year about what the plan would be.

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**SPECIAL BOARD MEETING**  
**Thursday, October 24th, 2019, 7:00 P.M.**  
**Board Room, Cuyama Elementary School**  
**2300 Highway 166, New Cuyama, CA 93254**  
**Minutes**

I. The meeting was be called to order by Board President, José Valenzuela at 7:17 p.m.

<u>ROLL CALL:</u>	Trudi Callaway	<u>A</u>	Stephen Bluestein Ed. D.	<u>P</u>
	Whitney Goller	<u>P</u>	Superintendent	
	Heather Lomax	<u>P</u>		
	Michael Mann	<u>A</u>		
	José Valenzuela	<u>P</u>		

FLAG SALUTE: Led by Mrs. Tierney Ballard

II. PUBLIC FORUM:

At this time, any member of the public may address the Board of Education. Following recognition by the president, each speaker may have the floor for five minutes. Persons addressing the Board are requested to give name, address, and the group or organization they represent, if any, in order that an accurate record can be made in the minutes. Items not appearing on the agenda cannot, by law, be the subject of Board action. Such items may be placed on future agendas for full discussion and/or action.

*Angela Wilson: There are math tests for \$9XX.XX from the warrant listings. Benchmark testing was billed with English Language Arts, and wondering where that money was spent.*

*Nicole Furstenfeld: We had put in a request for K-3 to go, the field trip request needs to be altered.*

*Amber Rahe: Need to move her facilities use request to be altered for December 8<sup>th</sup>.*

III. BOARD REPORT(S):

*Whitney Goller: Moving forward we would like more community input on how we will plan to keep our students here. There are lots of good ideas floating around. We are going to need to get creative.*

IV. PRINCIPAL'S REPORT:

*Presented by Mrs. Rachel Leyland*

V. SUPERINTENDENT'S REPORT:

*Presented by Dr. Stephen Bluestein*

VI. FINANCIAL REPORT(S):

- A. Payroll Report
  - B. Rental Expenditure and Revenue
- Received by The Governing Board*

VII. EXCLUSIVE REPRESENTATION:



N/A

VIII. CONSENT AGENDA:

All items listed are considered to be routine and non-controversial. Consent items will be considered first and may be approved by one motion if no member of the CJUSD Board wishes to comment or discuss. If comment or discussion is desired, the item will be removed from the consent agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the CJUSD Board concerning the item before action is taken.

A. Minutes of October 7, 2019 Special Board Meeting		<b>Pages 1-4</b>
B. Warrant Listing #2020-12 \$16,300.85	WG	<b>Pages 5-9</b>
C. Warrant Listing #2020-13 \$6,418.38	WG	<b>Pages 10-12</b>
D. Warrant Listing #2020-14 \$36,106.42	WG	<b>Pages 13-16</b>
E. Warrant Listing #2020-15 \$5,348.79	WG	<b>Pages 17-20</b>
F. Warrant Listing #2020-16 \$27,576.69	WG	<b>Pages 21-25</b>
G. Facilities Use Requests	WG	<b>Pages 26-29</b>
H. Field Trip Requests	WG	<b>Pages 30-35</b>
I. Vehicle Requests		<b>Page 36</b>

Moved By: Heather Lomax 2<sup>nd</sup> By: Whitney Goller

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

Mr. Lebsack speaks on the FFA/CTE report

*FFA meeting on the 3rd. At the meeting we are going to be looking at what competitions we will be going to this year. Accomodations will be the biggest expense. With the strong workforce program, we may be able to offset the costs of our program and the accomodations. On the 5th/6th, new professionals conference we will be sending our new teacher to. December 5th there should be a CTE trip for the freshmen to go to Cal Poly.*

IX. ACTION ITEM/DISCUSSION ITEM(S):

- A. The Governing Board to consider approving the Memorandum of Understanding between the Santa Barbara County of Education Office and Cuyama Joint Unified School District in regards to the California Community Colleges Chancellor's Office (CCCCO) K12 Strong Workforce Program (K12 SWP) grant. **Page 37**

Moved By: Whitney Goller 2<sup>nd</sup> By: Heather Lomax

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

- B. The Governing Board to consider approving the agreement with the Assistance League of Santa Barbara for "Operation School Bell." This agreement is the "Operation School Bell/North County Agreement with Cuyama Joint Unified School District." **Pages 38-40**

Moved By: Heather Lomax 2<sup>nd</sup> By: José Valenzuela

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

- C. The Governing Board to host discussion and action on possible Public Safety Power Shutoff (PSPS) outages and the opening and/or closure of school during a PSPS event.

*48 Hour Warning system: alerting parents of the possibility.*

*24 hour alert follow up*

*Unless you hear from the school, school is canceled at 5 am.*

*Post on Cuyama Strong in both languages.*

*School to be canceled if by 5 am the power is still off.*

*Buses will leave within 3 hours of power off.*

*Comprehensive meeting with staff.*

*Teachers to prep a homework packet for the students if the day is canceled*

*Ensure that we have accurate and current contact information*

- *Multiple contacts need listed*
- *Place the alternates onto the Swift alerts*

*This is a preliminary plan in case of emergency before employees can be consulted.*

Moved By: Heather Lomax 2<sup>nd</sup> By: Whitney Goller

Roll Call Vote:

Trudi Callaway Y Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

- D. The board to consider altering the date of the December 12, 2019 regular board meeting, or to consider the addition of another meeting in December as to meet compliance with the mandate that there be an organizational meeting in December between December 13 – 28, 2019.

**Page 44**

*The board moves to move the December board meeting to change the date of the december meeting to December 13th.*

Moved By: Heather Lomax 2<sup>nd</sup> By: Jose Valenzuela

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

- E. The Governing Board to approve acceptance of a donation in the amount of \$1,000.00, made by Joyce Holtzclaw, and for the Superintendent to send a donation receipt to the donor.

**Pages 42-43**

Moved By: Heather Lomax 2<sup>nd</sup> By: Jose Valenzuela

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

- F. The Governing Board to discuss the development of procedures and protocols for the acceptance of donations, whether in assets, materials, or money.
- *Donations need to be accepted and approved by the board.*
  - *Laura Price:*
  - *Schools Foundation that is not currently active, would that be beneficial? There are other fundraisers that we could do, but we would need that.*
  - *Protocols for solicitation (we do not have a solicitation policy)*

- *Tabled for 3 weeks to hold a study session.*
- *Need to code the donations appropriately for funding direct to the students.*

----Tabled for a work study session----

G. The Governing Board to host discussion, give direction, and consider approval of Mrs. Kathleen Ricci fundraising for technology on behalf of Cuyama Joint Unified School District.

- Kathleen Ricci outlines the online curriculum being used by the middle school. Mr. Wilson would like Acer Chromebook for each student, and containers for all of them. Coordinate with Limotta for order the Chromebooks and place all of the filters onto the computers.
- Dr. Bluestein would encourage that we purchase the same devices that we currently have at the high school.
- Present something at the next meeting with a solid plan of how to develop this.

Moved By: Whitney Goller 2<sup>nd</sup> By: Jose Valenzuela

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

H. The Governing Board to consider the designation of solicitation of applications to the Superintendent regarding the vacancy on the Citizens Bond Oversight Committee.

Moved By: Heather Lomax 2<sup>nd</sup> By: Whitney Goller

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

I. The Governing Board to discuss and develop an updated version of Board Bylaw BB 9100.

**Page 44**

*WG: Current Bylaw specifies that the clerk becomes the president, and that this is not what should continue happening. WG also recommends a 2 or 3 year term. Also wants to establish a system that allows for removal of the board president if necessary.*

*What would the guidelines be for basing competency?*

*There needs to be criteria to be on who can be in what office?*

*Master's in Governance should be required for holding presidency.*

*WG: All board members should have training no matter what.*

#### X. ITEM(S) PULLED FROM CONSENT AGENDA:

1. Warrant Listing #2020-12 Item B: Pulled by Whitney Goller  
McGraw Hill testing – Needs to be pulled to find out what happened with the adopted curriculum. *Invoice to be pulled.*

Moved By: Whitney Goller 2<sup>nd</sup> By: Heather Lomax

Roll Call Vote:

Trudi Callaway \_\_\_\_ Whitney Goller \_\_\_\_ Heather Lomax \_\_\_\_ Michael Mann \_\_\_\_ José Valenzuela \_\_\_\_

2. Warrant Listing #2020-13 Item C: Pulled by Whitney Goller  
Vaccuums were paid out of the CTE incentive grant?  
Several purchases for the support materials, close readers, and benchmark testing. *Invoice to be pulled.*

Moved By: Whitney Goller 2<sup>nd</sup> By: Heather Lomax

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

3. Warrant Listing #2020-14 Item D: Pulled by Whitney Goller  
Monthly maintenance fee for the solar panels. Invoices weren't paid and therefore this month reflects 4 months. Dr. Bluestein to meet with CBOC to discuss paying off solar.

Moved By: Whitney Goller 2<sup>nd</sup> By: Jose Valenzuela

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

4. Warrant Listing #2020-15 Item E: Pulled by Whitney Goller  
Erate consulting fee to infinity communications. \$300 how often?

Moved By: Whitney Goller 2<sup>nd</sup> By: Heather Lomax

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

5. Warrant Listing #2020-16 Item F: Pulled by Whitney Goller  
Commodities invoice from May, could not be confirmed that it was sent, therefore we had to pay again but we were not charged for interest, just balance due on the account.

Moved By: Whitney Goller 2<sup>nd</sup> By: Heather Lomax

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

6. Facilities Use Correction – Amber Rahe for December 7th and 8th 2019. Bleacher key and liability waiver will be signed. Wants to have food within the facility and the facility cleaned. WG advised that we cannot pay overtime for an event that we are donating the space. Signs will be posted that food should not leave the area. Tarp does not ruffle, and must stay to the ground, as to prevent a liability.

Football foundation fundraising – The football foundation is a private foundation, in the future, WG advises that we should coordinate with the district.

Moved By: Heather Lomax 2<sup>nd</sup> By: Jose Valenzuela

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y



7. Field Trip Request pulled by Whitney Goller. K-3 will be going November 15th to the Little Mermaid instead of 4th and 5th.

Moved By: Whitney Goller 2<sup>nd</sup> By: Heather Lomax

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

XIII. CLOSED SESSION:

NOTE: The Brown Act permits the Board to consider certain matters in closed session, in limited circumstances. The Board will consider and may act upon any of the items described below in closed session. The Brown Act requires that the Board report out certain actions taken in closed session, which will be announced following the closed session. WITH LIMITED EXCEPTIONS, THE LAW REQUIRES THAT INFORMATION DISCLOSED IN CLOSED SESSION REMAIN CONFIDENTIAL.

- A. Under California Government Code 54957 Certificated and Classified Personnel changes. The Board will be asked to review and approve a number of transfers, reassignments, promotions, evaluations, terminations, resignations and hiring reported by the Superintendent.
- B. Collective Bargaining

The Board will adjourn into closed session at 10:24 p.m.

The Board returned to open session at 11:59 p.m.

XIV. REPORT OF ACTION(S) TAKEN IN CLOSED SESSION:

A.

XV. ADJOURNMENT: The Regular Board Meeting will adjourn at 11:59 p.m.

Moved By: Heather Lomax 2<sup>nd</sup>: Whitney Goller

Roll Call Vote:

Trudi Callaway A Whitney Goller Y Heather Lomax Y Michael Mann A José Valenzuela Y

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**The next regularly scheduled School Board Meeting will be on November 14, 2019.**

2020-17

## Payment Register

ReqPay05a

Scheduled 10/16/2019 - 10/23/2019

Bank Account COUNTY - County-AP

Fiscal Year	Invoice Date	Req #	Comment	Payment Id (Trans Batch Id)	Sched	Paymt Status	Check Status	Invoice Amount	Unpaid Sales Tax	Expense Amount	
Direct Vendor											
Brown & Reich Petroleum, Inc. (002798/1)											
215 South 6th Street											
PO BOX 1076											
Taft, CA 93268											
2019/20	10/07/19		FUEL	10065	10/22/19	Paid	Printed	95.27		95.27	
Check #	01-589577			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
2019/20	10/07/19		FUEL	10065B	10/22/19	Paid	Printed	95.27		95.27	
Check #	01-589577			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
2019/20	10/07/19		DSL <b>DIESEL</b>	10065V	10/22/19	Paid	Printed	2,068.84		2,068.84	
Check #	01-589577			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
Total Invoice Amount								2,259.38			
Direct Vendor											
Cuyama Community Services Dist (000206/1)											
PO BOX 368											
New Cuyama, CA 93254											
2019/20	09/30/19		4753 Cebrian	10222019	10/22/19	Paid	Printed	215.24		215.24	
Check #	01-589578			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
2019/20	09/30/19		4500HWY 166 Meter A	10222019B	10/22/19	Paid	Printed	661.43		661.43	
Check #	01-589578			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
2019/20	09/30/19		4500 HWY 166 Meter B	10222019C	10/22/19	Paid	Printed	504.96		504.96	
Check #	01-589578			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
Total Invoice Amount								1,381.63			
Direct Vendor											
Frontier Communications (000033/1)											
PO BOX 740407											
Cincinnati, OH 45274-0407											
2019/20	10/13/19		661-766-2293	102219 <b>HS FAX</b>	10/22/19	Paid	Printed	197.79		197.79	
Check #	01-589579			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
2019/20	10/13/19		661-766-2642	112219B <b>ES FAX</b>	10/22/19	Paid	Printed	87.59		87.59	
Check #	01-589579			Batchid AP10252019		Check Date 10/25/19	PO#		Register # 000147		
Selection Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000147, Page Break by Check/Advice? = N, Zero? = Y)										ESCAPE	ONLINE
Page 1 of 4											

Generated for Gloria Morales-Lerena (43MORALES), Nov 6 2019

9:47AM

043 - Cuyama Joint Unified School District

Page 1 of 4

## ReqPay05a

## Payment Register

Scheduled 10/16/2019 - 10/23/2019										Bank Account COUNTRY - County-AP	
Fiscal Year	Invoice Date	Req #	Comment	Payment Id (Trans Batch Id)	Sched	Paymnt Status	Check Status	Invoice Amount	Unpaid Sales Tax	Expense Amount	
(continued)											
2019/20	10/13/19		Frontier Communications (000033/1)	661-766-2642	112219B (continued)	10/22/19	Printed	(continued)			
	2020	01-0000-0-0000-2700-5910-030-0000-0000									
Check #	01-589579			Batchld AP10252019	PO#	Check Date 10/25/19	PO#	Register # 000147			
Total Invoice Amount								285.38			
Direct Vendor											
Home Depot Credit Services (002329/1)											
Dept 32-2502046356											
PO BOX 78047											
Pheonix, AZ 85062-8047											
2019/20	10/09/19		Vacuum	1265741	10/22/19	Paid	Printed	161.61		161.61	
	2020	01-6387-0-3800-1000-4300-070-0000-0000									
Check #	01-589580		ES VACUUM INOP	Batchld AP10252019	PO#	Check Date 10/25/19	PO#	Register # 000147			
2019/20	10/09/19		HS Heaters	1603725	10/22/19	Paid	Printed	369.51		369.51	
	2020	01-6387-0-3800-1000-4300-070-0000-0000									
Check #	01-589580		HEATERS FOR HS CLASSROOMS (6)	Batchld AP10252019	PO#	Check Date 10/25/19	PO#	Register # 000147			
Total Invoice Amount								531.12			
AP Vendor											
IEC Power, LLC (002897/1)											
8795 Folsom Blvd., Suite 205											
Sacramento, CA 95826											
2019/20	10/17/19	R20-00031	MAINTENANCE	CUYAMA-OM-INV64	10/22/19	Paid	Printed	1,207.96		1,207.96	
			AGREEMENT								
	2020	01-0000-0-0000-8100-5640-030-0000-SOLR				603.98					
	2020	01-0000-0-0000-8100-5640-070-0000-SOLR				603.98					
Check #	01-589581			Batchld AP10252019	PO# PO20-00025	Check Date 10/25/19	PO#	Register # 000147			
Total Invoice Amount								1,207.96			
Direct Vendor											
Jordano's Food Service (001095/1)											
550 South Patterson Ave.											
Santa Barbara, CA 93111											
2019/20	09/23/19		Jordanos HS	6114852	10/16/19	Paid	Printed	640.93		640.93	
	2020	13-5310-0-0000-3700-4300-070-0000-0000									
Check #	01-589582			Batchld AP10252019	PO#	Check Date 10/25/19	PO#	Register # 000147			
2019/20	09/23/19		Jordanos HS	6114853	10/16/19	Paid	Printed	91.18		91.18	
	2020	13-5310-0-0000-3700-4300-070-0000-0000									
Check #	01-589582			Batchld AP10252019	PO#	Check Date 10/25/19	PO#	Register # 000147			
2019/20	09/23/19		Jordanos HS	6114854	10/16/19	Paid	Printed	24.12		24.12	
	2020	13-5310-0-0000-3700-4300-070-0000-0000									
Selection Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000147,										ESCAPE ONLINE	
Page Break by Check/Advice? = N, Zero? = Y)										Page 2 of 4	

9:47AM

## ReqPay05a

## Payment Register

Scheduled 10/16/2019 - 10/23/2019											Bank Account COUNTY - County-AP		
Fiscal Year	Invoice Date	Req #	Comment	Payment Id (Trans Batch Id)	Sched	Paymt Status	Check Status	Invoice Amount	Unpaid Sales Tax	Expense Amount	(continued)		
Direct Vendor Jordano's Food Service (001095/1)													
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	1,624.36		1,624.36	Register # 000147		
2019/20	09/30/19		Jordanos ES	6118638		Paid							
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	132.57		132.57	Register # 000147		
2019/20	09/30/19		Jordanos HS	6118639		Paid							
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	139.34		139.34	Register # 000147		
2019/20	09/30/19		Jordanos HS	6118640		Paid							
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	675.48		675.48	Register # 000147		
2019/20	09/30/19		Jordanos HS	6118641		Paid							
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	327.84		327.84	Register # 000147		
2019/20	09/30/19		Jordanos HS	6118642		Paid							
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	105.03		105.03	Register # 000147		
2019/20	09/30/19		Jordanos HS	6118643		Paid							
Check #	01-589582			Batchld AP10252019	10/16/19	Check Date 10/25/19	Printed	3,760.85		3,760.85	Register # 000147		
Total Invoice Amount													
Direct Vendor Yowell Environmental services (000132/1)													
2019/20	08/10/19		HS Flooring	19YES-1706	10/23/19	Paid	Printed	1,695.00		1,695.00			
Check #	01-589583			Batchld AP10252019	10/23/19	Check Date 10/25/19	Printed				Register # 000147		
2019/20	08/10/19		HS Covered Walkways	19YES-2603	10/23/19	Paid	Printed	1,240.00		1,240.00			
Check #	01-589583			Batchld AP10252019	10/23/19	Check Date 10/25/19	Printed				Register # 000147		
Total Invoice Amount													
2,935.00													
EXPENSES BY FUND - Bank Account COUNTY													
Fund Expense Cash Balance Difference													
Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000147, Page Break by Check/Advice? = N, Zero? = Y)													
ESCAPE ONLINE													
Page 3 of 4													

(continued)

EXPENSES BY FUND - Bank Account COUNTY			
Fund	Expense	Cash Balance	Difference
01	5,665.47	3,152,243.28	3,146,577.81
13	3,760.85	32,130.75	28,369.90
21	2,935.00	2,436,027.25	2,433,092.25
<b>Total</b>	<b>12,361.32</b>		

Number of Payments 22  
 Number of Checks 7  
 Number of ACH Advice 0  
 Number of vCard Advice 0  
 Total Check/Advice Amount \$12,361.32  
 Total Unpaid Sales Tax \$0.00  
 Total Expense Amount \$12,361.32

## CHECK/ADVICE AMOUNT DISTRIBUTION COUNTS

\$0 - \$99 1  
 \$100 - \$499 1  
 \$500 - \$999 5  
 \$1,000 - \$4,999  
 \$5,000 - \$9,999  
 \$10,000 - \$14,999  
 \$15,000 - \$99,999  
 \$100,000 - \$199,999  
 \$200,000 - \$499,999  
 \$500,000 - \$999,999  
 \$1,000,000 -

## \*\*\*\*\* ITEMS OF INTEREST \*\*\*\*\*

\* Number of payments to a different vendor  
 ! Number of Prepaid payments  
 @ Number of Liability payments  
 & Number of Employee Also Vendors  
 ? denotes check name different than payment name  
 F denotes Final Payment

Report Totals -	Payment Count	22	Check Count	7	ACH Count	0	vCard Count	0	Total Check/Advice Amount	12,361.32
Selection	Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000147, Page Break by Check/Advice? = N, Zero? = Y)									
ESCAPE										ONLINE
										Page 4 of 4

ReqPay05a

Payment Register

2020-18

Scheduled 10/28/2019 - 10/30/2019										Bank Account COUNTY - County-AP		
Fiscal Year	Invoice Date	Req #	Comment	Payment Id (Trans Batch Id)	Sched	Paymt Status	Check Status	Invoice Amount	Unpaid Sales Tax	Expense Amount		
Direct Employee												
			Bluestein, Stephen B (000114) 5635 Slicers Circle Agoura Hills, CA 91301									
① REMAINING MAIL TO OLIVE GROVE ② REMAINING MAIL TO UPLIFT BACK OFFICE REPRESENTATIVE												
2019/20	10/28/19		MAILING TO OLIVE 10302019B GROVE AND UPLIFT		10/30/19	Paid	Printed	16.60		16.60		
Check #	01-590512		2020 01-0000-0-0000-7200-5800-000-0000-0000									
				Batchid	AP11012019		Check Date 11/01/19	PO#	Register #	000148		
								Total Invoice Amount	16.60			
Direct Vendor												
			BENCHMARK AIR CONDITIONING (000029/1) 1920 Mineral Court Bakersfield, CA 93308									
2019/20	08/19/19		HS office AC	5456681	10/30/19	Paid	Printed	712.50		712.50		
Check #	01-590513		2020 01-0000-0-0000-8100-4300-070-0000-0000									
				Batchid	AP11012019		Check Date 11/01/19	PO#	Register #	000148		
2019/20	08/19/19		Ice Machine at highschool	5457825	10/30/19	Paid	Printed	145.00		145.00		
Check #	01-590513		2020 13-5310-0-0000-3700-5600-070-0000-0000									
				Batchid	AP11012019		Check Date 11/01/19	PO#	Register #	000148		
2019/20	08/19/19		ES Freezer	5466788	10/30/19	Paid	Printed	1,691.00		1,691.00		
Check #	01-590513		2020 13-5310-0-0000-3700-5600-030-0000-0000									
				Batchid	AP11012019		Check Date 11/01/19	PO#	Register #	000148		
								Total Invoice Amount	2,548.50			
AP Vendor												
			Black / Hall Construction (000141/1) 147 Kern Street Taft, CA 93268									
2019/20	10/23/19		R20-00036	CJUSD POOL DEMO	10302019	Paid	Printed	98,825.00		98,825.00		
Check #	01-590514		2020 21-0000-0-0000-8500-6170-070-0000-0000									
				Batchid	AP11012019		Check Date 11/01/19	PO#	Register #	000148		
								Total Invoice Amount	98,825.00			
Direct Vendor												
			Brown & Reich Petroleum, Inc. (002798/1) 215 South 6th Street PO BOX 1076 Taft, CA 93268									
2019/20	10/22/19		FUEL ES	10374	10/30/19	Paid	Printed	114.28		114.28		
Check #	01-590515		2020 01-0000-0-0000-8100-4300-030-0000-0000									
				Batchid	AP11012019		Check Date 11/01/19	PO#	Register #	000148		
Selection										Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000148, Page Break by Check/Advice? = N, Zero? = Y)		
										ESCAPE ONLINE		
										Page 1 of 4		



## ReqPay05a

## Payment Register

Scheduled 10/28/2019 - 10/30/2019

Bank Account COUNTY - County-AP

Fiscal Year	Invoice Date	Req #	Comment	Payment Id (Trans Batch Id)	Sched	Paymt Status	Check Status	Invoice Amount	Unpaid Sales Tax	Expense Amount
(continued)										
2019/20	10/22/19		Brown & Reich Petroleum, Inc. (002798/1)	10374B	10/30/19	Paid	Printed	114.28		114.28
	2020 01-0000-0-0000-8100-4300-070-0000-0000		FUEL ES							
Check #	01-590515			Batchid AP11012019		Check Date 11/01/19	PO#		Register # 000148	
2019/20	10/22/19		DISEL	10374C	10/30/19	Paid	Printed	1,929.94		1,929.94
	2020 01-0000-0-0000-3600-4380-000-0000-7230									
Check #	01-590515			Batchid AP11012019		Check Date 11/01/19	PO#		Register # 000148	
Total Invoice Amount								2,158.50		
AP Vendor Procure Janitorial Supply (001849/1)										
PO BOX 211										
Pismo Beach, CA 93448										
2019/20	09/25/19	R20-00016	ES JANITORIAL SUPPLIES	128263	10/30/19	Paid	Printed	6,158.45		6,158.45
Check #	01-590516			Batchid AP11012019		Check Date 11/01/19	PO# PO20-00013		Register # 000148	
2019/20	09/25/19	R20-00020	JANITORIAL SUPPLY HS	128734	10/30/19	Paid	Printed	1,283.23		1,283.23
Check #	01-590516			Batchid AP11012019		Check Date 11/01/19	PO# PO20-00017		Register # 000148	
2019/20	09/19/19		JANITORIAL SUPPLIES	129206	10/30/19	Paid	Printed	418.54		418.54
Check #	01-590516			Batchid AP11012019		Check Date 11/01/19	PO#		Register # 000148	
2019/20	09/16/19		JANITORIAL SUPPLIES	129244	10/30/19	Paid	Printed	34.46		34.46
Check #	01-590516			Batchid AP11012019		Check Date 11/01/19	PO#		Register # 000148	
2019/20	09/19/19		JANITORIAL SUPPLIES	19208	10/30/19	Paid	Printed	223.86		223.86
Check #	01-590516			Batchid AP11012019		Check Date 11/01/19	PO#		Register # 000148	
Total Invoice Amount								8,118.54		
AP Vendor SISC III-COBRA (000148/1)										
PO BOX 966										
BAKERSFIELD, CA 93302										
Selection Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000148, Page Break by Check/Advice? = N, Zero? = Y)										
043 - Cuyama Joint Unified School District									ESCAPE	ONLINE
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Scheduled 10/28/2019 - 10/30/2019

Bank Account COUNTY - County-AP

Fiscal Year	Invoice Date	Req #	Comment	Payment Id (Trans Batch Id)	Sched	Paymt Status	Check Status	Invoice Amount	Unpaid Sales Tax	Expense Amount
2019/20	12/01/19	R20-00028	SISC III-COBRA (000148/1)	103019	10/30/19	Paid	Printed	1,874.76		1,874.76
			PAYMENT							
Check #	01-590517	2020 01-0000-0-0000-7200-3402-000-0000-0000		Batchid AP11012019	Check Date 11/01/19	PO# PO20-00024			Register # 000148	
								<b>Total Invoice Amount</b>	<b>1,874.76</b>	

Direct Vendor	Southern California Gas Co. (000091/1) PO BOX C Monterey Park, CA 91756-5111									
2019/20	11/13/19		4753 cebrian	102819	10/28/19	Paid	Printed	37.73		37.73
Check #	01-590518	2020 01-0035-0-0000-8100-5510-000-RENT-0000		Batchid AP11012019	Check Date 11/01/19	PO#			Register # 000148	
2019/20	11/13/19		4500 HWY 166	102819B	10/28/19	Paid	Printed	21.32		21.32
Check #	01-590518	2020 01-0000-0-0000-8100-5510-070-0000-0000		Batchid AP11012019	Check Date 11/01/19	PO#			Register # 000148	
2019/20	10/28/19		2871 HWY 166	10289C	10/28/19	Paid	Printed	324.81		324.81
Check #	01-590518	2020 01-0000-0-0000-8100-5510-030-0000-0000		Batchid AP11012019	Check Date 11/01/19	PO#			Register # 000148	
								<b>Total Invoice Amount</b>	<b>383.86</b>	

Direct Vendor	The Bakersfield California (000142/1) 3700 Pegasus Dr Ste 100 Bakersfield, CA 93308									
2019/20	07/31/19		POOL DEMO	1CUY01	10/30/19	Paid	Printed	2,749.98		2,749.98
			NEWSPAPER							
			NOTICE							
Check #	01-590519	2020 21-0000-0-0000-8500-6170-070-0000-HSPO		Batchid AP11012019	Check Date 11/01/19	PO#			Register # 000148	
								<b>Total Invoice Amount</b>	<b>2,749.98</b>	

**REQUIRED NOTICE IN NEWS AFTER**

EXPENSES BY FUND - Bank Account COUNTY		
Fund	Expense	Cash Balance
01	13,264.76	3,152,243.28
13	1,836.00	32,130.75
21	101,574.98	2,436,027.25
Total	116,675.74	

Selection	Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000148, Page Break by Check/Advice? = N, Zero? = Y)	ESCAPE	ONLINE
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043 - Cuyama Joint Unified School District

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Number of Payments	18
Number of Checks	8
Number of ACH Advice	0
Number of vCard Advice	0
Total Check/Advice Amount	\$116,675.74
Total Unpaid Sales Tax	\$0.00
Total Expense Amount	\$116,675.74

CHECK/ADVICE AMOUNT DISTRIBUTION COUNTS	
\$0 - \$99	1
\$100 - \$499	1
\$500 - \$999	
\$1,000 - \$4,999	4
\$5,000 - \$9,999	1
\$10,000 - \$14,999	
\$15,000 - \$99,999	1
\$100,000 - \$199,999	
\$200,000 - \$499,999	
\$500,000 - \$999,999	
\$1,000,000 -	

\*\*\*\*\* ITEMS OF INTEREST \*\*\*\*\*

\* Number of payments to a different vendor  
! Number of Prepaid payments  
@ Number of Liability payments  
& Number of Employee Also Vendors  
? denotes check name different than payment name  
F denotes Final Payment

<b>Report Totals -</b>	Payment Count	18	Check Count	8	ACH Count	0	vCard Count	0	Total Check/Advice Amount	116,675.74
Selection	Sorted by AP Check Order Option, Filtered by (Org = 43, Payment Method = N, Payment Type = N, On Hold? = Y, Check Register(s) = 000148, Page Break by Check/Advice? = N, Zero? = Y)									
	043 - Cuyama Joint Unified School District									
	Generated for Gloria Morales-Lerena (43MORALES), Nov 6 2019 9:50AM									
	ESCAPE									ONLINE
	Page 4 of 4									

# Cuyama Joint Unified School District

2300 Highway 166, New Cuyama, California 93254  
(661) 766-2482 • FAX: (661) 766-2255

## Student Field Trip Request

Requestor(s): Kevin Lebsach Today's Date: Nov 7  
Purpose: Best informed green-hand  
Field Trip Location/Destination: Nipome High School  
Departure Date: Nov 13 Departure Time: 1:00 Return Date: Sun Return Time: 8:00  
Grade Level(s): 9 Site Location: H.S. Number of Students: 2 to 3  
Will Sack Lunches be Needed? YES NO **If yes, please fill out Sack Lunch Request form**  
Method of transportation: FFA Van  
*Ensure you have filled out a Vehicle Request form if needed.*

### ESTIMATE OF EXPENDITURES:

Substitute Needed: YES NO Number of Days: \_\_\_\_\_  
Lodging Needed: YES NO Where? \_\_\_\_\_  
Meals Needed: YES NO Total Estimate of Expenses: \_\_\_\_\_  
Source of Funding for This Field Trip: \_\_\_\_\_

-----DO NOT WRITE BELOW THIS LINE - FOR DISTRICT OFFICE USE ONLY-----

### ADMINISTRATION APPROVAL

SITE ADMINISTRATOR SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
SUPERINTENDENT SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

REQUEST APPROVED: YES\_\_ NO\_\_

### BOARD APPROVAL

APPROVED BY THE BOARD: YES:\_\_ NO:\_\_  
APPLICANT NOTIFIED: YES:\_\_ NO:\_\_  
FINANCE NOTIFIED: YES:\_\_ NO:\_\_

CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
Student Field Trip Request

All applications for student field trips must be submitted to the District Office for Superintendent and Board approval  
at least three (3) weeks in advance of the field trip requested. Please include any supporting documentation with this request.

REQUESTED BY: Nicole Furstenfeld Bonnie Rodriguez TODAY'S DATE: Oct 30, 2019  
PURPOSE: Field Trip to PCPA Allan Hancock to See a play  
FIELD TRIP LOCATION/DESTINATION: Santa Maria PCPA Theater College Tour  
DEPARTURE DATE: Dec 3rd DEPARTURE TIME: 8:15 AM  
RETURN DATE: Dec 3rd RETURN TIME: 5:15 P.M.  
GRADE LEVEL: 4<sup>th</sup> 5<sup>th</sup> SITE LOCATION: Cuyama Elementary  
NUMBER OF STUDENTS: 36 NUMBER OF ADULTS/CHAPERONES: 50  
WILL SACK LUNCHES BE NEEDED? Yes ☒ No ☐ If yes, please notify cafeteria staff once request has been approved.  
METHOD OF TRANSPORTATION: Bus

(Bus, District Car/Van, Own Car, Parent/Guardian, etc..)

ESTIMATE OF EXPENDITURES:

SUBSTITUTE NEEDED? Yes ☐ No ☒ NUMBER OF DAYS SUB NEEDED: \_\_\_\_\_  
LODGING NEEDED? Yes ☐ No ☒ WHERE? \_\_\_\_\_  
MEALS NEEDED? Yes ☒ No ☐ TOTAL ESTIMATE OF EXPENSES: \$738.00

SOURCE OF FUNDING FOR THIS FIELD TRIP: 3rd, 4th, 5th Field Trip Fund Account

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ADMINISTRATION APPROVAL

SITE ADMINISTRATOR SIGNATURE: Rachel ? DATE: \_\_\_\_\_  
SUPERINTENDENT SIGNATURE: John B. Mac  
DATE: November 7, 2019 REQUEST APPROVED? Yes ☒ No ☐

BOARD APPROVAL

APPROVED BY BOARD? Yes ☐ No ☐ DATE OF APPROVAL: November 14, 2019 Mtg.  
APPLICANT NOTIFIED? Yes ☐ No ☐  
FINANCE NOTIFIED? Yes ☐ No ☐



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[Creative Team](#)

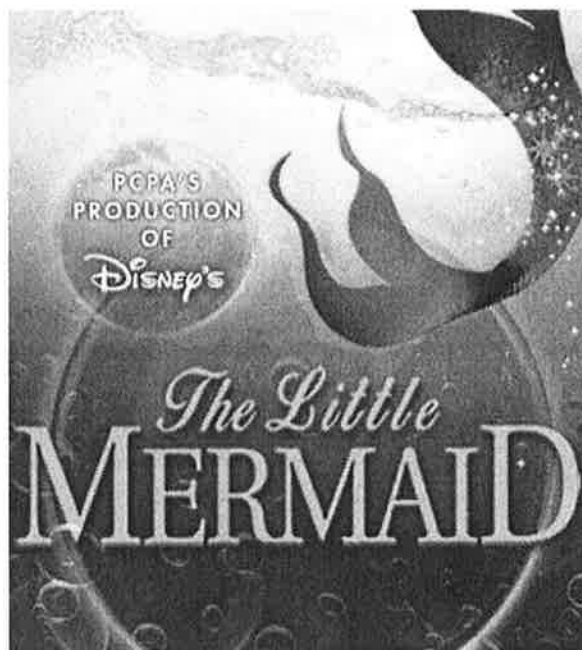
[Cast](#)

[photos](#)

[Video](#)

## Disney's The Little Mermaid

Music by Alan Menken  
Lyrics by Howard Ashman &  
Glenn Slater  
Book by Doug Wright



Based on the Hans Christian Andersen story of the Disney film produced by Howard Ashman & John Musker and written and directed by John Musker & Ron Clements



Generously sponsored by  
Ng & Ng Dental & Eyecare  
Center  
Pepe-Hage-Ruetz Family  
Joan Gellert-Sargen

The Little Mermaid is presented through special arrangement with Music Theatre International (MTI). All authorized performance materials are also supplied by MTI. [www.MTIShows.com](http://www.MTIShows.com)

Ariel is the little mermaid princess who longs to leave her ocean kingdom to live in the world above. Based on Hans Christian Andersen's beloved story and the Disney animated film, *The Little Mermaid* tells a tale of longing, love and sacrifices, as princess Ariel risks everything to join her prince on land. Meet the majestic King Triton and the

**The Little Mermaid**  
Nov. 7 - Dec. 22, 2019  
Marian Theatre, Santa Maria

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				Nov. 7 7pm pre	Nov. 8 7pm pre	Nov. 9 7pm open
Nov. 10 1:30	Nov. 11	Nov. 12	Nov. 13	Nov. 14	Nov. 15 7pm	Nov. 16 1:30 7pm
Nov. 17 1:30	Nov. 18	Nov. 19 1:30	Nov. 20	Nov. 21	Nov. 22 7pm	Nov. 23 1:30 7pm
Nov. 24 1:30 7pm	Nov. 25	Nov. 26	Nov. 27	Nov. 28	Nov. 29 7pm	Nov. 30 1:30 7pm
Dec. 1 1:30 7pm	Dec. 2	Dec. 3 1:30	Dec. 4 1:30	Dec. 5	Dec. 6 7pm	Dec. 7 1:30 7pm
Dec. 8 1:30 7pm	Dec. 9	Dec. 10	Dec. 11 1:30	Dec. 12	Dec. 13 7pm	Dec. 14 1:30 7pm

malevolent sea witch Ursula, as a host of Ariel's undersea friends and enemies battle to rule the future in an adventure that will capture your heart. This magical musical includes irresistible songs: "Under the Sea," "Kiss the Girl," and "Part of Your World." Director Melissa Rain Anderson and New York City's 2 Ring Circus collaborate to bring breathtaking aerial feats and imaginative theatrical magic to this spectacular holiday production.

#### Show Advisory

This classic musical is appropriate for all ages - a great show to see as a family.

Ages 4 & up - Matinees

Ages 5 & up - Evenings

Season 56 Press Release

Dec. 15	Dec. 16	Dec. 17	Dec. 18	Dec. 19	Dec. 20	Dec. 21
1:30		1:30	1:30	1:30	7pm	1:30
7pm			7pm			7pm
Dec. 22						
1:30						

ASL Interpreted

Performance

Sunday, November 24 7pm



**CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
FACILITIES USE STATEMENT  
APPLICATION & AGREEMENT FOR USE OF SCHOOL PROPERTY**

\* Must be submitted no less than two weeks prior to use \*

Date of Application: 10/16/2019 Contact Name & Title: Marti Moreno Comm. Ed. Specialist

Purpose or Use: #44052 Introduction to English B

Expected Attendance: 25 Open to public? ☒ YES NO N/A

Will admission be collected? YES ☒ NO N/A If yes, amount per person: \_\_\_\_\_

If yes, for what purpose will net proceeds be used? \_\_\_\_\_

If proceeds are for charitable purpose: \_\_\_\_\_

Facility Desired? YES NO If yes, name of school: Cuyama Valley High School  
(Organization Name)

Circle any/all that apply: Cafeteria, Multi-Purpose Room Room 5 Library in Admin Bldg., Gymnasium,  
(Specify)

Specific Classroom \_\_\_\_\_, Other \_\_\_\_\_  
(Specify) (Specify)

Equipment Needed? Circle any/all that apply (if applicable): Folding Chairs, Folding Tables, P.A. System,  
Lighting System (with CIUSD Operator), Other Regular Classroom Set-up  
(Specify)

Specify date(s) and time(s) of use: 1/22-5/18/2020, Mondays & Wednesdays, 5-8pm.

No class on holidays of Feb. 17, March 17 & 19, 2020

Please notify the school and district office of any changes or cancellations.

Name of Organization: Allan Hancock College Community Education  
(Please Print)

Address: 800 S College Dr

City/State/Zip: Santa Maria CA 93454

Phone Number: (805) 922-6966 ext. 3286 (Marti)

Email: mmoreno@hancockcollege.edu

Have you received, read and agree to the Statement of Information? (See attached) ☒ YES NO

Are you authorized by the requesting organization to act on its behalf? ☒ YES NO

Signed: [Signature] Eric D Smith

Date Signed: 10/22/19

Associate Superintendent, Hancock College

**DISTRICT APPROVAL**

Facilities/Equipment available? ☒ YES NO

Application Approved? ☒ YES NO

Authorized Signature:

X

Print: Dr. Stephen B. Bluestein

Date of Approval: November 7, 2019

Notes: Hancock - CUSD ADULT  
ESC CLASS Partnership  
SPRING 2019

# Cuyama Joint Unified School District

2300 Highway 166, New Cuyama, California 93254  
(661) 766-2482 • FAX (661) 766-2255

## ACKNOWLEDGMENT OF DONATION

November 6, 2019

Mr. Josh Zannon  
3380 Highway 33  
Ventucopa, CA 93252

The Cuyama Valley Joint Unified School District accepts with gratitude your donation of \$250.00 for use by the Garden Club at the elementary school.

We wish to express our appreciation for your interest in our educational program. For your records, the Cuyama Joint Unified School District's federal tax identification number is 77-0069055. No goods or services were received in return for this donation.

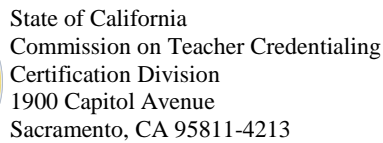
Sincerely,



Dr. Stephen Bluestein  
Superintendent of Schools

<b>Cuyama Unified School District</b> P.O. Box 271 New Cuyama, CA 93254 661-766-2482	<b>CASH RECEIPT</b>		Date <u>10-30-19</u>																
	Received From <u>Josh Zannon made a Donation</u>																		
	Address <u>to Garden Club</u>																		
			Dollars \$ <u>250.00</u>																
	For <u>Garden Club</u>																		
	<table border="1"><thead><tr><th colspan="2">ACCOUNT</th><th colspan="2">HOW PAID</th></tr></thead><tbody><tr><td>AMT. OF ACCOUNT</td><td></td><td>CASH</td><td><input checked="" type="checkbox"/></td></tr><tr><td>AMT. PAID</td><td></td><td>CHECK</td><td><input type="checkbox"/></td></tr><tr><td>BALANCE DUE</td><td></td><td>MONEY ORDER <input type="checkbox"/></td><td>CREDIT CARD <input type="checkbox"/></td></tr></tbody></table>	ACCOUNT		HOW PAID		AMT. OF ACCOUNT		CASH	<input checked="" type="checkbox"/>	AMT. PAID		CHECK	<input type="checkbox"/>	BALANCE DUE		MONEY ORDER <input type="checkbox"/>	CREDIT CARD <input type="checkbox"/>	By <u>[Signature]</u>	
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AMT. PAID		CHECK	<input type="checkbox"/>																
BALANCE DUE		MONEY ORDER <input type="checkbox"/>	CREDIT CARD <input type="checkbox"/>																

ORB 117-2



## DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS

Page 38 of 285

The Superintendent of the County Office of Education or the Director of the State Agency or the Director of the NPS/NPA specified above adopted a declaration on \_\_\_\_/\_\_\_\_/\_\_\_\_, at least 72 hours following his or her public announcement that such a declaration would be made, certifying that there is an insufficient number of certificated persons who meet the county's, agency's or school's specified employment criteria for the position(s) listed on the attached form.

The declaration shall remain in force until June 30, \_\_\_\_\_.

► ***Enclose a copy of the public announcement***

Submitted by Superintendent, Director, or Designee:

_____ <i>Name</i>	_____ <i>Signature</i>	_____ <i>Title</i>
_____ <i>Fax Number</i>	_____ <i>Telephone Number</i>	_____ <i>Date</i>
_____ <i>Mailing Address</i>		
_____ <i>Email Address</i>		

- *This declaration must be on file with the Commission on Teacher Credentialing before any emergency permits will be issued for service with the employing agency*

**AREAS OF ANTICIPATED NEED FOR FULLY QUALIFIED EDUCATORS**

Based on the previous year's actual needs and projections of enrollment, please indicate the number of emergency permits the employing agency estimates it will need in each of the identified areas during the valid period of this Declaration of Need for Fully Qualified Educators. This declaration shall be valid only for the type(s) and subjects(s) identified below.

This declaration must be revised by the employing agency when the total number of emergency permits applied for exceeds the estimate by ten percent. Board approval is required for a revision.

**Type of Emergency Permit**

**Estimated Number Needed**

CLAD/English Learner Authorization (applicant already holds teaching credential)

\_\_\_\_\_

Bilingual Authorization (applicant already holds teaching credential)

\_\_\_\_\_

List target language(s) for bilingual authorization:

\_\_\_\_\_

Resource Specialist

\_\_\_\_\_

Teacher Librarian Services

\_\_\_\_\_

**LIMITED ASSIGNMENT PERMITS**

Limited Assignment Permits may only be issued to applicants holding a valid California teaching credential based on a baccalaureate degree and a professional preparation program including student teaching.

Based on the previous year's actual needs and projections of enrollment, please indicate the number of Limited Assignment Permits the employing agency estimates it will need in the following areas:

TYPE OF LIMITED ASSIGNMENT PERMIT	ESTIMATED NUMBER NEEDED
Multiple Subject	
Single Subject	
Special Education	
TOTAL	

### **EFFORTS TO RECRUIT CERTIFIED PERSONNEL**

The employing agency declares that it has implemented in policy and practices a process for conducting a diligent search that includes, but is not limited to, distributing job announcements, contacting college and university placement centers, advertising in local newspapers, exploring incentives included in the Teaching as a Priority Block Grant (refer to [www.cde.ca.gov](http://www.cde.ca.gov) for details), participating in state and regional recruitment centers and participating in job fairs in California.

If a suitable fully prepared teacher is not available to the school district, the district made reasonable efforts to recruit an individual for the assignment, in the following order:

- A candidate who qualifies and agrees to participate in an approved internship program in the region of the school district
- An individual who is scheduled to complete initial preparation requirements within six months

### **EFFORTS TO CERTIFY, ASSIGN, AND DEVELOP FULLY QUALIFIED PERSONNEL**

Has your agency established a District Intern program? Yes No

If no, explain. \_\_\_\_\_

Does your agency participate in a Commission-approved college or university internship program? Yes No

If yes, how many interns do you expect to have this year? \_\_\_\_\_

If yes, list each college or university with which you participate in an internship program.

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If no, explain why you do not participate in an internship program.

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# Cuyama Joint Unified School District

## Measure Q/A2016 General Obligation Bond Program Update Presentation

by

Isom Advisors,  
a Division of Urban Futures, Inc.

November 14, 2019



1470 Maria Lane, Ste. 315 - Walnut Creek, CA 94596



# Plan of Finance – Original Plan

\$6.0 million over eight years

Cuyama Joint Unified School District

- ❖ On June 7, 2016, District voters approved Measure Q/A2016, a \$6,000,000 bond authorization for the renovation, upgrade, construction, and modernization of schools within the District boundaries
- ❖ The estimated tax rate for Measure J was \$60.00 per \$100,000 of assessed value
- ❖ Below is the District's Original Bond Program and the basis for Measure Q/A2016:

Cuyama JUSD Bond Proceeds at \$60.00 Tax Rate <sup>(1)</sup>				
Tax Rate per \$100,000	Series A 2016	Series B 2020	Series C 2024	Total Bond Proceeds
\$60.00	\$2,000,000	\$2,000,000	\$2,000,000	\$6,000,000

(1) Assumes AV growth of 3.50% and 30 year bond terms; Preliminary – Subject to change

Source: Isom Advisors

# District's Tax Base

The District's tax base has grown since the election

Cuyama Joint Unified School District

- ❖ The District's 2019-20 assessed value ("AV") is \$334,447,177; since 2006, the average AV growth rate has been 4.6%.
- ❖ Due to the significant presence of oil and gas linked AV, the District's overall AV can fluctuate considerably from year to year.
- ❖ District's gross bonding capacity is approximately \$8.4 million (2.5% x assessed value); District's outstanding G.O. bond debt is approximately \$3.95 million; District's net bonding capacity, or current debt limit, is approximately \$4.4 million.

Fiscal Year Ending	Assessed Valuation Growth Rate
2006	--
2007	5.8%
2008	5.0%
2009	4.9%
2010	6.4%
2011	-0.6%
2012	15.4%
2013	9.3%
2014	6.0%
2015	6.9%
2016	-9.5%
2017	-8.0%
2018	8.7%
2019	14.8%
2020	-0.7%
<b>Average</b>	<b>4.6%</b>

Source: California Municipal Statistics, Inc.

# Plan of Finance – Actual Plan

The District issued its Series B bonds in 2019

Cuyama Joint Unified School District

- ❖ Due to higher than projected assessed valuation growth and lower than projected interest rates, the District accelerated the issuance of its Series B bonds to 2019.
- ❖ Below is the District's Updated Bond Program based on actual assessed value:

Cuyama JUSD Bond Proceeds at \$60.00 Tax Rate <sup>(1)</sup>				
Tax Rate per \$100,000	Series A 2016	Series B 2019	Series C 20??	Total Bond Proceeds
\$60.00	\$2,000,000	\$2,000,000	\$2,000,000	\$6,000,000

(1) Preliminary – Subject to change; 30-year term and 4.50% a.v. growth  
Source: Isom Advisors

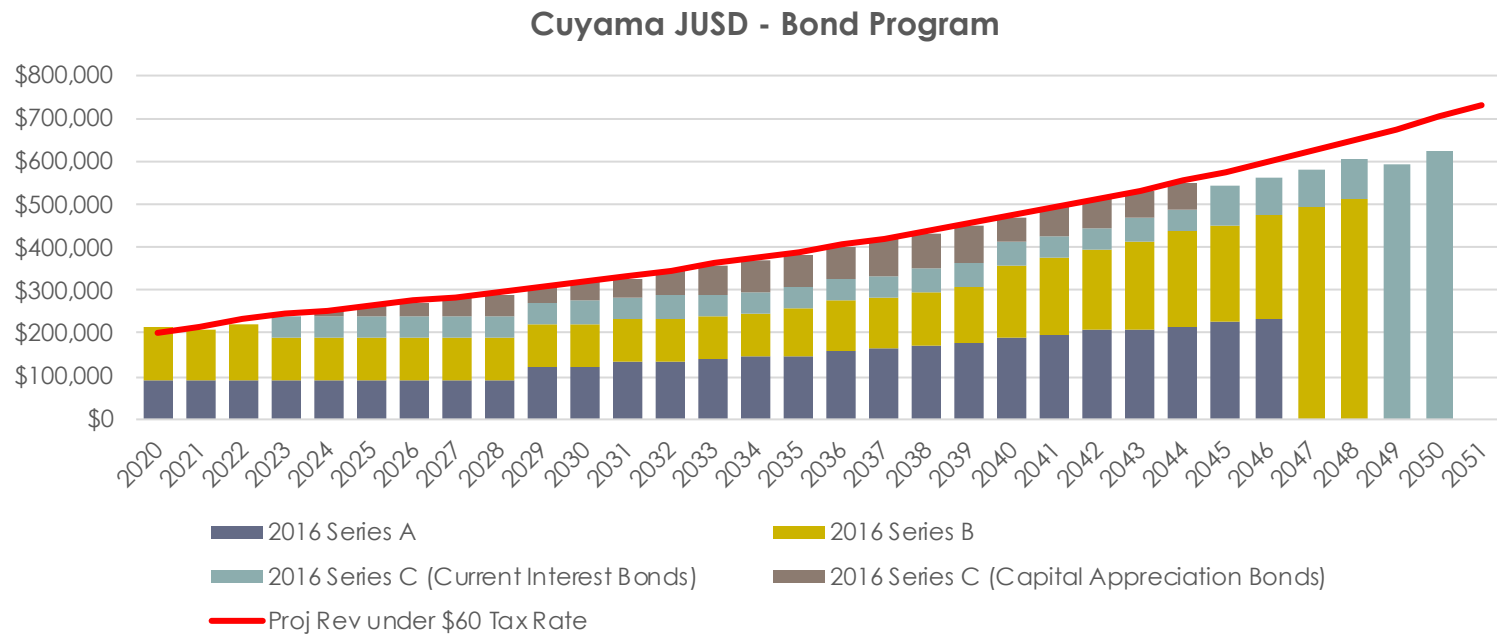
- ❖ The District currently has \$2.0 million in authorized, but unissued bonds remaining from the Measure Q/A2016 authorization.
- ❖ The District's bond program is more constrained from a tax rate perspective due to the decline in assessed value in fiscal year 2019-20; **however with low interest rates, we can likely access the balance of bond funds this year**

# Series C Bonds

## Measure Q/A2016 Bond Program Tax Rate Constraints

## Cuyama Joint Unified School District

- ❖ The District may be able to issue all or a significant portion of the remaining Measure Q/A2016 authorization this fall.



- ❖ A portion of the bonds will be issued as capital appreciation bonds

# Capital Appreciation Bond Analysis

## Why the issuance of some CABs

## Cuyama Joint Unified School District

### Cuyama Joint Unified School District

#### Comparison of Scenarios

	Scenario #1 CIBs Only	Scenario #2 CIB and CABs
<b>Par Amount</b>	\$1,640,000.00	\$1,638,352.15
<b>Total Debt Service</b>	\$3,158,483.33	\$3,096,666.67
<b>Repayment Ratio</b>	1.93 to 1	1.89 to 1
<b>Building Fund Deposit</b>	\$1,515,000.00	\$1,513,352.15
<b>Financing Cost</b>	\$159,363.93	\$159,094.84
<b>True Interest Cost</b>	3.52%	3.46%
<b>Average Life</b>	21.889 years	19.645 years
<b>Highest Tax Rate</b>	\$67.59	\$59.90

Without the issuance of some CABs, it is projected the District would have to wait until 2028 to issue an all-Current Interest Bond issuance

Payoff of the solar project and significant interest rate and assessed value risk would be inherent in waiting this long.

### Cuyama Joint Unified School District

#### True Interest Cost Comparison with Prior Bond Issuances

Pricing Date	Series	True Interest Cost	30-year MMD
Oct 2016	2016 Series A	3.87%	2.54%
Jan 2019	2016 Series B	4.50%	3.09%
Jan 2020	2016 Series C (Proj)	3.46%	2.08%

# Next Steps

## Proposed Financing Schedule

## Cuyama Joint Unified School District

Task	Responsible Party	Date
Legal documents prepared and reviewed	District/Finance Team	September 30
Board discusses/approves 2019 CAB Resolution	District	November 14
Credit presentation to rating agencies	District/Isom	Week of Dec 2
Board approves 2019 GO Bond financing *	District	December 12
District receives rating	District/Isom	December 20
Distribute Preliminary Official Statement (offering document)	Finance Team	January 8
Sell GO Bonds	Finance Team	January 15
Finalize legal documents	Finance Team	Jan 16 - 28
Close Transaction – District receives funds	Finance Team	January 29



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**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO. 2019-27**

**RESOLUTION OF THE GOVERNING BOARD OF THE CUYAMA JOINT UNIFIED  
SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE  
DISTRICT'S GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C  
(2020), IN AN AMOUNT NOT TO EXCEED \$2,000,000**

Adopted December 12, 2019

## TABLE OF CONTENTS

### ARTICLE I

#### DEFINITIONS; AUTHORITY

Section 1.01. Definitions .....	2
Section 1.02. Authority for this Resolution.....	5

### ARTICLE II

#### THE SERIES C BONDS

Section 2.01. Authorization.....	6
Section 2.02. Terms of Series C Bonds.....	6
Section 2.03. Redemption.....	7
Section 2.04. Form of Series C Bonds .....	9
Section 2.05. Execution of Series C Bonds .....	9
Section 2.06. Transfer of Series C Bonds .....	9
Section 2.07. Exchange of Series C Bonds.....	10
Section 2.08. Bond Register .....	10
Section 2.09. Temporary Series C Bonds.....	10
Section 2.10. Series C Bonds Mutilated, Lost, Destroyed or Stolen .....	10
Section 2.11. Book Entry System .....	11

### ARTICLE III

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

Section 3.01. Issuance, Award and Delivery of Series C Bonds .....	12
Section 3.02. Funds and Accounts .....	12
Section 3.03. Application of Proceeds of Sale of Series C Bonds.....	13
Section 3.04. Security for the Series C Bonds .....	13

### ARTICLE IV

#### SALE OF BONDS; APPROVAL OF PAYING AGENT AGREEMENT; APPROVAL OF OFFICIAL STATEMENT

Section 4.01. Sale of the Series C Bonds .....	15
Section 4.02. Approval of Paying Agent Agreement .....	15
Section 4.03. Official Statement .....	15
Section 4.04. Official Action.....	16

### ARTICLE V

#### OTHER COVENANTS OF THE DISTRICT

Section 5.01. Punctual Payment .....	17
Section 5.02. Extension of Time for Payment .....	17
Section 5.03. Protection of Security and Rights of Owners.....	17
Section 5.04. Further Assurances .....	17
Section 5.05. Tax Covenants .....	17
Section 5.06. Acquisition, Disposition and Valuation of Investments .....	18
Section 5.07. Continuing Disclosure.....	18
Section 5.08. Requirements of Section 15146(b) of the California Education Code.....	18

### ARTICLE VI

#### THE PAYING AGENT

Section 6.01. Appointment of Paying Agent.....	21
--	----

Section 6.02. Paying Agent May Hold Series C Bonds .....	21
Section 6.03. Liability of Agents .....	21
Section 6.04. Notice to Agents .....	22
Section 6.05. Compensation, Indemnification .....	22

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 7.01. Events of Default .....	23
Section 7.02. Other Remedies of Bondowners .....	23
Section 7.03. Non-Waiver .....	23
Section 7.04. Remedies Not Exclusive .....	24

## ARTICLE VIII

### SUPPLEMENTAL RESOLUTIONS

Section 8.01. Supplemental Resolutions Effective Without Consent of the Owners .....	25
Section 8.02. Supplemental Resolutions Effective With Consent to the Owners .....	25

## ARTICLE IX

### MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties .....	26
Section 9.02. Defeasance .....	26
Section 9.03. Execution of Documents and Proof of Ownership by Bondowners .....	28
Section 9.04. Waiver of Personal Liability .....	28
Section 9.05. Destruction of Canceled Series C Bonds .....	28
Section 9.06. Partial Invalidity .....	28
Section 9.07. Effective Date of Resolution .....	28

EXHIBIT A:	FORM OF CURRENT INTEREST BOND
EXHIBIT B:	FORM OF CAPITAL APPRECIATION BOND
EXHIBIT C:	FORM OF BOND PURCHASE AGREEMENT
EXHIBIT D:	FORM OF PAYING AGENT AGREEMENT
EXHIBIT E:	FORM OF CONTINUING DISCLOSURE CERTIFICATE
EXHIBIT F:	ESTIMATED COSTS OF ISSUANCE
EXHIBIT G:	PROVISIONS REQUIRED BY SECTION 15146(b)(1)(E) OF THE CALIFORNIA EDUCATION CODE

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO. 2019-27**

**RESOLUTION OF THE GOVERNING BOARD OF THE CUYAMA JOINT UNIFIED  
SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF THE  
DISTRICT'S GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C  
(2020), IN AN AMOUNT NOT TO EXCEED \$2,000,000**

RESOLVED, by the Board of Trustees (the "Board") of the Cuyama Joint Unified School District (the "District"), as follows:

WHEREAS, a duly called municipal election was held in the District on June 7, 2016, and thereafter canvassed pursuant to law;

WHEREAS, at such 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 to repair/replace leaky roofs; make health, safety and security improvements; upgrade inadequate electrical systems; improve student access to computers and modern technology; and modernize 50-year old classrooms, restrooms and buildings (the "Project"), in the maximum aggregate principal amount of \$6,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization");

WHEREAS, pursuant to Title 1, Division 1, Part 10, Chapter 2 (commencing with section 15100) of the California Education Code and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code, the District is empowered to issue general obligation bonds;

WHEREAS, the District has previously issued an initial series of general obligation bonds under the Authorization in the aggregate principal amount of \$2,000,000, its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series A (2016), for the purpose of raising moneys for the Project and other authorized costs;

WHEREAS, the District has previously issued a second series of general obligation bonds under the Authorization in the aggregate principal amount of \$2,000,000, its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series B (2019), for the purpose of raising moneys for the Project and other authorized costs;

WHEREAS, the District wishes at this time to authorize the issuance and sale of the third and final series of general obligation bonds under the Authorization in the aggregate principal amount of not to exceed \$2,000,000, its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020) (the "Series C Bonds"), for the purpose of raising moneys for the Project and other authorized costs;

NOW, THEREFORE, it is hereby RESOLVED, by the Board of Trustees of the Cuyama Joint Unified School District, as follows:

## ARTICLE I

### DEFINITIONS; AUTHORITY

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

*“Accreted Interest”* means, with respect to the Capital Appreciation Bonds, the Accreted Value thereof minus the Denominational Amount thereof as of the date of calculation.

*“Accreted Value”* means with respect to the Capital Appreciation Bonds, as of the date of calculation, the Denominational Amount thereof, plus Accreted Interest thereon to such date of calculation, compounded semiannually on each February 1 and August 1 (commencing on February 1, 2020 (unless otherwise provided in the Bond Purchase Agreement)), assuming in any such semiannual period that such Accreted Value increases in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

*“Act”* means Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code, as is in effect on the date of adoption hereof and as amended hereafter.

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

*“Authorized Investments”* means any investments permitted by law to be made with moneys belonging to, or in the custody of, the District, but only to the extent that the same are acquired at Fair Market Value.

*“Board”* means the Board of Trustees of the District.

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

*“Bond Purchase Agreement”* means that certain Bond Purchase Agreement by and between the District and the Underwriter, for the purchase and sale of the Series C Bonds.

*“Bond Register”* means the registration books for the Series C Bonds maintained by the Paying Agent.

*“Capital Appreciation Bonds”* means the Series C Bonds the interest component of which is compounded semiannually on each Interest Payment Date to maturity as shown in the table of Accreted Value for such Series C Bonds in the Bond Purchase Agreement.

*“Closing Date”* means the date upon which there is an exchange of the Series C Bonds for the proceeds representing the purchase of the Series C Bonds by the Underwriter.

*“Code”* means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Series C Bonds or (except as otherwise referenced herein) as it may be amended to apply to

obligations issued on the date of issuance of the Series C Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

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

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

*“Counties”* means collectively, Santa Barbara, Ventura and San Luis Obispo Counties, California.

*“Current Interest Bonds”* means the Series C Bonds the interest on which is payable semiannually on each Interest Payment Date specified for each such Series C Bond as designated and maturing in the years and in the amounts set forth in the Bond Purchase Agreement.

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

*“Denominational Amount”* means, with respect to the Capital Appreciation Bonds, the initial principal amount thereof.

*“District Representative”* means the President of the Board, the Superintendent, the Chief Business Official, or any other person authorized by resolution of the Board of the District to act on behalf of the District with respect to this Resolution and the Series C Bonds.

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

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

*"Information Services"* means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board (at <http://emma.msrb.org>) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services providing information with respect to called bonds as the District may designate to the Paying Agent.

*"Interest Payment Date"* means, (a) with respect to interest on the Current Interest Bonds, February 1 and August 1 of each year commencing on August 1, 2020, and with respect to principal of the Current Interest Bonds, August 1, of each year commencing on August 1 in such year as shall be set forth in the Bond Purchase Agreement, and, (b) with respect to the Capital Appreciation Bonds, the maturity date thereof as shall be set forth in the Bond Purchase Agreement.

*"Maturity Value"* means the Accreted Value of any Capital Appreciation Bond on its maturity date.

*"Municipal Advisor"* means Isom Advisors, A Division of Urban Futures Incorporated, as municipal advisor to the District in connection with the issuance of the Series C Bonds.

*"Outstanding"* means, when used as of any particular time with reference to Series C Bonds, all Series C Bonds except:

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

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

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

*"Owner"* or *"Bondowner"* mean any person who shall be the registered owner of any Outstanding Series C Bond.

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

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

*"Paying Agent Agreement"* means that certain Paying Agent/Bond Registrar/Costs of Issuance Agreement, dated the Closing Date, by and between the District and the Paying Agent.



*"Principal"* or *"Principal Amount"* means, with respect to any Current Interest Bond, the principal or principal amount thereof and, with respect to any Capital Appreciation Bond, the Denominational Amount.

*"Principal Office"* means the principal corporate trust office of the Paying Agent in Los Angeles, California.

*"Record Date"* means the 15th day of the month preceding each Interest Payment Date.

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

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

*"Securities Depositories"* means The Depository Trust Company, 55 Water Street, 50th Floor, New York, NY 10041-0099, Attention: Call Notification Department, Fax (212) 855-7232; 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 to the Paying Agent.

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

*"Term Bonds"* means those Series C Bonds for which mandatory redemption dates have been established pursuant to the Bond Purchase Agreement.

*"Treasurer"* means the Santa Barbara County Treasurer-Tax Collector.

*"Series C Bonds"* means the Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020), issued and at any time Outstanding pursuant to this Resolution.

*"Underwriter"* means RBC Capital Markets, LLC

*"Written Request of the District"* means an instrument in writing signed by the District Representative or by any other officer of the District duly authorized by the District and listed on a Written Request of the District for that purpose.

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

## ARTICLE II

### THE SERIES C BONDS

Section 2.01. Authorization. The Series C Bonds are hereby authorized to be issued by the District under and subject to the terms of the Act and this Resolution. The amount of Current Interest Bonds and the amount of Capital Appreciation Bonds shall be determined on the date of sale thereof pursuant to the provisions of the Bond Purchase Agreement so long as the aggregate principal amount of the Series C Bonds does not exceed \$2,000,000. This Resolution constitutes a continuing agreement with the Owners of all of the Series C Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal or Accreted Value of and the interest on all Series C Bonds which may from time to time be issued and delivered hereunder, subject to the covenants, agreements, provisions and conditions contained herein. The Series C Bonds shall be designated the "Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020)." The Current Interest Bonds shall be further identified by appending "(Current Interest Bonds)" to such title and the Capital Appreciation Bonds shall be further identified by appending "(Capital Appreciation Bonds)" to such title.

It is contemplated that the Series C Bonds will be comprised of a combination of Current Interest Bonds and Capital Appreciation Bonds. However, if, based upon market conditions and other factors on the date of sale thereof, the Series C Bonds are sold solely as Current Interest Bonds, all provisions in this Resolution relating to Capital Appreciation Bonds shall have no force or effect.

#### Section 2.02. Terms of Series C Bonds.

(a) *Denomination; Interest; Dated Dates; Maturity Dates*. The Series C Bonds shall be issued as bonds registered as to both principal and interest, in the denominations of, with respect to the Current Interest Bonds, \$5,000 Principal Amount or any integral multiple thereof, and with respect to the Capital Appreciation Bonds, \$5,000 Maturity Value, or any integral multiple thereof (except that the first numbered Capital Appreciation Bond may be issued in a denomination such that the Maturity Value of such Capital Appreciation Bond shall not be in an integral multiple of \$5,000).

The Series C Bonds shall bear interest or accrete interest at a rate or rates such that the interest rate shall not exceed the maximum rate permitted by law. Interest shall be payable on the respective Interest Payment Dates.

Each Capital Appreciation Bond shall be dated, and shall accrete Accreted Interest from, its date of initial issuance. Capital Appreciation Bonds will not bear interest on a current basis.

Each Current Interest Bond shall be dated as of its date of delivery or such other date as shall be determined on the date of sale thereof (the "Dated Date"), and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to that Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before July 15, 2020, in which event it shall bear interest from the Dated Date.

The Current Interest Bonds shall mature (or, alternatively, be subject to mandatory sinking fund redemption as hereinafter provided) and become payable on February 1 or August

1 in the years and in the amounts set forth in, and subject to the alteration thereof permitted by, the Bond Purchase Agreement. The Current Interest Bonds shall bear interest at such rate or rates as shall be determined upon the sale thereof.

The Capital Appreciation Bonds shall mature in the years and shall be issued in the aggregate Denominational Amount set forth in the Bond Purchase Agreement and shall have an accretion rate and shall have the Maturity Values shown in the Accreted Value Table attached to the Bond Purchase Agreement; *provided, however*, that in the event that the amount shown in such Accreted Value Table and the Accreted Value calculated by the District differ, the latter amount shall be the Accreted Value of such Capital Appreciation Bond.

(b) *Numbering*. The Series C Bonds shall be lettered and numbered as the Paying Agent shall prescribe.

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

(d) *Payment*. Payment of interest on any Current Interest Bond on any Interest Payment Date shall be made to the person appearing on the Bond Register as the Owner thereof as of the Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed to such Owner on the Interest Payment Date at his address as it appears on the Bond Register or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate Principal Amount or Maturity Value of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The principal payable on the Current Interest Bonds and the Accreted Value on the Capital Appreciation Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The interest, Accreted Value and Principal on the Series C Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Series C Bonds when duly presented for payment at maturity and to cancel all Bonds upon payment thereof. The Series C Bonds are general obligations of the District and do not constitute an obligation of the Counties. No part of any fund of the Counties are pledged or obligated to the payment of the Series C Bonds.

### Section 2.03. Redemption.

(a) *Optional Redemption*. The Current Interest Bonds shall be subject to redemption prior to maturity on the dates and at the prices set forth in the Bond Purchase Agreement. The Capital Appreciation Bonds shall be subject to redemption prior to maturity on the dates and at the prices set forth in the Bond Purchase Agreement. The District shall be required to give the Paying Agent written notice of its intention to redeem Series C Bonds

(b) *Mandatory Sinking Fund Redemption*. In the event and to the extent specified in the Bond Purchase Agreement, any maturity of Current Interest Bonds shall be designated as "Term Bonds" and shall be subject to mandatory sinking fund redemption on February 1 or August 1 in each of the years set forth in the Bond Purchase Agreement, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without

premium). If some but not all of such Term Bonds have been redeemed pursuant to the preceding subsection (a) of this Section 2.03, the aggregate principal amount of such Term Bonds to be redeemed in each year pursuant to this subsection (b) shall be reduced on a *pro rata* basis in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the District with the Paying Agent.

In the event and to the extent specified in the Bond Purchase Agreement, any maturity of Capital Appreciation Bonds shall be designated as "Term Bonds" and shall be subject to mandatory sinking fund redemption on February 1 or August 1 in each of the years set forth in the Bond Purchase Agreement, at a redemption price equal to one hundred percent (100%) of the Accreted Value thereof to be redeemed (without premium). If some but not all of such Term Bonds have been redeemed pursuant to the preceding subsection (a) of this Section 2.03, the aggregate Accreted Value of such Term Bonds to be redeemed in each year pursuant to this subsection (b) shall be reduced on a *pro rata* basis in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the District with the Paying Agent.

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

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

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

(e) *Partial Redemption of Series C Bonds.* In the event only a portion of any Series C Bond is called for redemption, then upon surrender of such Series C Bond the District shall execute and the Paying Agent shall authenticate and deliver to the Owner thereof, at the expense of the District, a new Series C Bond or Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Series C Bond to be redeemed. Series C Bonds need not be presented for mandatory sinking fund redemptions.

(f) *Effect of Redemption.* From and after the date fixed for redemption, if funds available for the payment of the principal or Accreted Value of and interest (and premium, if any) on the Series C Bonds so called for redemption shall have been duly provided, such Series C Bonds so called shall cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest shall accrue thereon from and after the redemption date specified in such notice. All Series C Bonds redeemed pursuant to this Section 2.03 shall be canceled and shall be destroyed by the Paying Agent.

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

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

Only such Series C Bonds as shall bear thereon a certificate of authentication and registration in the forms set forth in Exhibits A and B attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent shall be conclusive evidence that the Series C Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

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

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

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

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

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

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

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

Section 2.10. Series C Bonds Mutilated, Lost, Destroyed or Stolen. If any Series C Bond shall become mutilated the District, at the expense of the Owner of said Series C Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Series C Bond of like maturity and principal amount in exchange and substitution for the Series C Bond so mutilated, but only upon surrender to the Paying Agent of the Series C Bond so mutilated. Every mutilated Series C Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the District. If any Series C Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the District and, if such evidence be satisfactory to the District and indemnity satisfactory to it shall be given, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Series C Bond of like maturity and principal amount in lieu of and in substitution for the Series C Bond so lost, destroyed or stolen. The District may require payment of a sum not exceeding the actual cost of preparing each new Series C Bond issued under this Section and of the expenses which may be incurred by the District and the Paying

Agent in the premises. Any Series C Bond issued under the provisions of this Section 2.10 in lieu of any Series C Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Series C Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution with all other Series C Bonds issued pursuant to this Resolution.

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

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain Series C Bonds and delivers a written certificate to DTC to that effect, DTC shall notify the Participants of the availability through DTC of Series C Bonds. In such event, the District shall issue, transfer and exchange Series C Bonds as requested by DTC and any other owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Series C Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the District shall be obligated to deliver Series C Bonds as described in this Resolution. Whenever DTC requests the District to do so, the District will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Series C Bonds evidencing the Series C Bonds to any DTC Participant having Series C Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Series C Bonds.

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



### ARTICLE III

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

Section 3.01. Issuance, Award and Delivery of Series C Bonds. At any time after the execution of this Resolution the District may issue and deliver Series C Bonds in the aggregate principal amount of not to exceed two million dollars (\$2,000,000). The allocation of Current Interest Bonds and Capital Appreciation Bonds shall be made on the date of sale thereof so long as the aggregate principal amount of the Series C Bonds does not exceed \$2,000,000.

The District Representatives shall be, and are hereby, directed to cause the Series C Bonds to be printed, signed and delivered to the Underwriter on receipt of the purchase price therefor and upon performance of the conditions contained in the Bond Purchase Agreement.

The Paying Agent is hereby authorized to deliver the Series C Bonds to the Underwriter, upon receipt of a Written Request of the District.

#### Section 3.02. Funds and Accounts.

(a) *Building Fund.* A fund, to be known as the "Cuyama Joint Unified School District, General Obligation Bonds, Election of 2016, Series C (2020) Building Fund" (the "Building Fund"), is hereby established and maintained by the Treasurer for the Series C Bonds. Moneys deposited therein from the proceeds of the Series C Bonds shall be used solely for the purpose for which the Series C Bonds are being issued and shall be applied solely to authorized purposes which relate to the acquisition or improvement of real property and for the payment of Costs of Issuance of the Series C Bonds if insufficient moneys are available therefor in the Costs of Issuance Fund. The interest earned on the moneys deposited to the Building Fund shall be retained in the Building Fund and used for the purposes thereof. At the written request of the District filed with the Treasurer, any amounts remaining on deposit in the Building Fund and not needed for the purposes of the Series C Bonds shall be withdrawn from the Building Fund and transferred to the Interest and Sinking Fund, to be applied to the payment of Debt Service. By receipt of a copy of this Resolution, the Treasurer is hereby requested to establish and maintain the Building Fund. The Treasurer is not responsible for the use of funds disbursed from the Building Fund.

(b) *Interest and Sinking Fund.* The fund, known as the "Cuyama Joint Unified School District, General Obligation Bonds Interest and Sinking Fund" (the "Interest and Sinking Fund"), previously established and maintained by the Treasurer for the Series C Bonds is hereby continued. Moneys deposited therein shall be used only for payment of principal and interest on all general obligation bonds of the District. If, after payment in full of the Series C Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District. Notwithstanding the foregoing provisions of this Section 3.02(b), any excess proceeds of the Series C Bonds not needed for the authorized purposes set forth herein for which the Series C Bonds are being issued shall be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law, including but not limited to the requirements of federal tax law (if any) relating to the yield at which such proceeds are permitted to be invested. The interest earned on the moneys deposited to the Interest and Sinking Fund shall be retained in the Interest and Sinking Fund and used for the purposes thereof.

(c) *Costs of Issuance Fund.* A fund, to be known as the “Cuyama Joint Unified School District, General Obligation Bonds, Election of 2016, Series C (2020) Costs of Issuance Fund” (the “Costs of Issuance Fund”), is hereby created and established with the Paying Agent, acting as costs of issuance custodian (the “Custodian”) for the Series C Bonds. Moneys deposited therein shall be used solely for the payment of costs of issuance of the Series C Bonds, as provided in the Paying Agent Agreement. Moneys deposited in the Costs of Issuance Fund shall be held by the Custodian in cash, uninvested.

(d) *Investment of Moneys in the Building Fund and the Interest and Sinking Fund.* Moneys held in the Building Fund and the Interest and Sinking Fund shall be invested at the Treasurer’s discretion, unless otherwise directed in writing by the District, pursuant to law and the investment policy of the Treasurer. In addition, at the written direction of the District, all or any portion of the moneys in the Building Fund may be invested (i) in the Local Agency Investment Fund in the treasury of the State of California, or (ii) in investment agreements which comply with the requirements of each rating agency then rating the Series C Bonds necessary in order to maintain the current rating on the Series C Bonds, provided that the Treasurer shall be a signatory to any such investment agreement. Consent by the Treasurer to a request by the District to use any investments requested by the District specified in clause (d)(ii) shall in no way imply any endorsement by the Treasurer of such investment and the Treasurer assumes no liability for the results of such investment or of the provider thereof.

Section 3.03. Application of Proceeds of Sale of Series C Bonds. On the Closing Date, the proceeds of sale of the Series C Bonds shall be paid by the Underwriter as follows:

(a) to the Treasurer, an amount equal to the premium received by the District, if any, on the Series C Bonds, for deposit in the Interest and Sinking Fund;

(b) to the Custodian, an amount equal to the amounts required for the payment of Costs of Issuance, for deposit in the Costs of Issuance Fund; and

(c) the remaining proceeds of the Series C Bonds shall be transferred to the Treasurer for deposit in the Building Fund.

Section 3.04. Security for the Series C Bonds. There shall be levied by the Counties on all the taxable property in the District, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the Series C Bonds are outstanding in an amount sufficient to pay the principal or Accreted Value of and interest on the Series C Bonds when due, which moneys when collected will be placed in the Interest and Sinking Fund of the District, which fund is irrevocably pledged for the payment of the principal or Accreted Value of and interest on the Series C Bonds when and as the same fall due. The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal or Accreted Value of and interest on the Series C Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent as necessary to pay the principal or Accreted Value of and interest on the Series C Bonds. The property taxes and amounts held in the Interest and Sinking Fund of the District shall immediately be subject to this pledge and the pledge shall constitute a lien and security interest which shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing or further act. The pledge is an agreement between the District and the Owners in addition to the statutory lien that exists (as described below), and the Series C Bonds are being issued to finance one or more capital project authorized by the voters of the District and not to finance the general purposes of the District.

Additionally, in accordance with section 53515(a) of the California Government Code, the Series C Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the payment of bonds authorized by the voters of the District. The lien shall automatically attach without further action or authorization by the District or the Counties. The lien shall be valid and binding from the time the Series C Bonds are executed and delivered. The revenues received pursuant to the levy and collection of the tax shall be immediately subject to the lien, and the lien shall automatically attach to the revenues and be effective, binding, and enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

## ARTICLE IV

### SALE OF BONDS; APPROVAL OF PAYING AGENT AGREEMENT; APPROVAL OF OFFICIAL STATEMENT

Section 4.01. Sale of the Series C Bonds. The Board hereby authorizes the negotiated sale of the Series C Bonds to the Underwriter. A Bond Purchase Agreement, in the form attached hereto as Exhibit C, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative is hereby approved by the Board. Any District Representative is hereby authorized and directed to execute the Bond Purchase Agreement for and in the name and on behalf of the District; *provided, however*, that the principal amount of the Series C Bonds does not exceed \$2,000,000, the final maturity date of the Series C Bonds is not later than August 1, 2059, and the Underwriter's discount, excluding reimbursable expenses of the Underwriter, shall not exceed 1.5% of the aggregate principal amount of Series C Bonds issued. The Board hereby authorizes the delivery and performance of the Bond Purchase Agreement.

Section 4.02. Approval of Paying Agent Agreement. The Paying Agent Agreement, in the form attached hereto as Exhibit D, together with any additions thereto or changes therein deemed necessary or advisable by a District Representative, is hereby approved by the Board. Any District Representative is hereby authorized and directed to execute the Paying Agent Agreement for and in the name and on behalf of the District. The Board hereby authorizes the delivery and performance of the Paying Agent Agreement.

Section 4.03. Official Statement. The Board hereby approves a preliminary official statement describing the financing (the "Preliminary Official Statement") in the form on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by a District Representative. The Board authorizes and directs the District Representatives, on behalf of the District, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution to prospective purchasers of the Series C Bonds.

The Underwriter, on behalf of the District, is authorized and directed to cause the Preliminary Official Statement to be distributed to such persons as may be interested in purchasing the Series C Bonds therein offered for sale.

Any District Representative is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute the Final Official Statement, dated as of the date of the sale of the Series C Bonds, and a statement that the facts contained in the Preliminary Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of its date, true and correct in all material respects and that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Series C Bonds, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Series C Bonds, and does not, as of the date of delivery of the Series C Bonds, contain any untrue statement of a material fact or omit to state material facts required to be stated where necessary to make any statement made therein not misleading in light of the circumstances under which it was made. The District Representatives shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the Final Official Statement, which shall include such changes and additions

thereto deemed advisable by the District Representatives, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Final Official Statement by the District.

The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Series C Bonds.

Section 4.04. Official Action. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Series C Bonds are hereby approved, and the District Representatives, and any and all other officers of the District are hereby authorized and directed for and in the name and on behalf of the District, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Series C Bonds in accordance with this Resolution. The District Representatives are authorized, in consultation with the Municipal Advisor, to purchase municipal bond insurance for the Series C Bonds if doing so would be financially beneficial to the District.

## ARTICLE V

### OTHER COVENANTS OF THE DISTRICT

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

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

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

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

#### Section 5.05. Tax Covenants.

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

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

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

(d) *No Arbitrage*. The District shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Series C Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of

issuance of the Series C Bonds would have caused the Series C Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

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

(f) *Bank Qualification.* The District hereby designates the Series C Bonds for purposes of paragraph (3) of section 265(b) of the Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under section 103(a) of the Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in section 141 of the Code, except qualified 501(c)(3) bonds as defined in section 145 of the Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), has been or will be issued by the District, including all subordinate entities of the District, during the calendar year 2020.

Section 5.06. Acquisition, Disposition and Valuation of Investments.

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

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

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

Section 5.08. Requirements of Section 15146(b) of the California Education Code. As required by section 15146(b) of the California Education Code, the District hereby states and certifies the following information:

(a) *Express Approval of Sale.* The Board hereby approves the negotiated sale of the Series C Bonds.

(b) *Statement of Reason for Method of Sale Selected.* Negotiated sales have been successfully employed by the District in the past and negotiated sales offer greater flexibility in changing the time and terms of the sale than a competitive sale.

(c) *Disclosure of Consultants.* The bond counsel to the District in connection with the issuance of the Series C Bonds will be Quint & Thimmig LLP, Larkspur, California. The disclosure counsel to the District in connection with the issuance of the Series C Bonds will be Quint & Thimmig LLP, Larkspur, California. The Municipal Advisor to the District in



connection with the issuance of the Series C Bonds will be Isom Advisors, A Division of Urban Futures Incorporated, Walnut Creek, California. The Underwriter to the District in connection with the issuance of the Series C Bonds will be RBC Capital Markets, LLC, Los Angeles, California.

(d) *Estimate of Costs Associated with the Sale of the Series C Bonds.* Estimates of the costs associated with the issuance of the Series C Bonds are as follows:

Municipal Advisor	\$57,500
Bond/Disclosure Counsel	42,000
Paying Agent	2,000
Rating Agency	12,000
Printing	2,500
Miscellaneous	4,000
Total	<u>\$120,000</u>

(e) *Capital Appreciation Bonds.* Since the Series C Bonds allow for the compounding of interest, including, but not limited to, capital appreciation bonds, disclosure of the financing term and time of maturity, repayment ratio, and the estimated change in the assessed value of taxable property within the District, as required by section 15146(b)(1)(E) of the California Education Code, is shown in Exhibit F attached hereto.

Section 5.09. Requirements of Section 5852.1 of the California Government Code. As required by section 5852.1 of the California Government Code, the District hereby provides the following good faith estimates regarding the Series C Bonds, based on a principal amount of \$1,640,000:

(a) The true interest cost of the Series C Bonds: 3.46%

(b) The finance charge of the Series C Bonds (the sum of all fees and charges paid to third parties): \$159,094.84 (includes Costs of Issuance, Underwriter's discount and the premium for municipal bond insurance).

(c) The amount of proceeds to be received less the sum of all fees and charges paid to third parties, any reserves or capitalized interest: \$1,513,350.

(d) The sum total of all payments the District will make to pay debt service on the Series C Bonds, calculated to the final maturity of the Series C Bonds: \$3,100,000.

The foregoing constitute good faith estimates only.

The principal amount of the Series C Bonds, the true interest cost of the Series C Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Series C Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Series C Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Series C Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Series C Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Series C Bonds and the actual principal amount of Series C Bonds sold will be determined based on the timing of the need for proceeds of the Series C Bonds and other factors. The actual interest rates

with respect to the Series C Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Series C Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the District.

ARTICLE VI  
THE PAYING AGENT

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

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

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

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

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

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Paying Agent, the Paying Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Resolution.

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

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

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

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

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

Section 6.05. Compensation, Indemnification.

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

(b) The District shall indemnify and hold harmless, to the extent permitted by law, the Counties and their officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject related to the proceedings for sale, award, issuance and delivery of the Series C Bonds in accordance therewith and herewith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

## ARTICLE VII

### EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS

Section 7.01. Events of Default. The following events ("Events of Default") shall be events of default hereunder:

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

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

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

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

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

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

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

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

Section 7.03. Non-Waiver. Nothing in this Article VII or in any other provision of this Resolution, or in the Series C Bonds, shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the principal or Accreted Value of and interest on the Series C Bonds to the respective Owners at the respective dates of maturity, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Series C Bonds.

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

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

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

## ARTICLE VIII

### SUPPLEMENTAL RESOLUTIONS

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

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

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

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

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

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

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



ARTICLE IX  
MISCELLANEOUS

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

Section 9.02. Defeasance.

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

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

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

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

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

(b) *Discharge of Liability on Series C Bonds*. Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.02(c) to pay or redeem any Outstanding Series C Bond (whether upon or prior to its maturity or the redemption date of such Series C Bond), provided that, if such Series C Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in Section 2.03 provided or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, then all liability of the District in respect of such Series C Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal or Accreted Value of and interest on such Series C Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited in trust with an escrow holder as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

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

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

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

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

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

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

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

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

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

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

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

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

Section 9.06. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. The District hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Series C Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the District is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the District hereunder shall be assumed by and vest in the District in trust for the benefit of the Bondowners.

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

\* \* \* \* \*

THE FOREGOING RESOLUTION is approved and adopted by the Board of Trustees of the Cuyama Joint Unified School District this 12th day of December, 2019.

ATTEST:

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President of the Board of Trustees

---

Clerk of the Board of Trustees

## EXHIBIT A

### FORM OF CURRENT INTEREST BOND

United States of America  
State of California  
Santa Barbara, Ventura and San Luis Obispo Counties

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C (2020)  
(Current Interest Bond)**

INTEREST RATE:	MATURITY DATE:	ISSUE DATE:	CUSIP:
_____%	August 1, ____	January 29, 2020	_____

REGISTERED OWNER: CEDE & CO.

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

The CUYAMA JOINT UNIFIED SCHOOL DISTRICT, a school district, duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated on an interest payment date, in which event it shall bear interest from such date of authentication, or (ii) this Bond is authenticated prior to an interest payment date and after the close of business on the fifteenth day of the month preceding such interest payment date, in which event it shall bear interest from such interest payment date, or (iii) this Bond is authenticated on or prior to July 15, 2020, in which event it shall bear interest from the Issue Date stated above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond) until payment of such Principal Sum in full, at the rate per annum stated above, payable on February 1 and August 1 in each year, commencing August 1, 2020, calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable at the office of U.S. Bank National Association (the "Paying Agent"), in San Francisco, California. Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check or draft of the Paying Agent mailed by first-class mail to the Owner at the Owner's address as it appears on the registration books maintained by the Paying Agent as of the close of business on the fifteenth day of the month next preceding such interest payment date (the "Record Date"), or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date.

This Bond is one of a duly authorized issue of Bonds of the District designated as "Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020)" (the "Bonds"), in an aggregate principal amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (the "Act"), and pursuant to Resolution No. \_\_ of the District adopted December 12, 2019 (the "Resolution"), authorizing the issuance of the Bonds. Reference is hereby made to the Resolution (copies of which are on file at the office of the

Clerk of the Board of Trustees of the District) and the Act for a description of the terms on which the Bonds are issued and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Paying Agent and the rights and obligations of the District thereunder, to all of the provisions of which Resolution the Owner of this Bond, by acceptance hereof, assents and agrees. This Bond is one of the bonds of a \$\_\_\_\_\_ portion of the Series C Bonds designated as current interest bonds (the "Current Interest Bonds"). The remaining \$\_\_\_\_\_ of the Series C Bonds are being issued concurrently herewith as capital appreciation bonds.

A duly called election was held in the District on June 7, 2016, and thereafter canvassed pursuant to law. At such 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 to repair/replace leaky roofs; make health, safety and security improvements; upgrade inadequate electrical systems; improve student access to computers and modern technology; and modernize 50-year old classrooms, restrooms and buildings (the "Project"), in the maximum aggregate principal amount of \$6,000,000 (the "Authorization") payable from the levy of an *ad valorem* tax against the taxable property in the District. The Bonds represent the third and final issue under the Authorization.

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District and do not constitute an obligation of Santa Barbara, Ventura or San Luis Obispo Counties. The District has the power and is obligated to cause the Boards of Supervisors of Santa Barbara, Ventura and San Luis Obispo Counties to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District. No part of any fund of the Santa Barbara, Ventura or San Luis Obispo Counties is pledged or obligated to the payment of the Bonds.

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

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

Sinking Fund Redemption Date (____ 1)	Principal Amount to be Redeemed
_____	_____

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†Maturity

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be

redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

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

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

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

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

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

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

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

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

IN WITNESS WHEREOF, the Cuyama Joint Unified School District has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of the President of its Board of Trustees and the Clerk of the Board of Trustees, all as of the Issue Date stated above.

CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT

By \_\_\_\_\_  
President of the Board of Trustees

ATTEST:

\_\_\_\_\_  
Clerk of the Board of Trustees

**CERTIFICATE OF AUTHENTICATION**

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

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

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



## ASSIGNMENT

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

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

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

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

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

Signature Guaranteed:

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

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

## EXHIBIT B

### FORM OF CAPITAL APPRECIATION BOND

United States of America  
State of California  
Santa Barbara, Ventura and San Luis Obispo Counties

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
GENERAL OBLIGATION BONDS, ELECTION OF 2016, SERIES C (2020)  
(Capital Appreciation Bond)**

ACCRETION RATE:	MATURITY DATE:	ISSUE DATE:	CUSIP:
_____%	August 1, ____	January 29, 2020	_____

REGISTERED OWNER: CEDE & CO.

DENOMINATIONAL AMOUNT: \$\_\_\_\_\_

MATURITY VALUE: \$\_\_\_\_\_

The CUYAMA JOINT UNIFIED SCHOOL DISTRICT, a school district, duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "District"), for value received, promises to pay to the Registered Owner named above, or registered assigns, the Maturity Value on the Maturity Date, each as stated above, such Maturity Value being comprised of the Denominational Amount and interest accreted thereon. This Bond will not bear current interest but will accrete interest, compounded on each February 1 and August 1, commencing February 1, 2020, at the Accretion Rate specified above to the Maturity Date, assuming that in any such semiannual period the sum of such compounded accreted interest and the Denomination Amount (such sum being herein called the "Accreted Value") increases in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months. Accreted Value is payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this Bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by the Paying Agent, initially U.S. Bank National Association, Los Angeles, California (the "Paying Agent"). Accreted Value is payable upon presentation and surrender of this Bond at the principal office of the Paying Agent.

This Bond is one of a duly authorized issue of Bonds of the District designated as "Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020)" (the "Bonds"), in an aggregate principal amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption and other provisions) and all issued pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (the "Act"), and pursuant to Resolution No. \_\_ of the District adopted December 12, 2019 (the "Resolution"), authorizing the issuance of the Bonds. Reference is hereby made to the Resolution (copies of which are on file at the office of the Clerk of the Board of Trustees of the District) and the Act for a description of the terms on which the Bonds are issued and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Paying Agent and the rights and obligations of the District thereunder, to all of the provisions of which Resolution the Owner of this Bond, by acceptance hereof, assents and agrees. This Bond is one of the bonds of a \$\_\_\_\_\_ portion of the Series C Bonds designated as capital appreciation bonds (the "Capital Appreciation Bonds"). The remaining \$\_\_\_\_\_ of the Series C Bonds are being issued concurrently herewith as current interest bonds.

A duly called election was held in the District on June 7, 2016, and thereafter canvassed pursuant to law. At such 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 to repair/replace leaky roofs; make health, safety and security improvements; upgrade inadequate electrical systems; improve student access to computers and modern technology; and modernize 50-year old classrooms, restrooms and buildings (the "Project"), in the maximum aggregate principal amount of \$6,000,000 (the "Authorization") payable from the levy of an *ad valorem* tax against the taxable property in the District. The Bonds represent the third and final issue under the Authorization.

This Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Resolution) are general obligations of the District and do not constitute an obligation of Santa Barbara, Ventura or San Luis Obispo Counties. The District has the power and is obligated to cause the Boards of Supervisors of Santa Barbara, Ventura and San Luis Obispo Counties to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District. No part of any fund of the Santa Barbara, Ventura or San Luis Obispo Counties is pledged or obligated to the payment of the Bonds.

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

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

Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
_____	_____

†Maturity

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

The Bonds are issuable as fully registered Bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the

charges, if any, as provided in the Resolution. Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

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

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

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

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

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

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

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

IN WITNESS WHEREOF, the Cuyama Joint Unified School District has caused this Bond to be executed in its name and on its behalf with the facsimile signatures of the President of its Board of Trustees and the Clerk of the Board of Trustees, all as of the Issue Date stated above.

CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT

By \_\_\_\_\_  
President of the Board of Trustees

ATTEST:

\_\_\_\_\_  
Clerk of the Board of Trustees

**CERTIFICATE OF AUTHENTICATION**

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

Authentication Date:

U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

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

## ASSIGNMENT

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

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

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

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

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

Signature Guaranteed:

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

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

## EXHIBIT C

### FORM OF BOND PURCHASE AGREEMENT

\$ \_\_\_\_\_  
CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
(Santa Barbara, Ventura and San Luis Obispo Counties, California)  
General Obligation Bonds, Election of 2016, Series C (2020)

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#### BOND PURCHASE AGREEMENT

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January 15, 2020

Cuyama Joint Unified School District  
2300 Highway 166  
New Cuyama, CA 93254

Ladies and Gentlemen:

RBC Capital Markets, LLC (the "Underwriter"), offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with the Cuyama Joint Unified School District (the "District") which, upon your acceptance hereof, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Bond Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 P.M., California time, on the date hereof.

1. Purchase and Sale of the Series C 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 \$\_\_\_\_\_ in aggregate principal amount of the District's General Obligation Bonds, Election of 2016, Series C (2020) (the "Series C Bonds"). The purchase price for the Series C Bonds shall be \$\_\_\_\_\_ (being equal to the aggregate principal amount of the Series C Bonds (\$\_\_\_\_\_.00), plus an original issue premium of \$\_\_\_\_\_, less an Underwriter's discount of \$\_\_\_\_\_). The payment of the principal and interest on the Bonds when due will be insured by \_\_\_\_\_ (the "Municipal Bond Insurer"). The premium for the Municipal Bond Insurer's municipal bond insurance policy (the "Policy") in the amount of \$\_\_\_\_\_ will be paid by the Underwriter to the Municipal Bond Insurer, as an accommodation to the District, from the purchase price. The Underwriter will transfer (a) \$\_\_\_\_\_ to the Santa Barbara County Treasurer-Tax Collector (the "County Treasurer") for deposit in the Building Fund maintained for the District, (b) \$\_\_\_\_\_ to the County Treasurer for deposit in the Interest and Sinking Fund maintained for the District, and (c) \$\_\_\_\_\_ to U.S. Bank National Association, as paying agent (the "Paying Agent"), for deposit in the Costs of Issuance Fund held by the Paying Agent, as costs of issuance custodian, for disbursement at the direction of the District.

The District acknowledges and agrees that (i) the purchase and sale of the Series C Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor (as such term is defined in section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the District, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the District with respect to the offering of the Series C Bonds or the process leading thereto (whether or not

the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the District, (v) the District has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series C Bonds, and (vi) the Underwriter has provided the District with certain disclosures required under the rules of the Municipal Securities Rulemaking Board (the "MSRB").

The Underwriter has provided to the District prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board which have been received by the District.

2. The Series C Bonds. Except as hereinafter described, the Series C Bonds shall be as described in, and shall be issued and secured pursuant to the provisions of the resolution of the District adopted on December 12, 2019 (the "Resolution"), provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (the "Act") and other applicable provisions of law. The Series C Bonds shall be issued, authenticated and delivered under and in accordance with the provisions of this Bond Purchase Agreement and the Resolution.

At an election held in the District on June 7, 2016, more than two-thirds of the qualified electors of the District approved the issuance of \$6,000,000 general obligation bonds to repair/replace leaky roofs; make health, safety and security improvements; upgrade inadequate electrical systems; improve student access to computers and modern technology; and modernize 50-year old classrooms, restrooms and buildings (the "Project"), payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Authorization"). The District has previously issued an initial series of general obligation bonds under the Authorization in the aggregate principal amount of \$2,000,000, its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series A (2016), for the purpose of raising moneys for the Project and other authorized costs, and a second series of general obligation bonds under the Authorization in the aggregate principal amount of \$2,000,000, its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series B (2019), for the purpose of raising moneys for the Project and other authorized costs. The Series C Bonds are being issued pursuant to the Authorization to fund the Project and represent the third and final series of general obligation bonds under the Authorization.

A portion of the Series C Bonds (\$\_\_\_\_\_) are being issued as current interest bonds (the "Current Interest Bonds") and a portion of the Series C Bonds (\$\_\_\_\_\_) are being issued as capital appreciation bonds (the "Capital Appreciation Bonds").

The Current Interest Bonds will be dated the date of delivery and accrue interest from such date, payable semiannually on February 1 and August 1 of each year, commencing on August 1, 2020. The Capital Appreciation Bonds will be dated the date of delivery and accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing on February 1, 2020. The Series C Bonds will mature in the years shown on Appendix A hereto, which is incorporated herein by this reference.

The Current Interest Bonds will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof.

The Capital Appreciation Bonds will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 Maturity Value (where the "Maturity Value" means the accreted value of a Capital Appreciation Bond on the date such Capital Appreciation Bond matures) and any integral multiple thereof. The Maturity Value of each Capital Appreciation Bond is equal to its accreted value ("Accreted Value"), being comprised of its original principal amount ("Original Principal Amount") and the compounded interest between the date of delivery and its respective maturity date.

To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"), the District will undertake, pursuant to the Resolution and a continuing disclosure certificate (the "Continuing Disclosure Certificate"), to provide annual reports and notices of certain



events. A description of this undertaking is set forth in Appendix F of the Preliminary Official Statement and will be set forth in Appendix F of the Official Statement (each as hereinafter defined).

3. Use of Documents. The District hereby authorizes the Underwriter to use, in connection with the offer and sale of the Series C Bonds, this Bond Purchase Agreement, the Official Statement and 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 Bond Purchase Agreement.

4. Public Offering of the Series C Bonds. The Underwriter agrees to make a bona fide public offering of all the Series C Bonds at the initial public offering price or yield to be set forth on the inside cover page of the Official Statement and Appendix A hereto. Subsequent to such initial public offering, the Underwriter reserves the right to change such initial public offering price or yield as it deems necessary in connection with the marketing of the Series C Bonds.

5. Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series C Bonds and shall execute and deliver to the District on the Closing Date an "issue price" or similar certificate substantially in the form attached hereto as Appendix B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series C Bonds.

(b) Except as otherwise set forth in Schedule 1 attached to Appendix B, the District will treat the first price at which 10% of each maturity of the Series C Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) Schedule 1 attached to Appendix B sets forth the maturities, if any, of the Series C 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 Series C Bonds, the Underwriter will neither offer nor sell unsold Series C 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:

(i) the close of the fifth (5th) business day after the sale date; or

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

(d) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Series C 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 retail distribution agreement, as applicable, to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The District acknowledges that, in making the representation set forth in this subsection, 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 hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Series C Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail 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 distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series C Bonds.

(e) The Underwriter acknowledges that sales of any Series C Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section 5. Further, for purposes of this Section 5:

(i) “public” means any person other than an underwriter or a related party, and

(ii) “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 Series C 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 Series C 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 Series C Bonds to the public), and

(iii) a purchaser of any of the Series C Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) at least 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), (B) 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 (C) 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

(iv) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

6. Review of Official Statement. The Underwriter hereby represents that it has received and reviewed the preliminary official statement with respect to the Series C Bonds, dated January 8, 2020 (the Preliminary Official Statement”). The District represents that it has duly authorized and caused the preparation of the Preliminary Official Statement and that it deemed the Preliminary Official Statement to be final as of its date, except for either revision or addition of the offering price(s), yield(s) to maturity, selling compensation, aggregate principal amount, delivery date, rating(s) and other terms of the Series C Bonds which depend upon the foregoing as provided in and pursuant to the Rule.

The Underwriter agrees that prior to the time a final Official Statement (hereinafter defined) relating to the Series C Bonds is available, the Underwriter will send to any potential purchaser of the Series C Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

7. Closing. At 9:00 A.M., Pacific Standard time, on January 29, 2020, or at such other time or on such other date as shall have been mutually agreed upon by you and us (the “Closing”), the District will deliver to the Underwriter (except as otherwise provided in the Resolution), through the facilities of The Depository Trust Company (“DTC”), or at such other place as we may mutually agree, the Series C Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and in Larkspur, California, the other documents hereinafter mentioned; and the Underwriter will accept such delivery and pay the purchase price thereof in immediately available funds.

8. 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 Series C 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 Series C Bonds; (ii) the District has full legal right, power and authority to enter into this Bond Purchase Agreement, to adopt the Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Bond Purchase Agreement and the Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Series C Bonds, the Resolution, the Continuing Disclosure Certificate and this Bond Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Bond Purchase Agreement, the Resolution and the Continuing Disclosure Certificate constitute the valid and legally binding obligations of the District; (v) the Series C Bonds, when issued, authenticated and sold to the Underwriter in accordance with the Resolution, and this Bond Purchase Agreement, will be the legal, valid, binding and enforceable obligations of the District enforceable in accordance with their terms; and (vi) the District has duly authorized the consummation by it of all transactions contemplated by this Bond Purchase Agreement, the Resolution and the Continuing Disclosure Certificate. The District will not amend, terminate or rescind, and will not agree to any amendment, termination or rescission of the Resolution, the Continuing Disclosure Certificate or this Bond Purchase Agreement without the prior written consent of the Underwriter prior to the date of the Closing.

(c) *Consents.* Other than the adoption of the Resolution, 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 Series C Bonds or the consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Series C 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 covenanted to comply with the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, with respect to the Series C Bonds.

(e) *No Conflicts.* The issuance of the Series C Bonds, and the execution, delivery and performance of this Bond Purchase Agreement, the Resolution, the Continuing Disclosure Certificate and the Series C Bonds, and the compliance with the provisions hereof do not conflict with or constitute on the part of the District a violation of or default under, the Constitution of the State of California 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, based on the advice of counsel to the District, 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 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 Series C Bonds, the application of the proceeds of the sale of the Series C Bonds, or the collection of taxes of the District pledged or to be pledged or available to pay the principal of and interest on the Series C Bonds, or the pledge thereof, or, the levy of any taxes contemplated by the Resolution, or in any way contesting or affecting the validity or enforceability of the Series C Bonds, this Bond Purchase Agreement, the Continuing Disclosure Certificate or the Resolution or contesting the powers of the District or its authority with respect to the Series C Bonds, the Resolution, the Continuing Disclosure Certificate or this

Bond Purchase Agreement; or (iii) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by this Bond Purchase Agreement, the Continuing Disclosure Certificate or the Resolution, (b) declare this Bond Purchase Agreement to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Series C Bonds from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation.

(g) *No Other Debt.* Between the date hereof and the Closing, without the prior written consent of the Underwriter, the District will not have issued, nor will Santa Barbara, Ventura and San Luis Obispo Counties (collectively, the "Counties"), on behalf of the District issue, any bonds, notes or certificates of participation except for such borrowings as may be described in or contemplated by the Official Statement.

(h) *Arbitrage Certificate.* The District has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the District is a bond issuer whose arbitrage certificates may not be relied upon.

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

(j) *Official Statement.* The District has reviewed the Preliminary Official Statement and, as of its date and as of the date hereof, the information set forth therein contains no 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 the light of the circumstances under which they were made, not misleading in any material respect. The District will provide to the Underwriter a certificate dated as of the date of the Official Statement and as of the Closing stating that it has reviewed the Official Statement and, as of the Closing, the information set forth therein contains no 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 the light of the circumstances under which they were made, not misleading in any material respect.

(k) *Financial Statements.* The financial statements of the District contained in the Preliminary Official Statement and the Official Statement present fairly the financial position of the District as of the dates indicated and the results of its operations for the periods specified.

(l) *Continuing Disclosure.* Based on a review of its prior undertakings under the Rule, and except as otherwise disclosed in the Preliminary Official Statement and the Official Statement, the District has never failed to comply in all material respects with any previous undertakings with regard to said Rule to provide annual reports or notices of material events with respect to the last five years.

(m) *Levy of Tax.* The District hereby agrees to take any and all actions as may be required by the Counties or otherwise necessary in order to arrange for the levy and collection of taxes for the payment of the Series C Bonds, and the deposit and investment of Series C Bond proceeds. In particular, the District hereby agrees to provide to the appropriate officials of the Counties a copy of the Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Series C Bonds, in accordance with section 15140(c) of the California Education Code and policies and procedures of the Counties.

9. 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 Series C Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, *provided, however*, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof;

(b) *Application of Proceeds.* The District will apply the proceeds from the sale of the Series C 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 Bond Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto being herein called the "Official Statement") in such quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the Municipal Securities Rulemaking Board. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Series C 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 until the date which is ninety (90) days following the Closing or until such time (if earlier) as the Underwriter shall no longer hold any of the Series C Bonds for sale;

(e) *References.* References herein to the Preliminary Official Statement and the final Official Statement include the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto; and

(f) *Amendments to Official Statement.* For a period of ninety (90) days after the Closing or until such time (if earlier) as the Underwriter shall no longer hold any of the Series C Bonds for sale, the District will not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing or which shall be disapproved by the Underwriter; and if any event relating to or affecting the District shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser, the District shall forthwith prepare and furnish (at the expense of the District) a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading.

10. Conditions to Closing. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriter's obligations under this Bond Purchase Agreement 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 Bond Purchase Agreement;

(b) *Obligations Performed.* At the time of the Closing, (i) the Official Statement, this Bond Purchase Agreement, the Resolution and the Continuing Disclosure Certificate 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 Quint & Thimmig LLP ("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 Bond Purchase Agreement, the Continuing Disclosure Certificate 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 Bond Purchase Agreement (and not reversed on appeal or

otherwise set aside), or to the best knowledge of the District, pending or 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) *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 Series C Bonds, at the initial offering prices set forth in the Official Statement, of the Series C Bonds shall not have been materially adversely affected in the judgment of the Underwriter (evidenced by a written notice to the District terminating the obligation of the Underwriter to accept delivery of and pay for the Series C Bonds) by reason of any of the following:

(1) legislation enacted 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 Series C 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 Series C 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 Series C Bonds, or obligations of the general character of the Series C Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended (the "Securities Act");

(2) legislation enacted by the legislature of the State of California (the "State"), or a decision rendered by a court of the State, or a ruling, order, or regulation (final or temporary) made by 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 Series C Bonds in the hands of the holders thereof; or

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

(4) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(5) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Series C Bonds, or obligations of the general character of the Series C 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;

(6) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Series C Bonds, or the issuance, offering or sale of the Series C 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;

(7) there shall have occurred or any notice shall have been given of the intended withdrawal, downgrading or placement on credit watch of any rating of the District's outstanding indebtedness by a national rating agency;

(8) 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; or

(9) the marketability of the Bonds or the market price thereof, in the opinion of the underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets.

(e) *Delivery of Documents.* At or prior to the date of the Closing, Bond Counsel shall deliver sufficient copies of the following documents, in each case dated as of the date of the Closing and satisfactory in form and substance to the Underwriter:

(1) **Bond Opinion.** An approving opinion of Bond Counsel, as to the validity and tax-exempt status of the Series C Bonds, dated the date of the Closing, addressed to the District, in the form attached to the Official Statement as Appendix E;

(2) **Reliance Letter.** A reliance letter from Bond Counsel to the effect that the Underwriter can rely upon the approving opinion described in (e)(1) above;

(3) **Supplemental Opinion.** A supplemental opinion of Bond Counsel, dated the date of the Closing, addressed to the Underwriter to the effect that:

(i) this Bond Purchase Agreement has been duly executed and delivered by the District and, assuming due authorization, execution and delivery by and validity against the Underwriter, is a valid and binding agreement of the District, subject to bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent conveyance and other laws relating to or affecting creditors' rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases;

(ii) the statements contained in the Official Statement under the captions "THE BONDS," "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS" and "TAX MATTERS," insofar as such statements purport to summarize certain provisions of the Series C Bonds and the Resolution and its opinion concerning certain federal tax matters relating to the Series C Bonds are accurate in all material respects; and

(iii) the Series C Bonds are not subject to the registration requirements of the Securities Act and the Resolution is exempt from qualification under the Trust Indenture Act;

(4) **Certificates.** Certificates signed by appropriate officials of the District to the effect that (i) such officials are authorized to execute this Bond Purchase Agreement, (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 and this Bond Purchase Agreement, which are necessary to be complied with prior to or concurrently with the Closing and such documents are in full force and effect, (iv) the District has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) no further consent is required for inclusion of the District's audited financial statements in the Official Statement, and (vi) the Series C Bonds being delivered on the date of the Closing to the

Underwriter under this Bond Purchase Agreement substantially conform to the descriptions thereof contained in the Resolution;

(5) **Disclosure Counsel Opinion.** An opinion letter, dated the date of the Closing and addressed to the District and the Underwriter of Quint & Thimmig LLP, Larkspur, California, Disclosure Counsel ("Disclosure Counsel"), to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel, except to the extent set forth in their supplemental opinion without assuming any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement nor making any representation regarding independent verification of the accuracy, completeness or fairness of any of the statements contained in the Official Statement, such counsel advises that during the course of such representation of the District as disclosure counsel on this matter, no information came to the attention of the attorneys in such firm rendering legal services in connection with such representation which caused them to believe that the Official Statement as of its date and as of the Closing Date (except for any financial, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion (except opinions of Bond Counsel), Appendix A to the Official Statement, or any information about book-entry or DTC included therein, as to which no opinion or view is expressed) 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 the light of the circumstances under which they were made, not misleading;

(6) **Arbitrage.** A non-arbitrage certificate of the District in a form satisfactory to Bond Counsel;

(7) **Policy.** The Policy, issued by the Municipal Bond Insurer;

(8) **Certificate of the Municipal Bond Insurer.** A certificate of the Municipal Bond Insurer or an opinion of counsel to the Municipal Bond Insurer, dated the date of the Closing, to the effect that the information in the Official Statement regarding the Policy and the Municipal Bond Insurer under the caption "MUNICIPAL BOND INSURANCE" and contained in an appendix to the Official Statement containing a specimen of the Policy, is accurate in all material respects;

(9) **Opinion of Counsel to the Municipal Bond Insurer.** An opinion of counsel to the Municipal Bond Insurer as to the validity and enforceability of the Policy, in form and content satisfactory to Bond Counsel and the Underwriter;

(10) **Ratings.** Evidence satisfactory to the Underwriter that the Bonds shall have received an underlying rating of "\_\_\_" from S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P"), and an insured rating of "AA" from S&P, and that such ratings have not been revoked or downgraded;

(11) **Resolution.** A certificate, together with fully executed copies of the Resolution, of the Clerk of the Board of Trustees 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;

(12) **Official Statement.** Certificates of the appropriate officials of the District evidencing their determinations respecting the Official Statement in accordance with the Rule and not more than 25 copies of the Official Statement;

(13) **Continuing Disclosure Certificate.** The Continuing Disclosure Certificate as summarized in the Official Statement and in the form attached thereto as Appendix B, satisfactory to the Underwriter which complies with the Rule;



(14) **Underwriter's Certifications.** At or before Closing, and contemporaneously with the acceptance of delivery of the Series C Bonds and the payment of the purchase price thereof, the Underwriter will provide (or cause to be provided) to the District:

(i) the receipt of the Underwriter, in form satisfactory to the District and signed by an authorized officer of the Underwriter, confirming delivery of the Series C Bonds to the Underwriter, receipt of all documents required by the Underwriter, and the satisfaction of all conditions and terms of this Purchase Agreement by the District and confirming to the District that as of the date of the Closing all of the representations of the Underwriter contained in this Purchase Agreement are true, complete and correct in all material respects; and

(ii) the certification of the Underwriter, in form satisfactory to Bond Counsel, regarding the prices at which the Series C Bonds have been reoffered to the public, as described in Section 1;

(15) **Underwriter's Counsel Opinion.** The opinion of Dannis Woliver Kelly, as Underwriter's counsel, addressed to the Underwriter, in form and substance acceptable to the Underwriter;

(16) **Tax Rate Projection and Debt Capacity Certificates;** and

(17) **Other Documents.** Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, 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 Series C Bonds shall not have been delivered by the District to the Underwriter prior to the close of business, California Time, on January 29, 2020, then the obligation to purchase the Series C 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 Section 11 hereof.

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

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. **Costs and Expenses.** All out-of-pocket expenses of the Underwriter, including the California Debt and Investment Advisory Commission fee, CUSIP fees, travel, the fees of any Underwriter's counsel and other expenses, shall be paid by the Underwriter.

13. **Notices.** Any notice or other communication to be given under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Superintendent, or if to the Underwriter, to RBC Capital Markets, LLC, 777 South Figueroa Street, Suite 850, Los Angeles, CA 90017, Attention: Mr. Frank Vega.

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

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

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

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

Very truly yours,

RBC CAPITAL MARKETS, LLC, as Underwriter

By \_\_\_\_\_  
Authorized Officer

The foregoing is hereby agreed to and accepted  
as of the date first above written:

CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT

By \_\_\_\_\_  
Superintendent

## APPENDIX A

### MATURITY SCHEDULE AND REDEMPTION PROVISIONS

\$ \_\_\_\_\_  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds, Election of 2016, Series C (2020)**  
**(Current Interest Bonds)**

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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#### Redemption Provisions

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

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

<u>Sinking Fund Redemption Date (August 1)</u>	<u>Principal Amount to be Redeemed</u>
--	--

†Maturity

The Current Interest Bonds maturing on August 1, \_\_\_\_ (the “\_\_\_\_ Term Bonds”) are also subject to mandatory sinking fund redemption on August 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for

redemption; provided, however, that if some but not all of the \_\_\_\_ Term Bonds have been redeemed pursuant to the preceding paragraph, the aggregate principal amount of \_\_\_\_ Term Bonds to be redeemed under this paragraph shall be reduced on a pro rata basis in integral multiples of \$5,000, as shall be designated pursuant to written notice filed by the District with the Paying Agent:

Sinking Fund Redemption Date (August 1)	Principal Amount to be Redeemed
_____	_____

\_\_\_\_\_†Maturity

\$ \_\_\_\_\_  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds, Election of 2016, Series C (2020)**  
**(Capital Appreciation Bonds)**

Maturity (August 1)	Initial Principal Amount	Accretion Rate	Maturity Value	Yield	Price
_____	_____	_____	_____	_____	_____

**Redemption Provisions**

*Optional Redemption.* The Capital Appreciation Bonds maturing prior to August 1, \_\_\_\_, are non-callable. The Capital Appreciation Bonds maturing on and after August 1, \_\_\_\_, or on any date thereafter, are callable for redemption prior to their stated maturity date at the option of the District, as a whole, or in part on any date on or after August 1, \_\_\_\_ (in such maturities as are designated by the District, or, if the District fails to designate such maturities, on a proportional basis), and may be redeemed prior to the maturity thereof by payment of the then accreted value of the Capital Appreciation Bonds called for redemption, without premium.

## APPENDIX B

### FORM OF ISSUE PRICE CERTIFICATE

\$ \_\_\_\_\_  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds, Election of 2016, Series C (2020)**

The undersigned, on behalf of RBC Capital Markets, LLC ("RBC"), based on the information available to it, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (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 1.

2. Initial Offering Price of the Bonds Hold-the-Offering Price Maturities.

(a) RBC offered the Hold-the-Offering Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule 1 (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 2.

(b) As set forth in the Bond Purchase Agreement, RBC 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, the Maturities of the Bonds listed in Schedule 1 as "General Rule Maturities."

(b) "Hold-the-Offering Price Maturities" means, the Maturities of the Bonds listed in Schedule 1 as "Hold-the-Offering Price Maturities."

(c) "Holding Period" means, for each Maturity of the Bonds, 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, or (ii) the date on which RBC has sold at least 10% of such Maturity of the Bonds to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(d) "Issuer" means the Cuyama Joint 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 January 15, 2020.

(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 RBC’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. Accordingly, RBC makes no representation as to the legal sufficiency of the factual matters set forth herein. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the arbitrage certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Quint & Thimmig LLP 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 Issuer 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 for any other purpose.

#### 4. Credit

RBC has calculated that the present value of the amounts paid to obtain the \_\_\_\_\_ municipal bond insurance policy (the “Policy”) is less than the present value of the debt service reasonably expected to be saved as a result of having the Policy, using as the discount factor for this purpose the expected Yield with respect to the Bonds treating the fees paid as interest with respect to the Bonds.

RBC CAPITAL MARKETS, LLC, as Underwriter

By \_\_\_\_\_  
Authorized Officer

Dated: January 29, 2020

SCHEDULE 1

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE  
HOLD-THE-OFFERING-PRICE MATURITIES\$ \_\_\_\_\_

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds, Election of 2016, Series C (2020)**  
**(Current Interest Bonds)**

<u>General Rule Maturities</u>	<u>Hold-the- Offering Price Maturities</u>	<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
--	--	--------------------------------	-----------------------------	--------------------------	--------------	--------------

\$ \_\_\_\_\_  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds, Election of 2016, Series C (2020)**  
**(Capital Appreciation Bonds)**

<u>General Rule Maturities</u>	<u>Hold-the- Offering Price Maturities</u>	<u>Initial Principal Amount</u>	<u>Accretion Rate</u>	<u>Maturity Value</u>	<u>Yield</u>	<u>Price</u>
--	--	---	---------------------------	---------------------------	--------------	--------------

SCHEDULE 2  
PRICING WIRE OR EQUIVALENT COMMUNICATION



## EXHIBIT D

### FORM OF PAYING AGENT AGREEMENT

\$ \_\_\_\_\_  
CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
(Santa Barbara, Ventura and San Luis Obispo Counties, California)  
General Obligation Bonds, Election of 2016, Series C (2020)

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

THIS PAYING AGENT/BOND REGISTRAR/COSTS OF ISSUANCE AGREEMENT (this "Agreement"), is entered into as of January 1, 2020, by and between the CUYAMA JOINT UNIFIED SCHOOL DISTRICT (the "District") and U.S. BANK NATIONAL ASSOCIATION (the "Paying Agent"), relating to the \$ \_\_\_\_\_ Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020) (the "Bonds"). The District hereby appoints the Paying Agent to act in such capacity as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds (all such capacities referred to herein as "Paying Agent").

#### RECITALS

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

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

WHEREAS, the District and the Paying Agent wish to provide the terms under which the Paying Agent will act to pay the principal of and interest on the Bonds, in accordance with the terms thereof, and under which the Paying Agent will act as Bond Registrar for the Bonds;

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

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

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

NOW, THEREFORE, it is mutually agreed as follows:

## ARTICLE ONE

### DEFINITIONS

#### Section 1.01. Definitions.

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

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

*"Bond Registrar"* means the Paying Agent when it is performing the function of registrar for the Bonds.

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

*"Bond"* or *"Bonds"* means any one or all of the \$\_\_\_\_\_ Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020).

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

*"District"* means Cuyama Joint Unified School District.

*"District Request"* means a written request signed in the name of the District and delivered to the Paying Agent.

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

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

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

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

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

*"Transfer Agent"* means the Paying Agent when it is performing the function of transfer agent for the Bonds.

*"Treasurer"* means the Santa Barbara County Treasurer-Tax Collector.

*"Underwriter"* means RBC Capital Markets, LLC

## ARTICLE TWO

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

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

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

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

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

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

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

## ARTICLE THREE

### PAYING AGENT

Section 3.01. Duties of Paying Agent. As Paying Agent, the Paying Agent, provided sufficient collected funds have been provided to it for such purpose by or on behalf of the District, shall pay on behalf of the District the principal of, and interest on each Bond in accordance with the debt service schedule attached hereto as Exhibit A.

Section 3.02. Payment Dates. The District hereby instructs the Paying Agent to pay the principal of and interest on the Bonds on the dates specified in the Bond Resolution.

## ARTICLE FOUR

### BOND REGISTRAR

Section 4.01. Initial Delivery of Bonds. The Bonds will be initially registered and delivered to the purchaser designated by the District as one Bond for each maturity. If such purchaser delivers a written request to the Paying Agent not later than five business days prior to the date of initial delivery, the Paying Agent will, on the date of initial delivery, deliver Bonds of authorized denominations, registered in accordance with the instructions in such written request.

Section 4.02. Duties of Bond Registrar. The Paying Agent in its capacity as Bond Registrar shall provide for the proper registration of transfer, exchange and replacement of the Bonds. Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument

of transfer, the signature on which has been guaranteed by an eligible guarantor institution, in form acceptable to the Paying Agent, duly executed by the Registered Owner thereof or his attorney duly authorized in writing. The Bond Registrar may request any supporting documentation it deems necessary or appropriate to effect a re-registration.

Section 4.03. Unauthenticated Bonds. The District shall provide to the Paying Agent on a continuing basis, an adequate inventory of unauthenticated Bonds to facilitate transfers. The Paying Agent agrees that it will maintain such unauthenticated Bonds in safekeeping.

Section 4.04. Form of Bond Register. The Paying Agent as Bond Registrar will maintain its records as Bond Registrar in accordance with the Paying Agent's general practices and procedures in effect from time to time.

Section 4.05. Reports. The District may request the information in the Bond Register at any time the Paying Agent is customarily open for business, provided that reasonable time is allowed the Paying Agent to provide an up-to-date listing and to convert the information into written form.

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

Section 4.06. Cancelled Bonds. All Bonds surrendered for payment, transfer, exchange, or replacement, if surrendered to the Paying Agent, shall be promptly cancelled by it and, if surrendered to the District, shall be delivered to the Paying Agent, shall be promptly cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any Bonds previously authenticated and delivered which the District may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Paying Agent. All cancelled Bonds held by the Paying Agent for its retention period then in effect and shall thereafter be destroyed and evidence of such destruction furnished to the District upon its written request.

## ARTICLE FIVE

### CUSTODIAN AND DISBURSING AGENT

Section 5.01. Receipt of Moneys. The Custodian and Disbursing Agent has received, from the Underwriter, the sum of \$\_\_\_\_\_. Such amount has been deposited in a special fund to be held and maintained by the Custodian and Disbursing Agent in the name of the District (the "Costs of Issuance Fund").

Section 5.02. No Investment. The Custodian and Disbursing Agent shall hold monies in cash uninvested.

Section 5.03. Payment of Costs of Issuance. The Custodian and Disbursing Agent will pay costs of issuance of the Bonds as directed by the District from time to time via a written requisition of the District stating the person to whom payment is to be made, the amount to be paid, that such payment is proper charge against said fund and that payment for such charge has not previously been made and that such payments shall be made by check or wire transfer in accordance with the payment instructions set forth in such requisition and the Custodian and Disbursing Agent shall rely on such payment instructions with no duty to investigate or inquire as to the authenticity of the payment instructions or the authority under which they were given.

Section 5.04. Transfer of Remaining Amounts. Any balances remaining in the Costs of Issuance Fund (including any earnings) on April 29, 2020, or upon the earlier written order of the District, will be transferred to the Treasurer for deposit in the Building Fund maintained for the District and the Costs of Issuance Fund shall be closed.

Section 5.05. Limited Liability. The liability of the Custodian and Disbursing Agent as custodian and disbursing agent is limited to the duties listed above. The Custodian and Disbursing Agent in such capacity will not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion of power conferred upon it by this Agreement.

## ARTICLE SIX

### THE PAYING AGENT

Section 6.01. Duties of the Paying Agent. The Paying Agent undertakes to perform the duties set forth herein. No implied duties or obligations shall be read into this Agreement against the Paying Agent. The Paying Agent hereby agrees to use the funds deposited with it for payment of the principal of and interest on the Bonds to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the Paying Agent to function as Paying Agent and in its capacity as custodian and disbursing agent to use the funds deposited with it for payment of costs of issuance as set forth in Article V hereof.

#### Section 6.02. Reliance on Documents, Etc.

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

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

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

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

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

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

(g) The Paying Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; terrorism; military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities; computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that Paying Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(h) The Paying Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the District shall provide to the Paying Agent an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the District elects to give the Paying Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Paying Agent in its discretion elects to act upon such instructions, the Paying Agent's understanding of such instructions shall be deemed controlling. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Paying Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Paying Agent, including without limitation the risk of the Paying Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 6.03. Recitals of District. The recitals contained in the Bond Resolution and the Bonds shall be taken as the statements of the District, and the Paying Agent assumes no responsibility for their correctness.

Section 6.04. May Own Bonds. The Paying Agent, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent and Bond Registrar for the Bonds.

Section 6.05. Money Held by the Paying Agent. Money held by the Paying Agent hereunder need not be segregated from other funds. The Paying Agent shall have no duties with respect to investment of funds deposited with it, except as expressly set forth herein, and shall be under no obligation to pay interest on any money received by it hereunder.

Any money deposited with or otherwise held by the Paying Agent for the payment of the principal of or interest on any Bond and remaining unclaimed for two years after such deposit will be paid by the Paying Agent to the District, and the District and the Paying Agent agree that the Registered Owner of such Bond shall thereafter look only to the District for payment thereof, and that all liability of the Paying Agent with respect to such moneys shall thereupon cease.

The Paying Agent shall furnish the District periodic cash transaction statements which include detail for all investment transactions effected by the Paying Agent or brokers selected by the District. Upon the District's election, such statements will be delivered via the Paying Agent's online service and upon electing such service, paper statements will be provided only upon request. The District waives the right to receive brokerage confirmations of security transactions effected by the Paying Agent as they occur, to the extent permitted by law. The District further understands that trade confirmations for securities transactions effected by the Paying Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

Section 6.06. Other Transactions. The Paying Agent may engage in or be interested in any financial or other transaction with the District.

Section 6.07. Interpleader. The District and the Paying Agent agree that the Paying Agent may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in a court of competent jurisdiction. The District and the Paying Agent further agree that the Paying Agent has the right to file an action in interpleader in any court of competent jurisdiction to determine the rights of any person claiming any interest herein.

Section 6.08. Indemnification. To the extent permitted by law, the District shall indemnify the Paying Agent, its officers, directors, employees and agents ("Indemnified Parties") for, and hold them harmless against any loss, cost, claim, liability or expense arising out of or in connection with the Paying Agent's acceptance or administration of the Paying Agent's duties hereunder in its capacities as Paying Agent, Registrar, Transfer Agent or Custodian or under the Bond Resolution (except any loss, liability or expense as may be adjudged by a court of competent jurisdiction to be attributable to the Paying Agent's

negligence or willful misconduct), including the cost and expense (including its counsel fees) of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement. Such indemnity shall survive the termination or discharge of this Agreement or discharge of the Bonds.

## ARTICLE SEVEN

### MISCELLANEOUS PROVISIONS

Section 7.01. Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 7.02. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party.

Section 7.03. Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the District or the Paying Agent shall be mailed or delivered to the District or the Paying Agent, respectively, at the following addresses, or such other address as may have been given by one party to the other by fifteen (15) days written notice.

If to the District:	Cuyama Joint Unified School District 2300 Highway 166 New Cuyama, CA 93254 (707) 274-5578
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If to the Paying Agent:	U.S. Bank National Association Attn: Global Corporate Trust 633 West Fifth Street, 24 <sup>th</sup> Floor Los Angeles, CA 90071 (213) 615-6005
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Section 7.04. Effect of Headings. The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

Section 7.05. Successors and Assigns. All covenants and agreements herein by the District and the Paying Agent shall bind their successors and assigns, whether so expressed or not.

Section 7.06. Severability. If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

Section 7.07. Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 7.08. Entire Agreement. This Agreement and the Bond Resolution constitute the entire agreement between the parties hereto relative to the Paying Agent acting in the capacities as Paying Agent, Transfer Agent and Bond Registrar for the Bonds and as Custodian and Disbursing Agent for the payment of costs of issuance relating to the Bonds.

Section 7.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 7.10. Term and Termination. This Agreement shall be effective from and after its date and until the Paying Agent resigns or is removed in accordance with the Bond Resolution; provided,

however, that no such termination shall be effective until a successor has been appointed and has accepted the duties of the Paying Agent hereunder.

The Paying Agent may resign at any time by giving written notice thereof to the District. If the Paying Agent shall resign, be removed or become incapable of acting, the District shall promptly appoint a successor Paying Agent and Bond Registrar. If an instrument of acceptance by a successor Paying Agent and Bond Registrar shall not have been delivered to the Paying Agent within thirty 30 days after the Paying Agent gives notice of resignation, the Paying Agent may petition any court of competent jurisdiction at the expense of the District for the appointment of a successor Paying Agent and Bond Registrar. In the event of resignation or removal of the Paying Agent as Paying Agent and Bond Registrar, upon the written request of the District and upon payment of all amounts owing to the Paying Agent hereunder the Paying Agent shall deliver to the District or its designee all funds and unauthenticated Bonds, and a copy of the Bond Register. The provisions of Section 2.02 and Section 6.08 hereof shall survive and remain in full force and effect following the termination of this Agreement.

Section 7.11. Governing Law. This Agreement shall be construed in accordance with and shall be governed by the laws of the State of California.

Section 7.12. Documents to be Filed with Paying Agent. The District shall file with the Paying Agent the following documents: (a) a certified copy of the Bond Resolution and a specimen Bond; (b) a copy of the opinion of bond counsel provided to the District in connection with the issuance of the Bonds; and (c) a District Request containing written instructions to the Paying Agent with respect to the issuance and delivery of the Bonds, including the name of the Registered Owners and the denominations of the Bonds.

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

CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT

By \_\_\_\_\_  
Stephen B. Bluestein, Ed.D.  
Superintendent

U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

By \_\_\_\_\_  
John Axt  
Vice President



**EXHIBIT A**  
**DEBT SERVICE SCHEDULE**

<div>Interest Payment Date</div>	<div>Principal</div>	<div>Interest</div>	<div>Total</div>

## EXHIBIT E

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the CUYAMA JOINT UNIFIED SCHOOL DISTRICT (the “District”) in connection with the issuance by the District of its \$\_\_\_\_\_ Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020) (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on December 12, 2019 (the “Bond Resolution”). The District covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and in the Indenture which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means the date that is nine months after the end of the District’s fiscal year (currently March 31 based on the District’s fiscal year end of June 30).

“*Dissemination Agent*” shall mean, initially, Isom Advisors, A Division of Urban Futures Incorporated or any successor Dissemination Agent designed in writing by the District and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

“*Fiscal Year*” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the District as its official fiscal year period under a Certificate of the District filed with the Trustee.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Bonds.

“*Participating Underwriter*” means Raymond James& Associates, Inc., the original underwriter of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

“*Significant Events*” means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2- 12(b)(5).

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2020, with the report for fiscal year 2018-19 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District).

If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

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

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

(a) The District's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the District for preceding fiscal year, substantially similar to that provided in the Official Statement, as follows:

- (i) The District's approved budget for the then current fiscal year;
- (ii) Assessed value of taxable property in the District as shown on the most recent equalized assessment role; and
- (iii) Property tax levies, collections and delinquencies for the District, for the most recent completed fiscal year, if Santa Barbara, Ventura or San Luis Obispo Counties are no longer participating in the Teeter Plan.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the District shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) Modifications to rights of security holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the District or other obligated person;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or an obligated person, or the sale of all or substantially all of the assets of the District or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) The incurrence of a financial obligation of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect security holders, if material; or
- (xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Significant Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any

earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The District acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier “if material.” The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the District determines the event’s occurrence is material for purposes of U.S. federal securities law. The District intends that the words used in paragraphs (xv) and (xvi) and the definition of “financial obligation” to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018).

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the 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 governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days’ written notice to the District.

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

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, 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 proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto 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.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the District hereunder and shall not be deemed to be acting in any fiduciary capacity for the District, the Bond holders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: January 29, 2020

CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT

By \_\_\_\_\_  
Superintendent

ACKNOWLEDGED:

ISOM ADVISORS, A Division of Urban Futures  
Incorporated, as Dissemination Agent

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Cuyama Joint Unified School District

Name of Issue: \$\_\_\_\_\_ Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020)

Date of Issuance: January 29, 2020

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated January 29, 2020, furnished by the Issuer in connection with the Issue. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

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

ISOM ADVISORS, A Division of Urban Futures  
Incorporated, as Dissemination Agent

By \_\_\_\_\_  
Title \_\_\_\_\_

cc: Paying Agent



## EXHIBIT F

### PROVISIONS REQUIRED BY SECTION 15146(b)(1)E) OF THE CALIFORNIA EDUCATION CODE

1. Financing Term and time of maturity of the Series C Bonds (the entire series of Series C Bonds).

Illustrative Option 1 includes only current interest bonds (“CIBS”), while Illustrative Option 2 includes both CIBS and Capital Appreciation Bonds (“CABs”)

Year	Scenario #1				Scenario #2			
	CIBs Only				CIBs and CABs			
	Principal	Interest	Debt Service	Net Debt Service	Principal	Interest	Debt Service	Net Debt Service
8/1/2020	\$0.00	\$44,633.33	\$44,633.33	\$0.00	\$0.00	\$16,666.67	\$16,666.67	\$0.00
8/1/2021	0.00	66,950.00	66,950.00	0.00	0.00	25,000.00	25,000.00	0.00
8/1/2022	0.00	66,950.00	66,950.00	29,726.91	0.00	25,000.00	25,000.00	1,631.51
8/1/2023	0.00	66,950.00	66,950.00	66,950.00	13,818.45	26,181.55	40,000.00	40,000.00
8/1/2024	0.00	66,950.00	66,950.00	66,950.00	22,542.00	27,458.00	50,000.00	50,000.00
8/1/2025	0.00	66,950.00	66,950.00	66,950.00	30,849.35	29,150.65	60,000.00	60,000.00
8/1/2026	0.00	66,950.00	66,950.00	66,950.00	38,713.05	31,286.95	70,000.00	70,000.00
8/1/2027	15,000.00	66,950.00	81,950.00	81,950.00	50,312.40	34,687.60	85,000.00	85,000.00
8/1/2028	25,000.00	66,200.00	91,200.00	91,200.00	57,120.00	37,880.00	95,000.00	95,000.00
8/1/2029	10,000.00	64,950.00	74,950.00	74,950.00	43,630.40	36,369.60	80,000.00	80,000.00
8/1/2030	20,000.00	64,450.00	84,450.00	84,450.00	49,814.70	40,185.30	90,000.00	90,000.00
8/1/2031	25,000.00	63,650.00	88,650.00	88,650.00	51,725.80	43,274.20	95,000.00	95,000.00
8/1/2032	35,000.00	62,650.00	97,650.00	97,650.00	56,957.60	48,042.40	105,000.00	105,000.00
8/1/2033	50,000.00	61,250.00	111,250.00	111,250.00	65,053.15	54,946.85	120,000.00	120,000.00
8/1/2034	60,000.00	59,750.00	119,750.00	119,750.00	65,744.00	59,256.00	125,000.00	125,000.00
8/1/2035	65,000.00	57,950.00	122,950.00	122,950.00	66,159.45	63,840.55	130,000.00	130,000.00
8/1/2036	70,000.00	56,000.00	126,000.00	126,000.00	63,295.05	66,704.95	130,000.00	130,000.00
8/1/2037	80,000.00	53,900.00	133,900.00	133,900.00	69,084.00	75,916.00	145,000.00	145,000.00
8/1/2038	85,000.00	51,500.00	136,500.00	136,500.00	68,603.75	81,396.25	150,000.00	150,000.00
8/1/2039	95,000.00	48,950.00	143,950.00	143,950.00	68,558.10	86,441.90	155,000.00	155,000.00
8/1/2040	70,000.00	46,100.00	116,100.00	116,100.00	50,226.00	74,774.00	125,000.00	125,000.00
8/1/2041	80,000.00	43,300.00	123,300.00	123,300.00	53,097.00	81,903.00	135,000.00	135,000.00
8/1/2042	85,000.00	40,100.00	125,100.00	125,100.00	51,000.40	83,999.60	135,000.00	135,000.00
8/1/2043	85,000.00	36,700.00	121,700.00	121,700.00	51,181.90	88,818.10	140,000.00	140,000.00
8/1/2044	95,000.00	33,300.00	128,300.00	128,300.00	50,865.60	94,134.40	145,000.00	145,000.00
8/1/2045	100,000.00	29,500.00	129,500.00	129,500.00	0.00	25,000.00	25,000.00	25,000.00
8/1/2046	105,000.00	24,500.00	129,500.00	129,500.00	0.00	25,000.00	25,000.00	25,000.00
8/1/2047	110,000.00	19,250.00	129,250.00	129,250.00	0.00	25,000.00	25,000.00	25,000.00
8/1/2048	125,000.00	13,750.00	138,750.00	138,750.00	0.00	25,000.00	25,000.00	25,000.00
8/1/2049	150,000.00	7,500.00	157,500.00	157,500.00	500,000.00	25,000.00	525,000.00	525,000.00
<b>Total</b>	<b>\$1,640,000.00</b>	<b>\$1,518,483.33</b>	<b>\$3,158,483.33</b>	<b>\$3,009,676.91</b>	<b>\$1,638,352.15</b>	<b>\$1,458,314.52</b>	<b>\$3,096,666.67</b>	<b>\$3,031,631.51</b>

2. Repayment ratio for the Series C Bonds (the entire issue of Series C Bonds).

Illustrative Option 1: 1.93 to 1

Illustrative Option 2: 1.89 to 1

3. Estimated change in assessed value ("AV") of taxable property in the District over the term of the Series C Bonds.

4.53% annual growth.

4. Total overall cost of the CABs.

In Illustrative Option 2, the estimated principal amount of the CABs is \$1,138,352 with an estimated debt service cost of \$1,855,000. This is a repayment ratio for the CABs of 1.63 to 1.

5. Comparison of #4 to overall cost if instead of CABs, the District issued CIBs.

If the District did not utilize CABs as illustrated in Illustrative Option 2, then Illustrative Option 1 would be the prospective financing plan. The difference in overall net debt service cost is estimated at \$21,955.

6. Reason for recommending CABs.

CABs are being recommended in order to access the desired project fund amount while maintaining the District's tax rate of \$60.00 per \$100,000 of AV. Illustrative Option 1 results in tax rates in excess of \$60.00 per \$100,000 of AV in fiscal years 2022-23 through 2024-25.

7. Copy of G-17 Letter from RBC Capital Markets, LLC

See the attached.

## PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 8, 2020

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

**RATINGS:**  
S&P: “AA” (\_\_\_-Insured)  
S&P: “\_\_\_” (Underlying)  
See “RATINGS” herein.

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

**\$2,000,000\***  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds**  
**Election of 2016, Series C (2020)**

**Dated: Date of Delivery**

**Due: August 1, as shown on the inside cover**

The \$2,000,000 Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020) (the “Bonds”) are being issued by the Cuyama Joint Unified School District (the “District”) pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code and a resolution of the Board of Trustees of the District. The Bonds are being issued to (a) finance the acquisition and construction of educational facilities and projects which were described in the ballot measure approved by the electors of the District on June 7, 2016, which authorized the issuance of general obligation bonds in the maximum aggregate principal amount of \$6,000,000 (the “Authorization”), and (b) pay for costs of issuance of the Bonds. The Bonds constitute the third and final issue of bonds under the Authorization. The Bonds will be issued as current interest bonds and capital appreciation bonds.

The Bonds constitute general obligations of the District payable solely from *ad valorem* property taxes levied and collected by Santa Barbara, Ventura and San Luis Obispo Counties (collectively the “Counties”). The Boards of Supervisors of the Counties are empowered and obligated to annually levy *ad valorem* taxes, without limitation as to rate or amount, for the payment of interest on, and principal of, the Bonds upon all property subject to taxation within the District (except certain personal property which is taxable at limited rates), all as more fully described herein under “THE BONDS” and “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS—Property Taxation System.”

The Current Interest Bonds are issuable in denominations of \$5,000 principal amount and any integral multiple thereof. Interest on the Current Interest Bonds is payable on February 1 and August 1 of each year, commencing August 1, 2020. See “THE BONDS” herein. The Current Interest Bonds will be delivered in fully registered form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Current Interest Bonds. Ownership interests in the Current Interest Bonds may be purchased in book-entry form only. Principal of and interest on the Current Interest Bonds will be paid by U.S. Bank National Association, as paying agent (the “Paying Agent”), to DTC or its nominee, which will in turn remit such payment to its participants for subsequent disbursement to the beneficial owners of the Current Interest Bonds. See “BOOK-ENTRY ONLY SYSTEM” herein.

The Capital Appreciation Bonds will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 Maturity Value. The Maturity Value of each Capital Appreciation Bond is equal to its accreted value (“Accreted Value”), being comprised of its original principal amount (“Original Principal Amount”) and the compounded interest between the date of delivery and its respective maturity date. The Capital Appreciation Bonds will be dated the date of delivery and accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing on February 1, 2020. See “THE BONDS” herein. The Capital Appreciation Bonds will be delivered in fully registered form only and, when delivered, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository of the Capital Appreciation Bonds. Ownership interests in the Capital Appreciation Bonds may be purchased in book-entry form only. The Accreted Value of the Capital Appreciation Bonds will be paid by the Paying Agent to DTC or its nominee, which will in turn remit such payment to its participants for subsequent disbursement to the beneficial owners of the Capital Appreciation Bonds. See “BOOK-ENTRY ONLY SYSTEM” herein.

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

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by \_\_\_\_\_. See “MUNICIPAL BOND INSURANCE” herein.

[INSURER LOGO]

### **MATURITY SCHEDULE**

**SEE INSIDE FRONT COVER**

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

The Bonds will be offered when, as and if issued, and received by the purchaser thereof, subject to the approval as to their validity by Quint & Thimmig LLP, Larkspur, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the District by Quint & Thimmig LLP, Larkspur, California, Disclosure Counsel, and for the Underwriter by Dannis Woliver Kelley, Long Beach, California. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about January 29, 2020.



**RBC Capital Markets**

January \_\_\_\_, 2020

\*Preliminary, subject to change.

**\$2,000,000\***  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California)**  
**General Obligation Bonds**  
**Election of 2016, Series C (2020)**

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES OR YIELDS\***

**Current Interest Bonds**  
**\$ \_\_\_\_\_ Serial Bonds**

CUSIP† Prefix: \_\_\_\_\_

Maturity (August 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP† Suffix
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**Capital Appreciation Bonds**

CUSIP† Prefix: \_\_\_\_\_

Maturity (August 1)	Original Principal Amount	Accretion Rate	Approximate Yield	Maturity Value	CUSIP† Suffix
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\*Preliminary, subject to change.

†Copyright 2020, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, operated by S&P Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the registered owners of the Bonds. Neither the District nor the Underwriter is responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the delivery of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

*For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the District with respect to the Bonds that has been deemed "final" by the District as of its date except for the omission of no more than the information permitted by Rule 15c2-12.*

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

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

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

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

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

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

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

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

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN SECURITIES DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

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

*Municipal Bond Insurance.* \_\_\_\_\_ (the "Municipal Bond Insurer") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, the Municipal Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Municipal Bond Insurer supplied by the Municipal Bond Insurer and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX H--SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

*Website.* The District maintains a website. Unless specifically indicated otherwise, the information presented on such website is not incorporated by reference as part of this Official Statement.

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## TABLE OF CONTENTS

INTRODUCTION .....	1	General .....	17
The District.....	1	Property Taxation System .....	17
Source of Payment for the Bonds .....	2	Method of Property Taxation .....	18
Municipal Bond Insurance Policy .....	2	Assessed Valuations .....	19
Authority for Issue; Purpose of Issue .....	2	Tax Rates .....	25
Description of the Bonds.....	3	Tax Levies and Delinquencies .....	26
Tax Matters .....	3	Teeter Plan .....	28
Offering and Delivery.....	4	Largest Property Owners .....	29
Continuing Disclosure .....	4	Direct and Overlapping Debt.....	29
Professionals Involved in the Bond Offering .....	4	Bonding Capacity.....	30
Other Information .....	4	Cybersecurity Risks .....	30
THE BONDS .....	5	Bankruptcy Risks .....	31
Authority for Issuance.....	5	Risk of Changing Economic Conditions; Risk of	
Purposes of Issuance .....	5	Earthquake .....	31
Security and Source of Payment .....	5	Risks Relating to the Municipal Bond Insurance	
Description of the Bonds.....	7	Policy .....	31
Payment .....	8	INVESTMENT OF DISTRICT FUNDS.....	32
Redemption.....	8	LEGAL MATTERS .....	32
Defeasance .....	11	Possible Limitations on Remedies; Bankruptcy .....	32
Registration, Transfer and Exchange of Bonds .....	12	Legal Opinion .....	34
Estimated Sources and Uses of Funds .....	14	TAX MATTERS .....	34
Financing Plan.....	14	CONTINUING DISCLOSURE.....	36
Debt Service Schedule .....	15	LEGALITY FOR INVESTMENT IN	
PAYING AGENT .....	15	CALIFORNIA .....	37
BOOK-ENTRY ONLY SYSTEM .....	16	ABSENCE OF MATERIAL LITIGATION .....	37
THE DISTRICT .....	16	RATING .....	37
General Information.....	16	UNDERWRITING.....	37
Board of Trustees and Administration .....	16	ADDITIONAL INFORMATION .....	38
MUNICIPAL BOND INSURANCE .....	16	EXECUTION .....	39
Municipal Bond Insurance Policy .....	16		
SECURITY AND SOURCE OF PAYMENT FOR			
THE BONDS .....	17		
APPENDIX A: GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO			
THE CITY OF NEW CUYAMA AND SANTA BARBARA, VENTURA AND SAN			
LUIS OBISPO COUNTIES, CALIFORNIA			
APPENDIX B: DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION			
APPENDIX C: AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL			
YEAR ENDED JUNE 30, 2018			
APPENDIX D: COUNTY INVESTMENT POLICY			
APPENDIX E: FORM OF OPINION OF BOND COUNSEL			
APPENDIX F: FORM OF CONTINUING DISCLOSURE CERTIFICATE			
APPENDIX G: BOOK-ENTRY SYSTEM			
APPENDIX H: SPECIMEN MUNICIPAL BOND INSURANCE POLICY			
APPENDIX I: ACCRETED VALUE TABLES			

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**

2300 Highway 166  
New Cuyama, California 93254  
(661) 766-2482  
<https://www.cuyamaunified.org/>\*

**BOARD OF TRUSTEES**

Jose Valenzuela, *President*  
Michael Mann, *Clerk*  
Trudi Callaway, *Board Member*  
Whitney Goller, *Board Member*  
Heather Lomax, *Board Member*

**DISTRICT ADMINISTRATION**

Dr. Stephen B. Bluestein, Ed.D., *Superintendent*

**PROFESSIONAL SERVICES**

BOND COUNSEL and DISCLOSURE COUNSEL  
Quint & Thimmig LLP  
*Larkspur, California*

MUNICIPAL ADVISOR  
Isom Advisors, A Division of Urban Futures, Inc.  
*Walnut Creek, California*

PAYING AGENT  
U.S. Bank National Association  
*Los Angeles, California*

\*Information therein is not incorporated by reference into this Official Statement.



**\$2,000,000\***  
**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**(Santa Barbara, Ventura and San Luis Obispo Counties, California, California)**  
**General Obligation Bonds**  
**Election of 2016, Series C (2020)**

**INTRODUCTION**

This Official Statement, which includes the cover page, the inside cover page and the appendices hereto, provides information in connection with the sale of the \$2,000,000\* Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California, California) General Obligation Bonds, Election of 2016, Series C (2020) (the “Bonds”). A portion of the Bonds will be issued as current interest bonds (the “Current Interest Bonds”) and a portion of the Bonds will be issued as capital appreciation bonds (the “Capital Appreciation Bonds”).

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

**The District**

The Cuyama Joint Unified School District (the “District”) was established in the late 1800s and provides K-12 education to the residents of the Cuyama Valley in the State of California. The District is located in the northeastern portion of Santa Barbara County (the “County”) and also contains portions of Ventura County and San Luis Obispo County (together with the County, collectively, the “Counties”). The District contains an elementary school, a comprehensive high school, and an alternative high school. The District’s 2019-20 enrollment is estimated to be 200 students.

The District is governed by a five-member Board of Trustees (the “District Board”), whose members are elected at large to four-year terms. The members of the District Board elect a president each year. The management and policies of the District are administered by a Superintendent appointed by the District Board who is responsible for day-to-day District operations as well as the supervision of the District’s other personnel.

For more complete information concerning the District, including certain financial information, see “THE DISTRICT” and APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION. The District’s audited financial statements for the fiscal year ended June 30, 2018, are included as APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018.

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\* Preliminary, subject to change.

## **Source of Payment for the Bonds**

The Bonds constitute general obligations of the District payable solely from *ad valorem* property taxes levied and collected by the Counties. The Boards of Supervisors of the Counties are empowered and are obligated to annually levy *ad valorem* taxes for the payment of the principal of and interest on the Bonds upon all property in the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS.”

## **Municipal Bond Insurance Policy**

The scheduled payment of principal and interest with respect to the Current Interest Bonds when due and the scheduled payment of the Maturity Value of the Capital Appreciation Bonds when due will be guaranteed under a municipal bond insurance policy (the “Municipal Bond Insurance Policy”) to be issued by \_\_\_\_\_ (the “Municipal Bond Insurer”) simultaneously with the issuance of the Bonds. See “MUNICIPAL BOND INSURANCE.”

## **Authority for Issue; Purpose of Issue**

A duly called special municipal election was held in the District on June 7, 2016, and thereafter canvassed pursuant to law. At such 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 to modernize outdated classrooms, restrooms and school facilities, make health and safety improvements, repair or replace leaky roofs, update electrical systems for modern technology and replace outdated heating, ventilation and air-conditioning systems (the “Project”), in the maximum aggregate principal amount of \$6,000,000 payable from the levy of an *ad valorem* tax against the taxable property in the District (the “Authorization”).

Title 1, Division 1, Part 10, Chapter 2 (commencing with section 15100) of the California Education Code and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (collectively, the “Law”), the District is empowered to issue general obligation bonds.

In November 2016, the District issued its \$2,000,000 Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series A (2017) (the “Series A Bonds”), for the purpose of raising moneys for the Project and other authorized costs.

In January 2019, the District issued its \$2,000,000 Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series B (2019) (the “Series B Bonds”), for the purpose of raising moneys for the Project and other authorized costs.

The Bonds are being issued by the District pursuant to the Law and a resolution adopted by the Governing Board of the District (the “Governing Board”) on December 12, 2019 (the “Resolution”), to (a) finance additional components of the Project, and (b) pay for costs of issuance of the Bonds. The Bonds constitute the third issue of bonds under the Authorization.

## Description of the Bonds

*Current Interest Bonds.* The Current Interest Bonds will be dated as of their date of delivery, will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. Interest on the Current Interest Bonds accrues from their date of delivery and is payable semiannually on each February 1 and August 1 (each an “Interest Payment Date”), commencing August 1, 2020. Individual purchases of interests in the Current Interest Bonds will be available to purchasers of the Current Interest Bonds in the denominations of \$5,000 principal amount or any integral multiple thereof.

*Capital Appreciation Bonds.* The Capital Appreciation Bonds will be dated as of their date of delivery, will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 Maturity Value (where the “Maturity Value” means the accreted value of a Capital Appreciation Bond on the date such Capital Appreciation Bond matures) and any integral multiple thereof. The Maturity Value of each Capital Appreciation Bond is equal to its accreted value (“Accreted Value”), being comprised of its initial principal amount (“Initial Principal Amount”) and the compounded interest between its date of delivery and its maturity date. The Capital Appreciation Bonds will accrete interest from such date, compounded semiannually on February 1 and August 1 of each year, commencing on February 1, 2020. See APPENDIX I—ACCRETED VALUE TABLES. The Capital Appreciation Bonds are issued in denominations such that the maturity value thereof shall equal \$5,000 or an integral multiple thereof.

The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), and will be available to actual purchasers of the Bonds (the “Beneficial Owners”) in the denominations set forth on the inside cover page hereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See “BOOK-ENTRY ONLY SYSTEM” and APPENDIX G—BOOK-ENTRY SYSTEM. In event that the book-entry system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Resolution as described herein. See “THE BONDS—Registration, Transfer and Exchange of Bonds.” Individual purchases of interests in the Bonds will be available to purchasers of the Bonds in the denominations of \$5,000 principal amount or any integral multiple thereof.

Certain of the Bonds are subject to redemption prior to maturity. See “THE BONDS—Redemption.”

## Tax Matters

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

## **Offering and Delivery**

The Bonds are offered when, as, and if issued and received by the purchaser, subject to approval as to their legality by Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about January 29, 2020.

## **Continuing Disclosure**

The District has covenanted for the benefit of the holders and Beneficial Owners of the Bonds to make available certain financial information and operating data relating to the District and to provide notices of the occurrence of certain enumerated events in compliance with S.E.C. Rule 15c2-12(b)(5) (the “Rule”). The specific nature of the information to be made available and of the notices of enumerated events is summarized below under the caption “CONTINUING DISCLOSURE.” Also, see APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE.

## **Professionals Involved in the Bond Offering**

Several professional firms have provided services to the District with respect to the sale and delivery of the Bonds. Quint & Thimmig LLP, Larkspur, California, Bond Counsel, will deliver its legal opinion in substantially the form set forth in APPENDIX E—FORM OF OPINION OF BOND COUNSEL. Quint & Thimmig LLP, Larkspur, California, is also serving as Disclosure Counsel to the District with respect to the Bonds (“Disclosure Counsel”). Certain legal matters will also be passed upon for the Underwriter by Dannis Woliver Kelley, Long Beach, California. The payment of fees and expenses of such firms with respect to the Bonds is contingent on the sale and delivery of the Bonds. The District’s financial statements for the fiscal year ended June 30, 2018, have been audited by Moss, Levy & Hartzheim LLP, Santa Maria, California. See APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018. The Underwriter is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information in this Official Statement.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to herein and information concerning the Bonds are available for inspection at the office of the Chief Business Official, Cuyama Joint Unified School District, 2300 Highway 166, New Cuyama, CA 93254, telephone (661) 766-2482. The District may impose a charge for copying, mailing and handling.

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

The information set forth herein has been obtained from official sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change

without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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, and Section 27A of the United States Securities Exchange Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget,” or other similar words. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

All terms used in this Official Statement and not otherwise defined shall have the meanings given such terms in the Resolution.

## **THE BONDS**

### **Authority for Issuance**

The Bonds are issued pursuant to the Constitution and laws of the State, including the Law, and the Resolution.

### **Purposes of Issuance**

The Bonds are being issued to (a) finance the acquisition and construction of educational facilities and projects which were described in the Authorization, and (b) pay for costs of issuance of the Bonds. The Bonds constitute the third issue of bonds under the Authorization. See “—Estimated Sources and Uses of Funds.”

The District has authorized and issued certain other general obligation bonds. See “APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION—District Debt Structure.”

### **Security and Source of Payment**

The Bonds constitute general obligations of the District payable solely from *ad valorem* property taxes levied and collected by the Counties. The Boards of Supervisors of the Counties are empowered and are obligated to levy *ad valorem* taxes for the payment of the Bonds, and the interest thereon, upon all property in the District subject to taxation by the District without limitation of rate or amount (except certain personal property which is taxable at limited rates). Such taxes are required to be levied annually, in addition to all other taxes, during the period that the Bonds are outstanding in an amount sufficient to pay the principal or Accreted Value of and interest on the Bonds when due. The levy may include an allowance for a reserve, established to avoid fluctuations in tax levies. Such taxes, when collected, will be deposited, with respect to the Bonds, into the Interest and Sinking Fund and which is required by the

California Education Code to be applied for the payment of principal of and interest on the Bonds when due. Although the Counties are obligated to levy an *ad valorem* tax for the payment of the Bonds, and the Counties Directors of Finance (the “Directors of Finance”) will maintain the Interest and Sinking Fund, the Bonds are a debt of the District, not of the Counties.

Moneys placed in the Interest and Sinking Fund of the District are irrevocably pledged for the payment of the principal or Accreted Value of and interest on the Bonds when and as the same fall due. The property taxes and amounts held in the Interest and Sinking Fund of the District shall immediately be subject to this pledge, and the pledge shall constitute a lien and security interest which shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The pledge is an agreement between the District and the Owners of the Bonds in addition to the statutory lien in accordance with section 53515(a) of the California Government Code, and the Bonds were issued to finance one or more projects authorized under the authorization provided by District voters and not to finance the general purposes of the District.

In accordance with section 53515(a) of the California Government Code, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for general obligation bonds issued under the authorization provided by District voters. The lien shall automatically attach without further action or authorization by the District or the Counties. The lien shall be valid and binding from the time the Bonds are issued and delivered. The revenues received pursuant to the levy and collection of the tax shall be immediately subject to the lien, and the lien shall automatically attach to the revenues and be effective, binding, and enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act.

The moneys in the Interest and Sinking Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, will be transferred by the Counties, through the Directors of Finance, to the Paying Agent (hereinafter defined) which, in turn, will pay such moneys to DTC to pay the principal or Accreted Value of and interest on the Bonds. DTC will thereupon make payments of principal and interest on the Bonds to the DTC Participants who will thereupon make payments of principal and interest to the Beneficial Owners (as defined herein) of the Bonds.

The amount of the annual *ad valorem* tax levied by the Counties to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds in any year. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate. Economic and other factors beyond the District’s control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemption for property owned by the State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, fire, flood, 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. For further information regarding the District’s assessed valuation, tax rates, overlapping debt, and other matters concerning taxation, see “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS.”

## Description of the Bonds

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Beneficial Owners will not receive physical certificates representing their interests in the Bonds. See “BOOK-ENTRY ONLY SYSTEM” and APPENDIX G—BOOK-ENTRY SYSTEM.

*Current Interest Bonds.* Interest on the Current Interest Bonds accrues from their date of delivery and is payable semiannually on each Interest Payment Date. Interest on the Current Interest Bonds accrues on the basis of a 360-day year comprised of twelve 30-day months. Each Current Interest Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Interest Payment Date to that Interest Payment Date, inclusive, in which event it will bear interest from such Interest Payment Date, or unless it is authenticated on or before July 15, 2020, in which event it will bear interest from its date of delivery.

The Current Interest Bonds are issuable in denominations of \$5,000 principal amount or any integral multiple thereof. The Current Interest Bonds mature on the dates, in the years and amounts set forth on the inside cover page hereof. The principal of and interest on the Current Interest Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check or draft of the Paying Agent mailed by first-class mail to the Owner at the Owner’s address as it appears on the registration books maintained by the Paying Agent as of the close of business on the fifteenth day of the month next preceding such interest payment date (the “Record Date”), or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided however, that payment of interest may be by wire transfer in immediately available funds to an account in the United States of America to any Owner of the Current Interest Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Paying Agent at least five (5) days before the applicable Record Date. See also “BOOK-ENTRY ONLY SYSTEM” below.

*Capital Appreciation Bonds.* The Capital Appreciation Bonds are dated their date of delivery and accrete interest from such date. The Initial Principal Amount of each maturity of the Capital Appreciation Bonds are shown on the inside cover hereof. The Capital Appreciation Bonds are issued in denominations such that the maturity value thereof shall equal \$5,000 or an integral multiple thereof. The Capital Appreciation Bonds are payable only at redemption or maturity, in the years and amounts set forth on the inside cover page hereof.

The Capital Appreciation Bonds will not bear current interest. Interest on the Capital Appreciation Bonds will be compounded on February 1 and August 1 of each year, commencing February 1, 2020; each Capital Appreciation Bond shall accrete in value daily over the term to its maturity, from its Initial Principal Amount on the date of delivery thereof to its stated Maturity Value at maturity thereof. See APPENDIX I—ACCRETED VALUE TABLES.

The interest portion of the Accreted Value of any Capital Appreciation Bond which is payable on the date of maturity or earlier redemption thereof represents interest accreted and coming due on such date. As to the Capital Appreciation Bonds, “Bond Payment Date” means the stated maturity dates thereof or redemption dates, as applicable. The Accreted Value of any Capital Appreciation Bond at maturity will be payable by check or draft mailed by first-class mail, in lawful money of the United State of America or earlier redemption thereof upon presentation and surrender of such Capital Appreciation Bond at the office of the Paying Agent. See also “BOOK ENTRY ONLY SYSTEM” below.

See the maturity schedule on the inside cover page hereof and “Debt Service Schedule.”

The Capital Appreciation Bonds will have the Maturity Values as shown on the inside cover hereof. Values of principal and Accreted Value on each compounding date prior to maturity are indicated on the tables set forth in APPENDIX I—ACCRETED VALUE TABLES. Information on Accreted Values in this Official Statement and the Accreted Value tables in APPENDIX I—ACCRETED VALUE TABLES have been provided by the Underwriter.

## **Payment**

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

## **Redemption**

### *Optional Redemption.*

**Current Interest Bonds.** The Current Interest Bonds maturing prior to August 1, \_\_\_\_\_, are non-callable. The Current Interest Bonds maturing on and after August 1, \_\_\_\_\_, are callable for redemption prior to their stated maturity date at the option of the District, as a whole, or in part on any date on or after August 1, \_\_\_\_\_ (in such maturities as are designated by the District, or, if the District fails to designate such maturities, on a proportional basis), and may be redeemed prior to the maturity thereof by payment of the then accreted value of the Current Interest Bonds called for redemption, without premium.

**Capital Appreciation Bonds.** The Capital Appreciation Bonds maturing prior to August 1, \_\_\_\_\_, are non-callable. The Capital Appreciation Bonds maturing on and after August 1, \_\_\_\_\_, are callable for redemption prior to their stated maturity date at the option of the District, as a whole, or in part on any date on or after August 1, \_\_\_\_\_ (in such maturities as are designated by the District, or, if the District fails to designate such maturities, on a proportional basis), and may be redeemed prior to the maturity thereof by payment of the then accreted value of the Capital Appreciation Bonds called for redemption, without premium.

### *Mandatory Sinking Fund Redemption.*

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



Sinking Fund  
Redemption Date  
(August 1)

Principal  
Amount to be  
Redeemed

†Maturity

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

Sinking Fund  
Redemption Date  
(August 1)

Principal  
Amount to be  
Redeemed

†Maturity

*Selection of Bonds for Redemption.* If less than all of the Bonds are called for redemption, the particular Bonds or portions thereof to be redeemed shall be called in such order as shall be directed by the District and, in lieu of such direction, in inverse order of their maturity. Within a maturity, the Paying Agent shall select the Bonds for redemption by lot; *provided, however*, that the portion of any Bonds to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and that, in selecting Bonds for redemption, the Paying Agent shall treat each Bonds as representing that number of Bonds which is obtained by dividing the principal amount of such Bonds by five thousand dollars.

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

Notwithstanding the foregoing, in the case of any optional redemption of the Bonds, the notice of redemption will state that the redemption is conditioned upon receipt by the Paying Agent of sufficient

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

*Conditional Notice of Redemption.* Any notice of optional redemption of the Bonds may be conditional and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, (i) said notice shall be of no force and effect, (ii) the District shall not be required to redeem such Bonds; (iii) the redemption shall be cancelled and (iv) the Paying Agent shall within a reasonable time thereafter give notice to the persons and in the manner in which the conditional notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. The actual receipt by the owner of any Bonds of notice of such cancellation shall not be a condition precedent to cancellation, and failure to receive such notice or any defect in such notice shall not affect the validity of the cancellation.

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

*Partial Redemption of Bonds.* In the event only a portion of any Bonds is called for redemption, then upon surrender of such Bonds the District will execute and the Paying Agent will authenticate and deliver to the Owner thereof, at the expense of the District, a new Bond or Bonds of the same maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed. Bonds need not be presented for mandatory sinking fund redemptions.

*Effect of Redemption.* Notice having been given as described above, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside for such purpose, the Bonds to be redeemed will 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, will be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof will have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed will cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds will be held in trust for the account of the registered owners of the Bonds so to be redeemed. Bonds (or portions thereof), which have been duly called for redemption prior to maturity, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, and sufficient moneys are held by the Paying Agent irrevocably in trust for the payment of

the redemption price of such Bonds or portions thereof, then such Bonds will no longer be deemed outstanding and will be surrendered to the Paying Agent for cancellation.

### **Defeasance**

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

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

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

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

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

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

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

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

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

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

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

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

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

So long as any of the Bonds remain outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in the Resolution (the "Bond Register"). Subject to the provisions of the Resolution, the person in whose name a Bond is registered on the Bond Register will be regarded as the absolute owner of that Bond for all purposes of the Resolution. Payment of or on account of the principal of any Bond will be made only to or upon the order of that person; neither the District, nor the Paying Agent will be affected by any notice to the contrary, but the registration may be changed as provided in the Resolution. All such payments will be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

In the event that the book-entry system as described herein is no longer used with respect to the Bonds, the following provisions will govern the registration, transfer, and exchange of the Bonds.

Any Bond may be exchanged for Bonds of like tenor, maturity, and outstanding principal amount or maturity value (the "Transfer Amount") upon presentation and surrender at the principal office of the Paying Agent, together with a request for exchange signed by the owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the principal office of the Paying Agent together with an assignment executed by the 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 will 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 Transfer Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

In all cases of exchanged or transferred Bonds, the District will sign, and the Paying Agent will authenticate and deliver Bonds in accordance with the provisions of the Resolution. All fees and costs of transfer will be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer will be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under the Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer will be canceled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds will be promptly canceled by the Paying Agent. Written reports of the surrender and cancellation of Bonds will be made to the District by the Paying Agent. The canceled Bonds will be retained for a period of time, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th business day next preceding either any interest payment date or any date of selection of Bonds to be redeemed and ending with the close of business on the interest payment date or any day on which the applicable notice of redemption is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

## Estimated Sources and Uses of Funds

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

### Sources of Funds:

Principal Amount of Bonds	\$2,000,000.00*
Plus: Original Issue Premium	
Total Sources of Funds	

### Uses of Funds:

Deposit to Building Fund	
Deposit to Interest and Sinking Fund	
Costs of Issuance (1)	
Total Uses of Funds	

- (1) Includes the Underwriter's discount, the fees of the municipal advisor, bond counsel, disclosure counsel, the rating agency and other third-party providers and the premium for the Municipal Bond Insurance Policy. Any excess will be transferred to the District's Interest and Sinking Fund.

## Financing Plan

The proceeds of sale of the Bonds, exclusive of any premium and accrued interest received, shall be deposited in the County treasury to the credit of the Building Fund of the District. Any premium and accrued interest shall be deposited upon receipt in the Interest and Sinking Fund of the District within the County Treasury. All funds held in the Interest and Sinking Fund of the District shall be invested at the sole discretion of the County Treasurer. All funds held in the Building Fund of the District by the County Treasurer hereunder shall be invested at the County Treasurer's discretion pursuant to law and the investment policy of the County. The County Treasurer's Office neither monitors investments for arbitrage compliance, nor does it perform arbitrage calculations. The District shall maintain or cause to be maintained detailed records with respect to the applicable proceeds. See "COUNTY POOLED INVESTMENT FUND."

A portion of the proceeds of the Bonds will be retained by the Paying Agent in a costs of issuance account (the "Costs of Issuance Account") and used to pay costs associated with the issuance of the Bonds.

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\* Preliminary, subject to change.

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

- (1) Interest on the Current Interest Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2020.
- (2) Interest on the Capital Appreciation Bonds accretes semiannually on each February 1 and August 1, commencing February 1, 2020.

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

Page 146 of 285

for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests for the Bonds.

## **BOOK-ENTRY ONLY SYSTEM**

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. See APPENDIX G—BOOK-ENTRY SYSTEM.

## **THE DISTRICT**

### **General Information**

The District was established in the late 1800s and provides K-12 education to the residents of the Cuyama Valley region of California. The District is located in the northeastern portion of the County and also contains portions of Ventura County and San Luis Obispo County. The District operates an elementary school, a comprehensive high school and an alternative high school.

Unless otherwise indicated, the financial, statistical and demographic data in this Official Statement has been provided by the District. Additional information concerning the District and copies of subsequent audited financial reports of the District may be obtained by contacting: Cuyama Joint Unified School District, Attention: Chief Business Official.

### **Board of Trustees and Administration**

The District is governed by a five-member District Board, each member of which is elected to a four-year term. Elections for positions to the District Board are held every two years, alternating between two and three available positions.

<u>District Board Member</u>	<u>Office</u>	<u>Current Term Expires (December)</u>
Jose Valenzuela	President	2020
Michael Mann	Vice President	2020
Trudi Callaway	Board Member	2020
Whitney Goller	Board Member	2022
Heather Lomax	Board Member	2022

The Superintendent of the District is Dr. Stephen B. Bluestein, Ed.D.

## **MUNICIPAL BOND INSURANCE**

### **Municipal Bond Insurance Policy**

Concurrently with the issuance of the Bonds, the Municipal Bond Insurer will issue the Municipal Bond Insurance Policy. The Municipal Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Municipal Bond Insurance Policy included as APPENDIX H—SPECIMEN MUNICIPAL BOND INSURANCE POLICY.



[TO COME]

## SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

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

### General

In order to provide sufficient funds for repayment of principal and interest when due on the Bonds, the Boards of Supervisors of the Counties are empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District, including the countywide tax of 1% of taxable value. When collected, the tax revenues will be deposited by the County in the District's Interest and Sinking Fund, which is required to be maintained by the County and to be used solely for the payment of bonds of the District.

### Property Taxation System

The collection of property taxes is significant to the District and the Owners of the Bonds in two respects. First, the Boards of Supervisors of the Counties will levy and collect *ad valorem* taxes on all taxable parcels within the District, which are pledged specifically to the repayment of the Bonds. Second, the general *ad valorem* property tax levy levied in accordance with Article XIII A of the California Constitution and its implementing legislation is taken into account in connection with the State's Local Control Funding Formula ("LCFF") which determines the amount of funding received by the District from the State to operate the District's educational programs and operations. The LCFF replaces revenue limit and most categorical program funding previously used to determine the amount of funding received by the District from the State. LCFF consists primarily of base, supplemental and concentration funding formulas that focus resources based on a school district's student demographic. See APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION—Allocation of State Funding to School Districts; Restructuring of the K-12 Funding System and APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION—2019-20 State Budget Provisions Specific to K through 12 Education. As described below, the general *ad valorem* property tax levy, a portion of which is allocated to the District for operating purposes and the additional *ad valorem* property tax levy pledged to repay the Bonds, will be collected on the annual tax bills distributed by the Counties to the owners of parcels within the boundaries of the District.

The District received approximately \_\_\_\_\_% of its total general fund operating revenues from local property taxes in fiscal year 2018-19.

Local property taxation is the responsibility of various officers of the counties. For each school district located in a county, the county assessor computes the value of locally assessed taxable property.

Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes according to the approved tax rolls. In addition, the treasurer-tax collector, as *ex officio* treasurer of each school district located in the county, holds and invests school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal and interest on such bonds when due. Taxes on property in a school district whose boundaries extend into more than one county are administered separately by the county in which the property is located. The State Board of Equalization (the "SBE") also assesses certain special classes of property, as described later in this section.

### **Method of Property Taxation**

Under Proposition 13, an amendment to the California Constitution adopted in 1978 that added Article XIII A of the California Constitution, the county assessor's valuation of real property is established as shown on the fiscal year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property may be increased annually to reflect inflation at a rate not to exceed 2% per year, or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than that of similar properties more recently sold and may be lower than its own market value. Likewise, changes in ownership of property and reassessment of such property to market value commonly will lead to increases in aggregate assessed value even when the rate of inflation or consumer price index would not permit the full 2% increase on any property that has not changed ownership. See APPENDIX B-DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION.

Taxes are levied by the Counties for each fiscal year on taxable real and personal property which is situated in the Counties as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due.

Local agencies and schools will share the growth of "base" sources from all tax rate areas in the Counties. Each year's growth allocation becomes part of each local agency's allocation in the following year. The availability of revenue from growth in the tax bases in such tax rate areas may be affected by the existence of redevelopment agencies (including their successor agencies) which, under certain circumstances, may be entitled to sources resulting from the increase in certain property values. State law exempts \$7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt values is supplemented by the State.

For assessment and tax 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 property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the

taxes. All other property is “unsecured,” and is assessed on the “unsecured roll.” Secured property assessed by the SBE is commonly identified for taxation purposes as “utility” property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to any delinquent payment. Property on the secured roll, with respect to which taxes are delinquent, becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of 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 property is subject to sale by the Director of Finance.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of one and one-half percent per month attaches to such taxes beginning the second month after the delinquent date, and on the first day of each month until paid. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing 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 lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder’s office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the delinquent taxpayer.

### **Assessed Valuations**

The assessed valuation of property in the District is established by the County Assessors of the Counties, except for public utility property which is assessed by the SBE. Assessed valuations are reported at 100% of the “full value” of the property, as defined in Article XIII A of the California Constitution.

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. The *ad valorem* levy for the Bonds is based upon the assessed valuation of the parcels of taxable property in the District. Property taxes allocated to the District are collected by the Counties at the same time and on the same tax rolls as are county, city and special district taxes. The assessed valuation of each parcel of property is the same for both District and the Counties taxing purposes. The valuation of secured property by the County Assessors of the Counties is established as of January 1 and is subsequently equalized in September of each year.

The greater the assessed value of taxable property in the District, the lower the tax rate necessary to generate taxes sufficient to pay scheduled debt service on the Bonds. The table below shows the assessed valuation of taxable property in the District for the most recent fiscal years.

**HISTORIC ASSESSED VALUATIONS**  
**Fiscal Years 2012-13 to 2019-20**

Fiscal Year	Local Secured	Utility	Unsecured	Total Valuation	Percent Change
San Luis Obispo County Portion					
2012-13	\$37,314,932	—	\$1,484,756	\$38,799,688	—
2013-14	38,321,902	—	1,821,532	40,143,434	3.46%
2014-15	41,347,013	—	1,640,817	42,987,830	7.09
2015-16	45,940,537	—	2,063,996	48,004,533	11.67
2016-17	45,979,278	—	2,005,643	47,984,921	(0.04)
2017-18	47,427,777	—	1,534,872	48,962,649	2.04
2018-19	48,823,521	—	1,795,501	51,619,022	5.43
2019-20					
Santa Barbara County Portion					
2012-13	\$189,881,109	\$245,000	\$15,720,345	\$205,846,454	—
2013-14	210,353,933	245,000	16,665,532	227,264,465	10.40%
2014-15	218,585,292	245,000	18,879,377	237,709,669	4.60
2015-16	185,299,378	5,000	20,320,681	205,625,059	(13.50)
2016-17	164,290,669	5,000	19,310,220	183,605,889	(10.71)
2017-18	188,151,007	2,397	19,875,859	208,029,263	13.20
2018-19	212,706,890	2,397	21,500,574	234,209,861	12.59
2019-20					
Ventura County Portion					
2012-13	\$22,455,610	—	\$18,952,003	\$41,407,613	—
2013-14	23,548,289	—	12,127,687	35,675,976	(13.84)%
2014-15	24,936,868	—	18,306,592	43,243,460	21.21
2015-16	28,005,178	—	11,560,882	39,566,060	(8.50)
2016-17	28,527,117	—	9,752,818	38,279,935	(3.25)
2017-18	28,795,040	—	7,468,520	36,263,560	(5.27)
2018-19	29,962,109	—	21,624,553	51,586,662	42.25
2019-20					
Total District					
2012-13	\$249,651,651	\$245,000	\$36,157,104	\$286,053,755	—
2013-14	272,224,124	245,000	30,614,751	303,083,875	5.95
2014-15	284,869,173	245,000	38,826,786	323,940,959	6.88
2015-16	259,245,093	5,000	33,945,559	293,195,652	(9.49)
2016-17	238,797,064	5,000	31,068,681	269,870,745	(7.96)
2017-18	264,373,824	2,397	28,879,251	293,255,472	8.67
2018-19	292,492,520	2,397	44,920,628	337,415,545	15.06
2019-20					

Source: California Municipal Statistics, Inc.

As indicated above, assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year.

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

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

In addition 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.

In addition, Article XIII A of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary

rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis.

*Risk of Decline in Property Values; Fire; Earthquake Risk.* Property values could be reduced by factors beyond the District's control, including fire, earthquake and a depressed real estate market due to general economic conditions in the Counties, the region and the State.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, drought, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes). Lower assessed values could necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Bonds. Issuance of additional bonds in the future might also cause the tax rate to increase.

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

*Assembly Bill 102.* On June 27, 2017, the Governor of the State (the "Governor") signed into law Assembly Bill 102 ("AB 102"). AB 102 restructured the functions of the SBE and created two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration took over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE continues to perform the duties assigned by the State Constitution related to property taxes, however, effective January 1, 2018, the SBE will only hear appeals related to the programs that it constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the District.

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

effect, generally reducing the assessed value in the District as the value is shared among the other jurisdictions in the Counties. The District is unable to predict future transfers of State-assessed property in the District and the Counties, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the District.

The following table shows the 2019-20 assessed valuation of each jurisdiction within the boundaries of the District:

**ASSESSED VALUATION BY JURISDICTION<sup>(1)</sup>**  
**Fiscal Year 2019-20**

<u>Jurisdiction</u>	<u>Assessed Value in District</u>	<u>% of District</u>	<u>Assessed Value of Jurisdiction</u>	<u>% of Jurisdiction In District</u>
Unincorporated San Luis Obispo County				
Unincorporated Santa Barbara County				
Unincorporated Ventura County				
Total District				
<u>Summary by County:</u>				
San Luis Obispo County				
Santa Barbara County				
Ventura County				
Total District				

Source: California Municipal Statistics, Inc.

The following table gives a distribution of taxable real property located in the District by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**ASSESSED VALUATION AND PARCELS BY LAND USE**  
**Fiscal Year 2019-20**

	2019-20 Assessed Valuation <sup>(1)</sup>	% of Total	No. of Parcels	% of Total
<u>Non Residential:</u>				
Agricultural/Rural				
Commercial/Office				
Vacant Commercial				
Industrial				
Vacant Industrial				
Oil & gas				
Government/Social/Institutional				
Subtotal Non-Residential				
<u>Residential:</u>				
Single Family Residence				
Mobile Home				
Mobile Home Park				
2+ Residential Units/Apartments				
Vacant Residential				
Subtotal Residential				
Total				

Source: California Municipal Statistics, Inc.

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



The following table shows the assessed valuations of single-family homes for the District, including the average and median assessed value per single family homes.

**ASSESSED VALUATION OF SINGLE FAMILY HOMES**  
**Fiscal Year 2019-20**

		No. of Parcels	2019-20 Assessed Valuation		Average Assessed Valuation	Median Assessed Valuation
Single Family Residential						
2019-20 Assessed Valuation	No. of Parcels <sup>(1)</sup>	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$24,999						
\$25,000 - \$49,999						
\$50,000 - \$74,999						
\$75,000 - \$99,999						
\$100,000 - \$124,999						
\$125,000 - \$149,999						
\$150,000 - \$174,999						
\$175,000 - \$199,999						
\$200,000 and greater						
Total						

Source: California Municipal Statistics, Inc.

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

## Tax Rates

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

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

The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in the principal Tax Rate Area (“TRA”) within the District for the past five fiscal years. TRA 63-001 comprises approximately \_\_\_\_\_% of the total assessed value of property in the District.

**TYPICAL *AD VALOREM* TAX RATES**  
**Fiscal Years 2015-16 to 2019-20**  
**Total Tax Rates (TRA 63-001 – 2019-20 Assessed Valuation: \$ \_\_\_\_\_)**

	2015-16	2016-17	2017-18	2018-19	2019-20
General Tax Rate	1.00000%	1.00000%	1.00000%	1.00000%	
Cuyama Joint Unified School District	.00000	.00000	.05982	.02992	
Alan Hancock Community College District	.02500	.02500	.02375	.02256	
Total Tax Rate	1.02500%	1.02500%	1.08357%	1.05248%	

Source: California Municipal Statistics, Inc.

### **Tax Levies and Delinquencies**

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

The following tables reflect the historical secured tax levy and year-end delinquencies for general obligation bonds of the District for the past eight fiscal years. See “Teeter Plan” below for a discussion of the application of the Teeter Plan in the Counties which provides the District with 100% of the secured property tax levy irrespective of delinquencies.

**SECURED TAX CHARGE AND DELINQUENCY**  
**1% General Fund Apportionment**  
**Fiscal Years 2011-12 to 2018-19**

<u>Fiscal Year</u>	<u>Secured Tax Charge <sup>(1)</sup></u>	<u>Amount Delinquent June 30</u>	<u>% Delinquent June 30</u>
<b>San Luis Obispo County Portion</b>			
2011-12	\$198,741.63	\$3,832.46	1.93%
2012-13	209,400.58	3,017.90	1.44
2013-14	218,727.15	2,612.70	1.19
2014-15	235,795.34	2,637.78	1.12
2015-16	261,046.31	2,466.33	0.94
2016-17	261,683.43	2,461.35	0.94
2017-18	267,257.70	2,578.95	0.96
2018-19			

<b>Ventura County Portion</b>			
2011-12	\$107,376.50	\$1,545.64	1.44%
2012-13	160,745.44	2,203.54	1.37
2013-14	138,031.74	1,256.20	0.91
2014-15	168,577.46	1,393.92	0.83
2015-16	155,202.70	2,119.10	1.37
2016-17	148,483.02	1,213.93	0.82
2017-18	141,833.81	1,069.98	0.75
2018-19			

**Debt Service Levy**  
**Fiscal Year 2017-18 and 2018-19**

<u>Fiscal Year</u>	<u>Secured Tax Charge <sup>(2)</sup></u>	<u>Amount Delinquent June 30</u>	<u>% Delinquent June 30</u>
<b>San Luis Obispo County Portion</b>			
2017-18	\$28,266.82	\$216.43	0.77%
2018-19			
<b>Ventura County Portion</b>			
2017-18	\$17,204.03	\$1,259.08	7.32%
2018-19			
<b>Santa Barbara County Portion</b>			
2017-18	\$111,984.72	\$2,888.27	2.58%
2018-19			

Source: California Municipal Statistics, Inc.

(1) 1% General Fund apportionment. Santa Barbara County information is not available.

(2) Debt Service Levy only.

## **Teeter Plan**

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

The Teeter Plan is applicable to secured property tax levies, including for the Bonds. The Teeter Plan is not applicable to unsecured property tax levies. As adopted by the Counties, the Teeter Plan excludes Mello-Roos Community Facilities Districts, special assessment districts, and benefit assessment districts.

Each county cash position is protected by a special fund, known as the “Tax Loss Reserve Fund,” which accumulates moneys from interest and penalty collections. In each fiscal year, the Tax Loss Reserve Fund is required to be funded to the amount of delinquent taxes plus one percent of that year’s tax levy. Amounts exceeding the amount required to be maintained in the tax loss reserve fund may be credited to the that county’s general fund. Amounts required to be maintained in the tax loss reserve fund may be drawn on to the extent of the amount of uncollected taxes credited to each agency in advance of receipt.

The Teeter Plan is to remain in effect unless the Counties’ Boards order its discontinuance or unless, prior to the commencement of any fiscal year of one of the Counties (which commences on July 1), a county board receives a petition for its discontinuance joined in by resolutions adopted by at least two-thirds of the participating revenue districts in that county, in which event that county board is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. That county board may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in that county if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. If the Teeter Plan is discontinued subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the District) for which the Counties act as the tax-levying or tax-collecting agency, but penalties and interest would be credited to the political subdivisions.

The District is not aware of any petitions for the discontinuance of the Teeter Plan in any of the Counties.

## Largest Property Owners

*Concentration of Property Ownership.* Based on fiscal year 2019-20 locally assessed taxable valuations, the top twenty taxable property owners in the District represent approximately \_\_\_\_\_% of the total fiscal year 2019-20 taxable value.

The following table shows the 20 largest owners of taxable property in the District as determined by secured assessed valuation in fiscal year 2019-20.

### LARGEST LOCAL SECURED TAXPAYERS Fiscal Year 2019-20

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2019-20 Assessed Valuation</u>	<u>% of Total<sup>(1)</sup></u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
	Total Top 20		<u>          </u>	<u>          </u>

Source: California Municipal Statistics, Inc.

(1) 2019-20 local secured assessed valuation: \$2,499,258,091.

## Direct and Overlapping Debt

*Direct and Overlapping Debt.* Set forth on the following page is a schedule of direct and overlapping debt prepared by California Municipal Statistics Inc. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith.

The table generally includes long-term obligations sold in the public credit markets by the public agencies listed. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-

term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

The first column in the table names each public agency which has outstanding debt as of November 1, 2019, and whose territory overlaps the District in whole or in part. The second column 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 the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

## **STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT**

### **CUYAMA JOINT UNIFIED SCHOOL DISTRICT**

Source: California Municipal Statistics, Inc.

(1) Excludes Bonds to be sold.

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

### **Bonding Capacity**

As a unified school district, the District may issue bonds in an amount up to 2.50% of the assessed valuation of taxable property within its boundaries. Based on the fiscal year 2019-20 assessment roll, the District's bonding capacity is approximately \$\_\_\_\_\_, and its net bonding capacity is \$\_\_\_\_\_ (taking into account current outstanding debt but not taking into account the Bonds of this issue). Refunding bonds may be issued without regard to this limitation however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

### **Cybersecurity Risks**

The District and the Counties may each face various cyber security threats, including, but not limited to, hacking, viruses, malware, ransomware and other attacks on their computers and their networks. No assurance can be given that the District's or Counties' efforts to manage cyber threats and attacks will be successful in all cases, or that any such attack will not materially impact the operations or finances of the District or the Counties. The District is reliant on the Counties in connection with the administration of the Bonds, including without limitation the Counties tax collectors for the levy and collection of *ad valorem* taxes, and the Paying Agent. No assurance can be given that the District, the Counties, and these other entities will not be adversely affected by cyber threats and attacks in a manner that may affect owners of the Bonds.

## **Bankruptcy Risks**

In bankruptcy, the voluntary application of pledged special revenues to indebtedness secured by such revenues is not subject to the automatic stay. A recent decision by the United States Court of Appeals for the First Circuit in a case involving revenue bonds of the Puerto Rico Highways & Transportation Authority, however, concludes that an action by bondholders to compel the application of pledged special revenues is not exempt from the automatic stay. See “LEGAL MATTERS” below.

## **Risk of Changing Economic Conditions; Risk of Earthquake**

Property values could be reduced by factors beyond the District’s control, including an earthquake, or a depressed real estate market due to general economic conditions in the Counties, the region, and the State. The District, like much of California, is located in a seismically active region.

## **Risks Relating to the Municipal Bond Insurance Policy**

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the Municipal Bond Insurance Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory sinking fund or optional redemption, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Municipal Bond Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory sinking fund or optional prepayment of the Bonds by the District which is recovered by the District from the Bond owner as a voidable preference under applicable bankruptcy law is covered by the Municipal Bond Insurance Policy, however, such payments will be made by the Municipal Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the District unless the Municipal Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Municipal Bond Insurer without appropriate consent. The Municipal Bond Insurer may direct and must consent to any remedies and the Municipal Bond Insurer’s consent may be required in connection with amendments to any applicable Bond documents.

In the event the Municipal Bond Insurer is unable to make payment of principal and interest as such payments become due under the municipal bond insurance policy, the Bonds are payable solely from the moneys received pursuant to the applicable Bond documents. In the event the Municipal Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Municipal Bond Insurer and its claim paying ability. The financial strength and claims paying ability of the Municipal Bond Insurer are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Municipal Bond Insurer and of the ratings on the Bonds will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See RATINGS.

The obligations of the Municipal Bond Insurer are general obligations of the Municipal Bond Insurer and in an event of default by the Municipal Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the District or Underwriter have made independent investigation into the claims paying ability of the Municipal Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Municipal Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims paying ability of the Municipal Bond Insurer, particularly over the life of the investment.

## **INVESTMENT OF DISTRICT FUNDS**

In accordance with Section 41001 of the California Education Code, each California public school district maintains substantially all of its operating funds in the county treasury of the county in which it is located, and each county treasurer-tax collector serves as ex officio treasurer for those school districts located within the county. Each treasurer-tax collector has the authority to invest school district funds held in the county treasury. Generally, the treasurer-tax collector pools county funds with school district funds and funds from certain other public agencies and invests the cash. These pooled funds are carried at cost. Interest earnings are accounted for on either a cash or accrual basis and apportioned to pool participants on a regular basis. In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See “APPENDIX D—SANTA BARBARA, VENTURA AND SAN LUIS OBISPO COUNTIES, CALIFORNIA INVESTMENT POOL.”

## **LEGAL MATTERS**

### **Possible Limitations on Remedies; Bankruptcy**

*General.* Following is a discussion of certain considerations relating to potential bankruptcies of school districts in California. It is not an exhaustive discussion of the potential application of bankruptcy law to the District. State law contains a number of safeguards to protect the financial solvency of school districts. See “APPENDIX B—DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION.” 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 a district for the adjustment of its debts, assuming that such district meets certain other requirements contained in the Bankruptcy Code necessary for filing such a petition. School districts under current State law are not themselves authorized to file a bankruptcy proceeding, and they are not subject to involuntary bankruptcy.

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, the parties to the proceedings may be prohibited from taking any action to collect any amount from the District (including *ad valorem* tax revenues) or to enforce any obligation of the District, without the bankruptcy court’s



permission. 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, if the bankruptcy court were to determine that the alterations were fair and equitable. In addition, in such a proceeding, as part of such a plan, the District may be able to eliminate the obligation of the Counties to raise taxes if necessary, to pay the Bonds. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Bonds. Moreover, regardless of any specific adverse determinations in any District bankruptcy proceeding, a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Bonds.

As stated above, if a school district were to go into bankruptcy, the bankruptcy petition would be filed under Chapter 9 of the Bankruptcy Code. Chapter 9 provides that it does not limit or impair the power of a state to control, by legislation or otherwise, a municipality or in such state in the exercise of the political or governmental powers of such municipality, including expenditures for such exercise. For purposes of the language of Chapter 9, a school district is a municipality. State law provides that the *ad valorem* taxes levied to pay the principal and interest on the Bonds shall be used for the payment of principal and interest of the District's general obligation bonds and for no other purpose. If this restriction on the expenditure of such *ad valorem* taxes is respected in a bankruptcy case, then the *ad valorem* tax revenue could not be used by the District for any purpose other than to make payments on the Bonds. It is possible, however, that a bankruptcy court could conclude that the restriction should not be respected.

*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 in California, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. 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 executed and delivered. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments that become due and owing on the Bonds during the pendency of the Chapter 9 proceeding could be delayed unless the Bonds are determined to be secured by a pledge of "special revenues" within the meaning of the Bankruptcy Code and the pledged *ad valorem* taxes are applied to pay the Bonds in a manner consistent with the Bankruptcy Code.

*Special Revenues.* If the *ad valorem* tax revenues that are pledged to the payment of the Bonds (see "THE BONDS – Security") are determined to be "special revenues" within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay. "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* taxes for payment of the Bonds. Additionally, the *ad valorem* taxes levied for payment of the Bonds are permitted under the State Constitution only where either (i) the applicable bond proposition is approved by 55% of the voters and such proposition contains a specific list of school facilities projects, or (ii) if the applicable bond proposition is approved by two-thirds of voters and such bonds must be issued for the acquisition or improvement of real property. Because State law prohibits the use of the tax proceeds for any purpose other than payment of the bonds and the bond proceeds can only be used to fund the acquisition or improvement of real property and other capital expenditures included in the

proposition, 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* tax revenues collected for the payments of bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

In addition, even if the *ad valorem* tax revenues are determined to be “special revenues,” the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could determine that the District is entitled to use the *ad valorem* tax revenues to pay necessary operating expenses of the District and its schools, before the remaining revenues are paid to the owners of the Bonds.

*Possession of Tax Revenues; Remedies.* If one of the Counties or the District goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if that 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 take or how effective they would be in obtaining possession of such tax revenues.

*Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor's Rights.* The proposed form of opinion of Bond Counsel, attached hereto as Appendix E, is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights.

## **Legal Opinion**

The proceedings in connection with the issuance of the Bonds are subject to the approval as to their legality of Quint & Thimmig LLP, Larkspur, California, bond counsel for the District. Certain legal matters will also be passed upon for the District by Quint & Thimmig LLP, Larkspur, California, as disclosure counsel and for the Underwriter by Dannis Woliver Kelley, Long Beach, California. The fees and expenses of bond counsel, disclosure counsel and counsel to the Underwriter are contingent upon the issuance and delivery of the Bonds.

## **TAX MATTERS**

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District's compliance with the above referenced covenants, under present law, in the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals.

Subject to the District's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under section 265(b)(2) of the Code.

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

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

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

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

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity, the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Internal Revenue Code of 1986, as amended (the "Code") (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

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

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form

any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

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

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

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

Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

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

### **CONTINUING DISCLOSURE**

The District has covenanted for the benefit of holders and Beneficial Owners of the Bonds to provide certain financial information and operating data relating to the District (the “Annual Report”) by not later than March 31 after the end of the District’s fiscal year (the current end of the District’s fiscal year is on June 30), commencing with the report for the 2018-19 fiscal year which would be due on March 31, 2020, and to provide notices of the occurrence of certain events listed in the District’s Continuing Disclosure Certificate, the form of which is in APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE. The Annual Report and notices of listed events will be filed by the District with the Municipal Securities Rulemaking Board (the “MSRB”), by posting on the MSRB’s Electronic Municipal Market Access or “EMMA” system (website: [www.emma.msrb.org](http://www.emma.msrb.org)). These continuing disclosure covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the “Rule”).

The District has retained Isom Advisors, A Division of Urban Futures, Inc. to assist it with the preparation and timely filing of future annual reports and event notices required under its existing

continuing disclosure obligations with respect to the District's continuing disclosure obligations related to the Bonds. The District's only obligations under the Rule relate to the Series A Bonds. Except for the failure of the District to timely file a notice of a S&P rating change which occurred in March 2018 (the filing was made in December 2018), the District is in full compliance under the Rule.

## **LEGALITY FOR INVESTMENT IN CALIFORNIA**

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

## **ABSENCE OF MATERIAL LITIGATION**

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

## **RATING**

S&P is expected to assign the rating of "AA" to the Bonds based on the issuance of the Municipal Bond Insurance Policy by the Municipal Bond Insurer at the time of delivery of the Bonds. See "MUNICIPAL BOND INSURANCE." In addition, S&P has assigned the underlying rating of "\_\_\_" to the Bonds without regard to the issuance of the Municipal Bond Insurance Policy. These ratings reflect only the views of S&P and an explanation of the significance of such ratings may be obtained from S&P. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

The District has covenanted in the Continuing Disclosure Certificate to file on the EMMA website notices of any rating changes on the Bonds. See APPENDIX F—FORM OF CONTINUING DISCLOSURE CERTIFICATE. Notwithstanding such covenant, information relating to rating changes on the Bonds may be publicly available from S&P prior to such information being provided to the District and prior to the date the District is obligated to file a notice of a rating change on EMMA. Purchasers of the Bonds are directed to S&P, its website and official media outlet for the most current rating changes with respect to the Bonds after the initial issuance of the Bonds.

## **UNDERWRITING**

The Bonds were purchased by RBC Capital Markets, LLC (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a purchase price of \$\_\_\_\_\_ (which is equal to the principal amount of the Bonds of \$\_\_\_\_\_, plus an original issue premium of \$\_\_\_\_\_, and less Underwriter's discount of \$\_\_\_\_\_). The purchase agreement relating to the Bonds provides

that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions. The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

While the Underwriter does not believe that there is a potential or actual conflict of interest, the Underwriter notes that a member of the District Board is an employee of the Underwriter's Private Client Group. That District Board member has recused himself from any decision-making concerning the Underwriter's work for the District and will continue to do so.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the District. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the District.

### **ADDITIONAL INFORMATION**

Quotations from and summaries and explanations of the Bonds, the Resolution, the Continuing Disclosure Certificate of the District and the constitutional provisions, statutes and other documents referenced herein, do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions.

All data contained herein has been taken or constructed from District records. Appropriate District officials, acting in their official capacities, have reviewed this Official Statement and have determined that, as of the date hereof, the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading. This Official Statement has been approved by the District Board.

## **EXECUTION**

Execution and delivery of this Official Statement have been duly authorized by the District.

CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT

By \_\_\_\_\_  
Stephen B. Bluestein, Ed.D.,  
Superintendent

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## APPENDIX A

### GENERAL INFORMATION REGARDING SANTA BARBARA COUNTY AND THE CUYAMA VALLEY

*The District is located in the Cuyama Valley in the northeastern portion of the Santa Barbara County. The Cuyama Valley is geographically isolated from the rest of Santa Barbara County by the Sierra Madre Mountains and the Los Padres National Forest. The information presented in this Appendix regarding Santa Barbara County may not be reflective of economic and demographic trends within the Cuyama Valley.*

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

*Although reasonable efforts have been made to include up-to-date information in this Appendix A, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.*

#### Introduction

*The Cuyama Valley.* The District is located in the Cuyama Valley (the “Valley”). The Valley is located along the Cuyama River in central California, in northern Santa Barbara, southern San Luis Obispo, southwestern Kern, and northwestern Ventura counties.

The Valley encompasses an area of approximately 300 square miles (780 km<sup>2</sup>). The Valley is bounded on all sides by mountains: the Sierra Madre Mountains along the south and west, La Panza Range on the north, and Caliente Range along the northeast – all of the California Coast Ranges System; and the San Emigdio Mountains on the east – of the Transverse Ranges System.

The Valley is a sparsely inhabited area containing two primary towns – Cuyama and New Cuyama, and also Ventucopa. Land in the Valley is largely used for ranching, agriculture, and oil and gas production. California State Route 166 runs along most of the east/west length of the valley, connecting the Kern County and the southern San Joaquin Valley with Santa Maria and coastal Santa Barbara and San Luis Obispo Counties. State Route 33 runs north/south through the eastern end of the valley, connecting the southern San Joaquin Valley with Ojai and coastal Ventura County.

The discovery of oil in 1948 at the Russell Ranch Oil Field and in 1949 at the South Cuyama Oil Field lead to the economic development of the Valley. Richfield Oil Company, later part of ARCO, built the town of New Cuyama in the Valley to house the oil workers and their associated services. They shipped the oil pumped from these two fields by pipeline to their refinery near Long Beach.

As oil production has declined the main economic activity in the Valley has become agriculture.

*The County.* Santa Barbara County (the “County”) is located in the southern part of the central coast of the State of California. The County seat is the city of Santa Barbara. The County is one of the original 27 counties of California, created February 18, 1850, following adoption of the California Constitution of 1849 and just months before the state was admitted to the Union.

The County has a mountainous interior abutting several coastal plains on the west and south coasts of the county. The largest concentration of population is on the southern coastal plain, referred to as the "south coast" – meaning the part of the county south of the Santa Ynez Mountains. This region includes the cities of Santa Barbara, Goleta, and Carpinteria, as well as the unincorporated areas of Hope Ranch, Summerland, Mission Canyon, Montecito and Isla Vista. North of the mountains are the towns of Santa Ynez, Solvang, Buellton, Lompoc; the unincorporated towns of Los Olivos and Ballard; the unincorporated areas of Mission Hills and Vandenberg Village; and Vandenberg Air Force Base, where the Santa Ynez River flows out to the sea. North of the Santa Ynez Valley are the cities of Santa Maria and Guadalupe, and the unincorporated towns of Orcutt, Los Alamos, Casmalia, Garey, and Sisquoc. In the northeastern portion of the county are the small cities of New Cuyama, Cuyama, and Ventucopa.

The city of Santa Barbara and other coastal communities support a significant tourism economy. White-collar jobs, previously with an emphasis in aerospace but more recently in software and other high-tech pursuits are encouraged by proximity to the University of California, Santa Barbara. Vandenberg Air Force Base has traditionally had a large economic impact in the northern portion of the county and continues to be the site of frequent satellite launches.

## Population

The table below summarizes population of the County and the State of California for the last five years.

**SANTA BARBARA COUNTY and CALIFORNIA  
Population**

Year	Santa Barbara County	State of California
2015	443,312	38,952,462
2016	447,227	39,214,803
2017	449,823	39,504,609
2018	452,747	39,740,508
2019	454,593	39,927,315

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Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2011-19, with 2010 Census Benchmark.

## Employment

The following table summarizes historical employment and unemployment for the County, the State of California and the United States:

### SANTA BARBARA COUNTY, CALIFORNIA, and UNITED STATES Civilian Labor Force, Employment, and Unemployment (Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate <sup>(1)</sup>
2014	Santa Barbara County	219,100	205,700	13,400	6.1%
	California	18,811,400	17,397,100	1,414,300	7.5
	United States	155,922,000	146,305,000	9,617,000	6.2
2015	Santa Barbara County	220,000	208,400	11,600	5.3
	California	18,981,800	17,798,600	1,183,200	6.2
	United States	157,130,000	148,834,000	8,296,000	5.3
2016	Santa Barbara County	216,600	205,800	10,800	5.0
	California	19,102,700	18,065,000	1,037,700	5.4
	United States	159,187,000	151,436,000	7,751,000	4.9
2017	Santa Barbara County	217,000	207,300	9,700	4.5
	California	19,312,000	18,393,100	918,900	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018 <sup>(2)</sup>	Santa Barbara County	216,700	208,300	8,400	3.9
	California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2010-2018, and US Department of Labor.

- (1) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.
- (2) Latest available full-year data.

## Major Employers

The following table lists the major employers within Santa Barbara County according to Santa Barbara County's FY2017-18 CAFR.

### SANTA BARBARA COUNTY 2018 Major Employers

Employer	Employees	% of Total County Employment
University of California, Santa Barbara	4,325	2.10%
County of Santa Barbara	4,213	2.05
Cottage Health Organization	3,606	1.75
Vandenberg Air Force Base	2,500	1.22
Santa Maria-Bonita School District	2,120	1.03
Chumash Casino Resort	2,000	.97
Allan Hancock College	1,480	.72
Santa Barbara Unified School District	1,400	.68
Zodiac Aerospace	1,200	.59
Santa Barbara City College	1,193	.58
Total	24,037	11.69

Source: Santa Barbara County 2017-18 CAFR.

## Construction Activity

The following table reflects the five-year history of building permit valuation for Santa Barbara County:

### SANTA BARBARA COUNTY Building Permits and Valuation (Dollars in Thousands)

	2014	2015	2016	2017	2018
<b>Permit Valuation:</b>					
New Single-family	\$ 133,802	\$ 136,832	\$ 145,028	\$ 243,706	\$ 165,606
New Multi-family	66,497	118,902	84,802	93,549	86,350
Res. Alterations/Additions	90,190	94,853	113,548	103,782	112,554
Total Residential	290,490	350,587	343,378	441,038	364,511
Total Nonresidential	183,825	228,961	260,239	258,437	267,758
Total All Building	474,315	579,548	603,618	699,475	632,270
<b>New Dwelling Units:</b>					
Single Family	369	377	367	704	512
Multiple Family	552	694	550	609	539
Total	921	1,071	917	1,313	1,051

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

Note: Columns may not sum to totals due to independent rounding.

## Median Household Income

The following table summarizes the median household effective buying income for the Cuyama Census Designated Place, the County, the State of California and the nation for the five most recent years.

### CUYAMA CDP, SANTA BARBARA COUNTY, CALIFORNIA and UNITED STATES Effective Buying Income

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2015	Cuyama CDP	\$ 898	\$ 40,625
	Santa Barbara County	11,291,721	56,247
	California	981,231,666	53,589
	United States	7,757,960,399	46,738
2016	Cuyama CDP	1,051	34,000
	Santa Barbara County	11,238,225	55,605
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043
2017	Cuyama CDP	1,015	44,375
	Santa Barbara County	12,395,238	60,194
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2018	Cuyama CDP	1,068	41,000
	Santa Barbara County	12,425,347	60,108
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841
2019	Cuyama CDP	1,098	48,125
	Santa Barbara County	13,652,022	66,143
	California	1,243,564,816	65,870
	United States	9,487,165,436	55,303

Source: Nielsen Claritas, Inc.

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## APPENDIX B

### DISTRICT AND GENERAL SCHOOL DISTRICT FINANCIAL INFORMATION

*The information in this appendix concerning the operations of the District, the District's finances, and State funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of and interest on the Bonds is payable from the general fund of the District or from State revenues. The Bonds are payable solely from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and State Constitutional requirements, and required to be levied by the Counties on property within the District in an amount sufficient for the timely payment of principal and interest on the Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS" in the Official Statement.*

#### Allocation of State Funding to School Districts; Restructuring of the K-12 Funding System

Most California school districts receive a significant portion of their funding from State appropriations. As a result, changes in State revenues may affect appropriations made by the Legislature to school districts. Commencing with the fiscal year 2013-14, the State budget restructured the manner in which the State allocates funding for K-12 education. In fiscal year 2013-14, State legislation replaced the majority of revenue limit and categorical funding formulas with a new set of funding formulas. The new formula for school funding is known as the "Local Control Funding Formula" (the "Local Control Funding Formula" or "LCFF"). The State budget provided funding in fiscal year 2013-14 to begin implementing the new formulas. Under the prior funding system, school districts received different per-pupil funding rates based on historical factors and varying participation in categorical programs. The new system provides a base rate per student multiplied by the school district's average daily attendance ("ADA") for each of several grade levels. The base rates are augmented by several funding supplements such as for (1) students needing additional services, defined as English learners, students from lower income families, and foster youth; and (2) school districts with high concentrations of English learners and lower income families. The new funding system requires school districts to develop local control and accountability plans describing how the school district intends to educate its students and achieve annual education goals to be achieved in state-mandated areas of priority.

Under the prior system, California Education Code Section 42238 and following, each school district was determined to have a target funding level: a "base revenue limit" per student multiplied by the school district's ADA. The base revenue limit was calculated from the school district's prior-year funding level, as adjusted for a number of factors, such as inflation, special or increased instructional needs and costs, employee retirement costs, especially low enrollment, increased pupil transportation costs, etc. Generally, the amount of State funding allocated to each school district was the amount needed to reach that district's base revenue limit after taking into account certain other revenues, in particular, locally generated property taxes. This was referred to as State "equalization aid." To the extent local tax revenues increased due to growth in local property assessed valuation, the additional revenue was offset by a decline in the State's contribution. A school district whose local property tax revenues exceed its base revenue limit is entitled to receive no State equalization aid, and receives only its special categorical aid, which is deemed to include the "basic aid" of \$120 per student per year guaranteed by Article IX, Section 6 of the Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some equalization aid were commonly referred to as "revenue limit districts," which are now referred to as "LCFF districts." The District is a LCFF district.

The Local Control Funding Formula is also based on ADA. ADA can fluctuate due to factors such as population growth or decline, competition from private, parochial, and public charter schools, inter-district transfers in or out, and other causes. Losses in ADA will cause a school district to lose operating revenues, without necessarily permitting the school district to make adjustments in fixed operating costs.

### Average Daily Attendance

In the past, annual State apportionments of basic and equalization aid to school districts were computed based on a revenue limit per unit of ADA. Prior to fiscal year 1998-99, daily attendance numbers included students who were absent from school for an excused absence, such as illness. Effective in fiscal year 1998-99, only actual attendance is counted in the calculation of ADA. This change was essentially fiscally neutral for school districts which maintain the same excused absence rate. The rate per student was recalculated to provide the same total funding to school districts in the base year as would have been received under the old system. After fiscal year 1998-99, school districts which improved their actual attendance rate received additional funding.

As indicated above, commencing with the fiscal year 2013-14, the State budget restructured the manner in which the State allocates funding for K-12 education using the Local Control Funding Formula. Under the prior funding system, school districts received different per-pupil funding rates based on historical factors and varying participation in categorical programs. The following table shows the District's enrollment, ADA and LCFF Revenues for the most recent fiscal years.

#### AVERAGE DAILY ATTENDANCE, LCFF AND ENROLLMENT Fiscal Years 2014-15 to 2019-20

Fiscal Year	Average Daily Attendance <sup>(1)</sup>	LCFF Revenues <sup>(2)</sup>	Enrollment <sup>(3)</sup>
2014-15	222.84	\$ 2,219,095	233
2015-16	221.47	2,777,799	224
2016-17	211.07	3,015,190	204
2017-18	190.64	2,645,458	201
2018-19 <sup>(4)</sup>		2,360,030	
2019-20 <sup>(5)</sup>		2,703,595	

Source: Cuyama Joint Unified School District

- (1) Reflects ADA as of the second principal reporting period (P-2 ADA), ending on or before the last attendance month prior to April 15 of each school year.
- (2) Deficit revenue limit funding, when provided for in State budgetary legislation, reduced the revenue limit allocations received by school districts by applying a deficit factor to the base revenue limit for the given fiscal year, and resulted from an insufficiency of appropriation funds in the State budget to provide for State aid owed to school districts. The State's practice of deficit revenue limit funding was most recently reinstated beginning in fiscal year 2008-09 and discontinued following the implementation of the LCFF.
- (3) Enrollment as of October report submitted to the California Basic Educational Data System ("CBEDS") in each school year.
- (4) FY2018-19 data is from the District's 2018-19 Unaudited Actuals, adopted September 12, 2019.
- (5) FY2019-20 projections provided by the District.

*Effect of Changes in ADA.* Changes in local property tax income and student enrollment (or ADA) affect community funded districts and revenue limit districts, now known as "LCFF districts," differently. In a LCFF district, such as the District, increasing enrollment increases the amount allocated



under LCFF and thus generally increases a district's entitlement to State aid, while increases in property taxes do nothing to increase district revenues, but only offset the State aid funding requirement. Operating costs typically increase disproportionately slower than enrollment growth until the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State aid, while operating costs typically decrease slowly until the district decides to lay off teachers, close schools, or initiate other cost-saving measures.

In community funded districts, the opposite is generally true: increasing enrollment does increase the amount allocated under LCFF, but since all LCFF income (and more) is already generated by local property taxes, there is typically no increase in State income. New students impose increased operating costs, but typically at a slower pace than enrollment growth, and the effect on the financial condition of a community funded district would depend on whether property tax growth keeps pace with enrollment growth. Declining enrollment typically does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

For LCFF districts, such as the District, any loss of local property taxes is made up by an increase in State aid. For community funded districts, the loss of tax revenues is not reimbursed by the State.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, and public charter schools, inter-district transfers in and out, and other causes. Losses in enrollment will cause a school district to lose operating revenues, without necessarily permitting the district to make adjustments in fixed operating costs.

The District cannot make any predictions regarding how the current economic environment or changes thereto will affect the State's ability to meet the revenue and spending assumptions in the State's adopted budget, and the effect of these changes on school finance.

## **District Budget and County Review**

*Budgeting Procedures.* State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the County Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the State Superintendent may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations.

If at any time during the fiscal year the county superintendent determines that a school district may be unable to meet its financial obligations for the current or two subsequent fiscal years or if a school district has a qualified or negative certification (as describe below), the county superintendent will notify the governing board of the school district and the State Superintendent of that determination and report to the State Superintendent the financial condition of the school district. The county superintendent will also report proposed remedial actions and take at least one of the following and all actions that are necessary to ensure that the school district meets its financial obligations: (a) assign a fiscal expert, (b) conduct a study of the financial and budgetary conditions of the school district that includes, but is not limited to, a review of internal controls, (c) direct the school district to submit a financial projection of all fund and cash balances of the school district as of June 30 of the current year and subsequent fiscal years, (d) require the school district to encumber all contracts and other obligations, to prepare appropriate cashflow analyses and monthly or quarterly budget revisions, and to appropriately record all receivables and payables, (e) direct the school district to submit a proposal for addressing the fiscal conditions that resulted in the determination that the school district may not be able to meet its financial obligations, (f) withhold compensation of the members of the governing board of the school district and the school district superintendent for failure to provide requested financial information, and (g) assign the County Office of Education and Fiscal Crisis and Management Assistance Team to review and provide recommendations related to teacher hiring practices, teacher retention rate, percentage of provision of highly qualified teachers, and the extent of teacher misassignment in the school district.

If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not

abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

*Interim Reporting.* A State law adopted in 1991 (known as “A.B. 1200”) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 et seq.), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then current projections, will not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the Superintendent no later than June 1, financial statement projections of the school district’s fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district’s repayment of indebtedness is probable. The District has received positive certifications on its interim financial reports for fiscal year 2018-19.

*Emergency Appropriation from the State.* For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president’s designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district’s return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such

amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

### **Accounting Practices**

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to section 41010 of the California Education Code, is to be followed by all California school districts.

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

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

### **Financial Statements**

The District's general fund finances the basic operating activities of the District. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. Audited financial statements for the District for the fiscal year ended June 30, 2018, and prior fiscal years are on file with the District and available for public inspection at the office of the Superintendent of the District, 2300 Highway 166, New Cuyama, California 93254, telephone number (661) 766-2482. Copies of such financial statements will be mailed to prospective investors and their representatives upon request directed to the District at such address. For further information, see also APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018.

The following table shows the District's audited revenues, expenditures and changes in fund balances for the past three fiscal years, unaudited actuals for fiscal year 2018-19 and budgeted projections for fiscal year 2019-20.

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**Fiscal Years 2015-16 to 2019-20**

	Fiscal Year Ended,				
	2015-16 Audited	2016-17 Audited	2017-18 Audited	2018-19 Unaudited Actuals	2019-20 Budget
<b>REVENUES</b>					
LCFF Sources	\$ 2,777,799	\$ 3,015,190	\$ 2,645,458	\$ 2,360,030	\$ 2,703,595
Federal Sources	161,691	118,369	106,431	61,231	89,453
Other State Sources	397,930	476,164	294,160	453,194	202,637
Other Local Sources	109,794	121,462	261,370	841,569	96,774
Total Revenues	3,447,214	3,731,185	3,307,419	3,746,025	3,092,459
<b>EXPENDITURES</b>					
Certificated Salaries	1,202,029	1,203,572	1,134,167	1,304,726	1,220,917
Classified Salaries	568,261	570,526	582,489	558,395	559,030
Employee Benefits	663,051	703,892	698,855	882,303	769,201
Books and Supplies	166,839	232,941	211,185	282,069	176,114
Contract Services	353,185	399,914	410,833	474,485	441,004
Capital Outlay	48,420	58,031	-	84,355	-
Other Outgo	272,950	278,417	249,838	760,175	317,825
Debt Service - Principal	-	-	90,907	-	-
Debt Service - Interest	-	-	24,084	-	-
Total Expenditures	3,274,735	3,559,189	3,402,358	4,326,511	3,484,093
Excess of Revenues over Expenditures	172,479	171,996	(94,939)	(580,485)	(391,634)
<b>OTHER FINANCING SOURCES</b>					
Operating transfers in <sup>(1)</sup>	10,794	-	-	271,286	330,000
Operating transfers out	-	-	-	(40,385)	(42,000)
Other sources	-	-	-	-	-
Total financing sources (uses)	10,794	-	-	230,901	288,000
Net change in fund balances	183,273	171,996	(94,939)	(349,584)	(103,634)
Fund Balance, July 1 <sup>(2)</sup>	323,605	506,878	678,874	601,967	252,382
Fund Balance, June 30 <sup>(2)</sup>	\$506,878	\$678,874	\$583,935	\$252,382	\$148,748

Sources: Cuyama Joint Unified School District 2015-16 through 2017-18 audited financial statements, unaudited actuals and 2019-20 Budget, adopted June 28, 2019.

(1) [SOURCE OF TRANSFERS IN?]

(2) 'Fund Balances for fiscal years 2018-19 and 2019-20 do not contain the following fund otherwise included in the audited totals for the 2015-16 through 2017-18 fiscal years: \_\_\_\_\_.

## Summary of District Revenues and Expenditures

The District's audited financial statements for the year ending June 30, 2018, are reproduced in Appendix C. The final (unaudited) statement of receipts and expenditures for each fiscal year ending June 30 is required by State law to be approved by the District Board by September 15, and the audit report must be filed with the County Superintendent of Schools and State officials by December 15 of each year.

The District is required by State law and regulation to maintain various reserves. The District is generally required to maintain a reserve for economic uncertainties in the amount of 5% of its total general fund expenditures, based on total student attendance below 30,000. For fiscal year 2019-20, the District has budgeted an unrestricted general fund reserve of \_\_\_\_\_%, or approximately \$\_\_\_\_\_. Substantially all funds of the District are required by law to be deposited with and invested by the County Treasurer-Tax Collector on behalf of the District, pursuant to law and the investment policy of the County. See "INVESTMENT OF DISTRICT FUNDS" in the front portion of this Official Statement.

*Local Control Funding Formula.* The State Constitution requires that from all State revenues there will be funds set aside to be allocated 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 these State allocations. The general operating income of school districts in California is comprised of two major components: (i) a State portion funded from the State's general fund, and (ii) a local portion derived from the school district's share of the 1% local *ad valorem* tax authorized by the State Constitution. School districts may also be eligible for special categorical and grant funding from State and federal government programs.

As part of the State Budget for fiscal year 2013-14 (the "2013-14 State Budget"), State Assembly Bill 97 (Stats. 2013, Chapter 47) ("AB 97") was enacted to establish a new system for funding State school districts, charter schools and county offices of education by the implementation of the Local Control Funding Formula or LCFF. This formula replaced the 40-year revenue limit funding system for determining State apportionments and the majority of categorical programs. 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 formulas that focus resources based on a school district's student demographic. Each school district and charter school receives a base grant per its ADA used to support the basic costs of instruction and operations. The implementation of the LCFF began in fiscal year 2013-14 and was fully implemented during fiscal year 2018-19.

The LCFF includes the following components:

- An average base grant for each local education agency per unit of ADA as detailed in the CALIFORNIA SCHOOL DISTRICTS AND CHARTER SCHOOLS GRADE SPAN FUNDING AT FULL LCFF IMPLEMENTATION LOCAL CONTROL TARGET FUNDING FORMULA 2019-20 summary table herein.
- 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 50% 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 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 2013-14 through 2019-20.

**ADA, ENROLLMENT AND EL/LI ENROLLMENT PERCENTAGE**  
**Fiscal Years 2013-14 through 2019-20**

Fiscal Year	Average Daily Attendance				Total District ADA <sup>(1)</sup>	Total District Enrollment <sup>(2)</sup>	Number of EL/LI Enrollment <sup>(3)</sup>
	K-3	4-6	7-8	9-12			
2013-14	73.45	48.35	32.67	74.01	228.23	246	44.30%
2014-15	71.00	47.54	33.73	70.78	222.84	240	41.70
2015-16	70.05	48.56	37.03	65.83	221.47	224	80.85
2016-17	73.76	53.39	26.54	57.38	211.07	204	81.27
2017-18	61.65	56.74	21.45	50.80	190.64	201	82.48
2018-19							
2019-20 <sup>(4)</sup>							

Source: Cuyama Joint Unified School District

(1) Reflects P-2 ADA.

(2) Reflects CBEDS enrollment.

(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) FY2019-20 projections provided by the District.

Of the more than \$25 billion in funding to be invested through the LCFF through full implementation of the LCFF, the vast majority of new funding is provided for base grants. Specifically, of every dollar invested through the LCFF, 84 cents will go to base grants, 10 cents will go to supplemental grants, and 6 cents will go to concentration grants. Under the 2013-14 State Budget, the target average base grant was \$7,643, which was an increase of \$2,375 from the prior year's average revenue limit. Base grants are adjusted for cost-of-living increases by applying the implicit price deflator for government goods and services. As the LCFF has been fully implemented, the provision of COLAs will be subject to appropriation for such adjustment in the annual State budget on an ongoing basis. The differences among base grants are linked to differentials in Statewide average revenue limit rates by district type and are intended to recognize the generally higher costs of education at higher grade levels. For certain school districts that would have received greater funding levels under the prior revenue limit system, the LCFF provides for a permanent economic recovery target ("ERT") add-on, equal to the difference between the revenue limit allocations such districts would have received under the prior system in fiscal year 2020-21, and the target LCFF allocations owed to such districts in the same year. To derive the projected funding levels, the LCFF assumes the discontinuance of deficit revenue limit funding and restoration of categorical funding to pre-recession levels. The sum of a school district's adjusted base, supplemental and concentration grants will be multiplied by such district's Second Principal Apportionment (P-2) ADA for the current or prior year, whichever is greater (with certain adjustments applicable to small school districts). This funding amount, together with categorical block grant add-ons, will yield a school district's total LCFF allocation. Generally, the amount of annual State apportionments received by a school district

will amount to the difference between such total LCFF allocation and the individual school district's share of applicable local property taxes allocations. Most school districts receive a significant portion of their funding from such State apportionments. As a result, decreases in State revenues in a particular year may significantly affect appropriations made by the State Legislature to school districts.

The legislation includes a "hold harmless" provision which provides that a school district or charter school will maintain total revenue limit and categorical funding at its fiscal year 2012-13 level, unadjusted for changes in ADA, or cost of living adjustments.

A summary of the target LCFF funding amounts for California school districts and charter schools based on grade levels and targeted students classified as English learners, those eligible to receive a free or reduced price meal, foster youth, or any combination of these factors ("unduplicated" count) is shown below:

**CALIFORNIA SCHOOL DISTRICTS AND CHARTER SCHOOLS  
GRADE SPAN FUNDING AT FULL LCFF IMPLEMENTATION  
LOCAL CONTROL TARGET FUNDING FORMULA 2019-20**

Grade Levels	2019-20 Base Grants per ADA	2019-20 COLA (3.26%)	Grade Span Adjustments	2019-20 Grant/Adjusted Base Grant per ADA
K-3	\$ 7,459	\$ 243	\$ 801	\$ 8,503
4-6	7,571	247	n/a	7,818
7-8	7,796	254	n/a	8,050
9-12	9,034	295	243	9,572

Source: California Department of Education

Since July 1, 2015, school districts have been required to develop a three-year Local Control and Accountability Plan (each, a "LCAP"). County Superintendents of Schools and the State Superintendent review and provide support to school districts and county offices of education under their jurisdictions. In addition, the 2013-14 State budget created the California Collaborative for Education Excellence (the "Collaborative") to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. The State Superintendent may direct the Collaborative to provide additional assistance to any district, county office, or charter school. For those entities that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent has authority to make changes to school district or county office's local plan. For charter schools, the charter authorizer will be required to consider revocation of a charter if the Collaborative finds that the inadequate performance is so persistent and acute as to warrant revocation. The State will continue to measure student achievement through statewide assessments, maintain a dashboard system for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system.

*Federal Sources.* The federal government provides funding for several District programs, including the Every Student Succeeds Act, special education programs, programs under the Educational Consolidation and Improvement Act, and specialized programs such as Education for Economic Security, and the free and reduced lunch program.



*Other State Sources.* In addition to LCFF revenues, the District receives substantial other State revenues. As described above, the LCFF replaced most of the State categorical program funding that existed prior to fiscal year 2013-14. Categorical funding for certain programs was excluded from the LCFF, and school districts continue to receive restricted State revenues to fund these programs. These other State revenues are primarily restricted revenue funding items such as the Special Education Master Plan, Economic Impact Aid, and Tier 3 Funding.

Other State revenues include the California State Lottery (the “Lottery”), which was established by a constitutional amendment approved in the November 1984 general election. Lottery revenues must be used for the education of students and cannot be used for non-instructional purposes such as real property acquisition, facility construction, or the financing of research.

*Other Local Sources.* In addition to property taxes, the District receives additional local revenues from items such as leases and rentals, interest earnings, transportation fees, interagency services, and other local sources.

### **Effect of State Budget on Revenues**

Most public school districts in California are dependent on revenues from the State for a large portion of their operating budgets, because the primary source of funding for school districts is LCFF funding, which is derived from a combination of State funds and local property taxes as previously described herein (see “—Education Funding Generally” above).

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS”), the condition of the State economy (which affects total revenue available to the State general fund), and the annual State budget process. The District cannot predict how education funding may be changed in the future, or the state of the economy which in turn can impact the amounts of funds available from the State for education funding generally. See “STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS.”

### **District Expenditures**

The largest part of each school district’s general fund budget is used to pay salaries and benefits of certificated (credentialed teaching) and classified (non-instructional) employees. Changes in salary and benefit expenditures from year to year are generally based on changes in staffing levels, negotiated salary increases, and the overall cost of employee benefits.

*Labor Relations.* Currently the District employs \_\_\_\_\_ full-time equivalent (FTE) certificated employees and \_\_\_\_\_ FTE classified employees. There are two formal bargaining organizations operating in the District as detailed in the table below.

**LABOR ORGANIZATIONS**  
**Cuyama Joint Unified School District**

Labor Organization	Contract Expiration
Cuyama Unified Educators Association	June 30, 2020
California School Employees Association	June 30, 2020

Source: Cuyama Joint Unified School District

**District Retirement Programs**

*The information set forth below regarding the STRS and PERS programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the District or the Underwriter.*

**STRS.** All full-time certificated employees, as well as certain classified employees, are members of the State Teachers' Retirement System ("STRS"). 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 and contribution amounts are established by State statutes, as legislatively amended from time to time.

Prior to fiscal year 2014-15, and unlike typical defined benefit programs, none of the employee, employer nor State contribution rates to the STRS Defined Benefit Program varied annually to make up funding shortfalls or assess credits for actuarial surpluses. In recent years, the combined employer, employee and State contributions to the STRS Defined Benefit Program have not been sufficient to pay actuarially required amounts. As a result, and due to significant investment losses, the unfunded actuarial liability of the STRS Defined Benefit Program has increased significantly in recent fiscal years. In September 2013, STRS projected that the STRS Defined Benefit Program would be depleted in 31 years assuming existing contribution rates continued, and other significant actuarial assumptions were realized. In an effort to reduce the unfunded actuarial liability of the STRS Defined Benefit Program, the State recently passed the legislation described below to increase contribution rates.

Prior to July 1, 2014, K-14 school districts were required by such statutes to contribute 8.25% of eligible salary expenditures, while participants contributed 8% of their respective salaries. On June 24, 2014, the Governor signed AB 1469 ("AB 1469") into law as a part of the State's fiscal year 2014-15 budget. AB 1469 seeks to fully fund the unfunded actuarial obligation with respect to service credited to members of the STRS Defined Benefit Program before July 1, 2014 (the "2014 Liability"), within 32 years, by increasing member, K-14 school district and State contributions to STRS. Commencing July 1, 2014, the employee contribution rate increased over a three-year phase-in period in accordance with the following schedule:

**MEMBER CONTRIBUTION RATES**  
**STRS Defined Benefit Program**

Effective Date	STRS Members Hired Prior to January 1, 2013	STRS Members Hired After January 1, 2013
July 1, 2014	8.150%	8.150%
July 1, 2015	9.200%	8.560%
July 1, 2016	10.250%	9.205%
July 1, 2017	10.250%	9.205%
July 1, 2018	10.250%	10.250%

Source: AB 1469.

Pursuant to AB 1469, K-14 school districts' contribution rate will increase over a seven-year phase-in period in accordance with the following schedule:

**K-14 SCHOOL DISTRICT CONTRIBUTION RATES**  
**STRS Defined Benefit Program**

Effective Date	K-14 School District
July 1, 2014	8.88%
July 1, 2015	10.73%
July 1, 2016	12.58%
July 1, 2017	14.43%
July 1, 2018	16.28%
July 1, 2019	18.13%
July 1, 2020	19.10%

Source: AB 1469.

Based upon the recommendation from its actuary, for fiscal year 2021-22 and each fiscal year thereafter, the STRS Teachers' Retirement Board (the "STRS Board") is required to increase or decrease the K-14 school districts' contribution rate to reflect the contribution required to eliminate the remaining 2014 Liability by June 30, 2046; provided that the rate cannot change in any fiscal year by more than 1% of creditable compensation upon which members' contributions to the STRS Defined Benefit Program are based; and provided further that such contribution rate cannot exceed a maximum of 20.25%. In addition to the increased contribution rates discussed above, AB 1469 also requires the STRS Board to report to the State Legislature every five years (commencing with a report due on or before July 1, 2019) on the fiscal health of the STRS Defined Benefit Program and the unfunded actuarial obligation with respect to service credited to members of that program before July 1, 2014. The reports are also required to identify adjustments required in contribution rates for K-14 school districts and the State in order to eliminate the 2014 Liability.

The District's contribution to STRS for the six most recent fiscal years was as follows:

Fiscal Year	District STRS Contribution
2014-15	\$ 87,127
2015-16	100,954
2016-17	127,021
2017-18	151,292
2018-19 <sup>(1)</sup>	295,305 <sup>(2)</sup>
2019-20 <sup>(1)</sup>	300,387 <sup>(2)</sup>

Source: Cuyama Joint Unified School District

(1) As projected in the District's fiscal year 2019-20 Budget, adopted June 28, 2019.

(2) Amounts for fiscal years 2018-19 and 2019-20 include the State's On-Behalf payment not otherwise included in the totals for prior years.

The State also contributes to STRS, currently in an amount equal to 7.328% of teacher payroll for fiscal year 2018-19. The State's contribution reflects a base contribution rate of 2.017%, and a supplemental contribution rate that will vary from year to year based on statutory criteria. Based upon the recommendation from its actuary, for fiscal year 2019-20 and each fiscal year thereafter, the STRS Board is required, with certain limitations, to increase or decrease the State's contribution rates to reflect the contribution required to eliminate the unfunded actuarial accrued liability attributed to benefits in effect before July 1, 1990. In addition, the State is currently required to make an annual general fund contribution up to 2.5% of the fiscal year covered STRS member payroll to the Supplemental Benefit Protection Account (the "SBPA"), which was established by statute to provide supplemental payments to beneficiaries whose purchasing power has fallen below 85% of the purchasing power of their initial allowance.

*PERS.* Classified employees working four or more hours per day are members of the Public Employees' Retirement System ("PERS"). PERS provides retirement and disability benefits, annual COLA's, and death benefits to plan members and beneficiaries. Benefit provisions are established by the State statutes, as legislatively amended from time to time. PERS operates a number of retirement plans including the Public Employees Retirement Fund ("PERF"). PERF is a multiple-employer defined benefit retirement plan. In addition to the State, employer participants at June 30, 2014, included 1,580 public agencies and 1,513 K-14 school districts. PERS acts as the common investment and administrative agent for the member agencies. The State and K-14 school districts (for "classified employees," which generally consist of school employees other than teachers) are required by law to participate in PERF. Employees participating in PERF generally become fully vested in their retirement benefits earned to date after five years of credited service. One of the plans operated by PERS is for K-14 school districts throughout the State (the "Schools Pool").

Contributions by employers to the Schools Pool are based upon an actuarial rate determined annually and contributions by plan members vary based upon their date of hire. The District is currently required to contribute to PERS at an actuarially determined rate, which is 11.847% of eligible salary expenditures for fiscal year 2015-16, 13.888% in fiscal year 2016-17, 15.531% in fiscal year 2017-18 and 18.062% for fiscal year 2018-19. Participants enrolled in PERS prior to January 1, 2013 contribute 7% of their respective salaries, while participants enrolled after January 1, 2013 contribute at an actuarially determined rate, which is 6% of their respective salaries for fiscal years 2015-16 and 2016-17, 6.50% in

fiscal year 2017-18 and 7.00% in fiscal year 2018-19. See “—California Public Employees’ Pension Reform Act of 2013” herein.

The District’s contribution to PERS for the six most recent fiscal years was as follows:

<u>Fiscal Year</u>	<u>District PERS Contribution</u>
2014-15	\$ 64,009
2015-16	66,876
2016-17	68,406
2017-18	95,543
2018-19 <sup>(1)</sup>	131,957
2019-20 <sup>(1)</sup>	102,542

Source: Cuyama Joint Unified School District

(1) As projected in the District’s 2019-20 Budget, adopted June 28, 2019

For further information about the District’s contributions to STRS and PERS, see APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018—Note 7.

*State Pension Trusts.* Each of STRS and PERS issues a separate comprehensive financial report that includes financial statements and required supplemental information. Copies of such financial reports may be obtained from each of STRS and PERS as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; (ii) PERS, P.O. Box 942703, Sacramento, California 94229-2703. Moreover, each of STRS and PERS maintains a website, as follows: (i) STRS: [www.calstrs.com](http://www.calstrs.com); (ii) PERS: [www.calpers.ca.gov](http://www.calpers.ca.gov). However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference. Both STRS and PERS have substantial statewide unfunded liabilities. The amount of these unfunded liabilities will vary depending on actuarial assumptions, returns on investments, salary scales and participant contributions. The following table summarizes information regarding the actuarially-determined accrued liability for both STRS and PERS. Actuarial assessments are “forward-looking” information that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

**FUNDED STATUS**  
**STRS (Defined Benefit Program) and PERS**  
**(Dollar Amounts in Millions)<sup>(1)</sup>**  
**Fiscal Years 2010-11 through 2017-18**

STRS					
Fiscal Year	Accrued Liability	Value of Trust Assets (MVA) <sup>(2)</sup>	Unfunded Liability (MVA) <sup>(2)(3)</sup>	Value of Trust Assets (AVA) <sup>(4)</sup>	Unfunded Liability (MVA) <sup>(4)</sup>
2010-11	\$ 208,405	\$ 147,140	\$ 68,365	\$ 143,930	\$ 64,475
2011-12	215,189	143,118	80,354	144,232	70,957
2012-13	222,281	157,176	74,374	148,614	73,667
2013-14	231,213	179,749	61,807	158,495	72,718
2014-15	241,753	180,633	72,626	165,553	76,200
2015-16	266,704	177,914	101,586	169,976	96,728
2016-17	286,950	197,718	103,468	179,689	107,261
2017-18	297,603	211,367	101,992	190,451	107,152

PERS					
Fiscal Year	Accrued Liability	Value of Trust Assets (MVA) <sup>(2)</sup>	Unfunded Liability (MVA) <sup>(2)(3)</sup>	Value of Trust Assets (AVA) <sup>(4)</sup>	Unfunded Liability (MVA) <sup>(4)</sup>
2010-11	\$ 58,358	\$ 45,901	\$ 12,457	\$ 51,547	\$ 6,811
2011-12	59,439	44,854	14,585	53,791	5,648
2012-13	61,487	49,482	12,005	56,250	5,237
2013-14	65,600	56,838	8,761	— <sup>(5)</sup>	— <sup>(5)</sup>
2014-15	73,325	56,814	16,511	— <sup>(5)</sup>	— <sup>(5)</sup>
2015-16	77,544	55,785	21,759	— <sup>(5)</sup>	— <sup>(5)</sup>
2016-17	84,416	60,865	23,551	— <sup>(5)</sup>	— <sup>(5)</sup>
2017-18	92,071	64,846	27,225	— <sup>(5)</sup>	— <sup>(5)</sup>

Source: PERS Schools Pool Actuarial Valuation; STRS Defined Benefit Program Actuarial Valuation.

(1) Amounts may not add due to rounding.

(2) Reflects market value of assets.

(3) Excludes assets allocated to the SBPA reserve.

(4) Reflects actuarial value of assets.

(5) Effective for the June 30, 2014 actuarial valuation, PERS no longer uses an actuarial value of assets.

The STRS Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the STRS Defined Benefit Program. On February 1, 2017, the STRS Board adopted a new set of actuarial assumptions reflecting increasing life expectancies and current economic trends. These actuarial assumptions include, but are not limited to: (i) adopting a generational morality methodology to reflect past improvements in life expectancies, (ii) decreasing the investment rate of return from 8.25% for the June 30, 2016 STRS Actuarial Valuation to 7.00% for the June 30, 2017 STRS Actuarial Valuation, and (iii) decreasing the projected wage growth to 3.50% and the projected inflation rate to 2.75%. According to the STRS Actuarial Valuation, as of June 30, 2017, the future revenues from contributions and appropriations for the STRS Defined Benefit Program are projected to be sufficient to finance its obligations with a projected ending funded ratio in the 2045-46 fiscal year of 99.6%. This finding reflects the scheduled contribution increases specified in AB 1469 and is based on the valuation assumptions and the valuation policy adopted by the STRS Board.

According to the 2018 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 with a projected ending funded ratio in fiscal year ending June 30, 2046 of 99.9%, except for a small portion of the unfunded actuarial obligation related to service accrued on or after July 1, 2014 for member benefits adopted after 1990, for which AB 1469 provides no authority to the STRS Board to adjust rates to pay down that portion of the unfunded actuarial obligation. This finding reflects the scheduled contribution rate increases directed by statute, assumes additional increases in the scheduled contribution rates allowed under the current law will be made, and is based on the valuation assumptions and valuation policy adopted by the STRS Board, including a 7.00% investment rate of return assumption.

In recent years, the PERS Board of Administration (the “PERS Board”) has taken several steps, as described below, intended to reduce the amount of the unfunded accrued actuarial liability of its plans, including the Schools Pool.

On March 14, 2012, the PERS Board voted to lower the PERS’ rate of expected price inflation and its investment rate of return (net of administrative expenses) (the “PERS Discount Rate”) from 7.75% to 7.5%. On February 18, 2014, the PERS Board voted to keep the PERS Discount Rate unchanged at 7.5%. On November 17, 2015, the PERS Board approved a new funding risk mitigation policy to incrementally lower the PERS Discount Rate by establishing a mechanism whereby such rate is reduced by a minimum of 0.05% to a maximum of 0.25% in years when investment returns outperform the existing PERS Discount Rate by at least four percentage points. On December 21, 2016, the PERS Board voted to lower the PERS Discount Rate to 7.0% over the next three years in accordance with the following schedule: 7.375% in fiscal year 2017-18, 7.25% in fiscal year 2018-19 and 7.00% in fiscal year 2019-20. The new discount rate will go into effect July 1, 2017 for the State and July 1, 2018 for K-14 school districts and other public agencies. Lowering the PERS Discount Rate means employers that contract with PERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013 under the Reform Act (defined below) will also see their contribution rates rise. The three-year reduction of the discount rate to 7.0% is expected to result in average employer rate increases of approximately 1-3% of normal cost as a percent of payroll for most miscellaneous retirement plans and a 2-5% increase for most safety plans.

On April 17, 2013, the PERS Board approved new actuarial policies aimed at returning PERS to fully-funded status within 30 years. The policies include a rate smoothing method with a 30-year fixed amortization period for gains and losses, a five-year increase of public agency contribution rates, including the contribution rate at the onset of such amortization period, and a five year reduction of public agency contribution rates at the end of such amortization period. The new actuarial policies were first included in the June 30, 2014 actuarial valuation and were implemented with respect the State, K-14 school districts and all other public agencies in fiscal year 2015-16.

Also, on February 20, 2014, the PERS Board approved new demographic assumptions reflecting (i) expected longer life spans of public agency employees and related increases in costs for the PERS system and (ii) trends of higher rates of retirement for certain public agency employee classes, including police officers and firefighters. The new actuarial assumptions will first be reflected in the Schools Pool in the June 30, 2015 actuarial valuation. The increase in liability due to the new assumptions will be amortized over 20 years with increases phased in over five years, beginning with the contribution

requirement for fiscal year 2016-17. The new demographic assumptions affect the State, K-14 school districts and all other public agencies.

The PERS Board is required to undertake an experience study every four years under its Actuarial Assumptions Policy and State law. As a result of the most recent experience study, on December 20, 2017, the PERS Board approved new actuarial assumptions, including (i) lowering the inflation assumption rate from 2.75% to 2.625% for the June 30, 2018 actuarial valuation and to 2.50% for the June 30, 2019 actuarial valuation, (ii) lowering the payroll growth rate to 2.875% for the June 30, 2018 actuarial valuation and 2.75% for the June 30, 2019 actuarial valuation, and (iii) certain changes to demographic assumptions relating to the salary scale for most constituent groups, and modifications to the mortality, retirement, and disability retirement rates.

On February 14, 2018, the PERS Board approved a new actuarial amortization policy with an effective date for actuarial valuations beginning on or after June 30, 2019, which includes (i) shortening the period over which actuarial gains and losses are amortized from 30 years to 20 years, (ii) requiring that amortization payments for all unfunded accrued liability bases established after the effective date be computed to remain a level dollar amount throughout the amortization period, (iii) removing the 5-year ramp-up and ramp-down on unfunded accrued liability bases attributable to assumptions changes and non-investment gains/losses established on or after the effective date and (iv) removing the 5-year ramp-down on investment gains/losses established after the effective date. While PERS expects that reducing the amortization period for certain sources of unfunded liability will increase future average funding ratios, provide faster recovery of funded status following market downturns, decrease expected cumulative contributions, and mitigate concerns over intergenerational equity, such changes may result in increases in future employer contribution rates.

On April 16, 2019, the PERS Board established the employer contribution rates for 2019-20 and released certain information from the Schools Pool Actuarial Valuation as of June 30, 2018, ahead of its summer of 2019 release date. Based on the changes in the discount rate, inflation rate, payroll growth rate and demographic assumptions, along with the expected reductions in normal cost due to the continuing transition of active members from those employees hired prior to the Implementation Date (defined below), to those hired after such date, the projected contribution rate for 2020-21 is projected to be 23.6%, with annual increases thereafter, resulting in a projected 26.5% employer contribution rate for fiscal year 2025-26.

The District can make no representations regarding the future program liabilities of STRS, or whether the District will be required to make additional contributions to STRS in the future above those amounts required under AB 1469. The District can also provide no assurances that the District's required contributions to PERS will not increase in the future.

*California Public Employees' Pension Reform Act of 2013.* On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 (the "Reform Act"), which makes changes to both STRS and PERS, most substantially affecting new employees hired after January 1, 2013 (the "Implementation Date"). For STRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2% age factor (the age factor is the percent of final compensation to which an employee is entitled 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. Similarly, 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 increases the



eligibility requirement for the maximum age factor of 2.5% to age 67. Among the other changes to PERS and STRS, the Reform Act also: (i) requires all new participants enrolled in PERS and STRS after the Implementation Date to contribute at least 50% of the total annual normal cost of their pension benefit each year as determined by an actuary, (ii) requires STRS and PERS 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 (previously 12 months for STRS members who retire with 25 years of service), and (iii) caps “pensionable compensation” for new participants enrolled after the Implementation Date at 100% of the federal Social Security contribution (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers) and benefit base for members participating in Social Security or 120% for members not participating in social security (to be adjusted annually based on changes to the Consumer Price Index for all Urban Consumers), while excluding previously allowed forms of compensation under the formula such as payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off.

*GASB Statement Nos. 67 and 68.* On June 25, 2012, GASB approved Statements Nos. 67 and 68 (the “Statements”) with respect to pension accounting and financial reporting standards for state and local governments and pension plans. The new Statements, No. 67 and No. 68, replace GASB Statement No. 27 and most of Statements No. 25 and No. 50. The changes impact the accounting treatment of pension plans in which state and local governments participate. Major changes include: (1) the inclusion of unfunded pension liabilities on the government’s balance sheet (currently, such unfunded liabilities are typically included as notes to the government’s financial statements); (2) more components of full pension costs being shown as expenses regardless of actual contribution levels; (3) lower actuarial discount rates being required to be used for underfunded plans in certain cases for purposes of the financial statements; (4) closed amortization periods for unfunded liabilities being required to be used for certain purposes of the financial statements; and (5) the difference between expected and actual investment returns being recognized over a closed five-year smoothing period. In addition, according to GASB, Statement No. 68 means that, for pensions within the scope of the Statement, a cost-sharing employer that does not have a special funding situation is required to recognize a net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense based on its proportionate share of the net pension liability for benefits provided through the pension plan. Because the accounting standards do not require changes in funding policies, the full extent of the effect of the new standards on the District is not known at this time. 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.

The District’s proportionate shares of the net pension liabilities, pension expense, deferred outflow of resources and deferred inflow of resources for STRS and PERS, as of June 30, 2018, are as shown in the following table.

Pension Plan	Net Pension Liability	Deferred Outflows Related to Pensions	Deferred Inflows Related to Pensions	Pension Expenses
STRS	\$ 1,971,191	\$ 863,704	\$302,692	\$170,763
PERS	1,117,112	341,130	60,218	175,911
Total	<u>3,088,303</u>	<u>1,204,834</u>	<u>362,910</u>	<u>346,674</u>

Source: Cuyama Joint Unified School District 2017-18 Audited Financial Statements

For additional information, see APPENDIX C—AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2018—Note 7.

### **Charter Schools**

The State Legislature enacted the Charter Schools Act of 1992 (California Education Code Sections 47600-47616.5) to permit teachers, parents, students, and community members to establish schools that would be free from most state and district regulations. Revised in 1998, California's charter school law states that local boards are the primary charter approving agency and that county panels can appeal a denied charter. State education standards apply, and charter schools are required to use the same student assessment instruments. The charter school is exempt from state and local education rules and regulations, except as specified in the legislation.

School districts have certain fiscal oversight and other responsibilities with respect to both affiliated independent and district operated charter schools established within their boundaries. However, independent charter schools receive funding directly from the State, and such funding would not be reported in the District's audited financial statements. District operated charter schools receive their funding from the District, and would be reflected in the District's audited financial statements.

The District has no K-12 charters operating within its boundaries and does not have any indicators that one will be developed any time soon.

The District makes no representations regarding how many District students will transfer to charter schools, back to the District from charter schools, or will transfer between the District and other school districts due to the presence of charter schools in the future, and the District cannot predict the corresponding financial impacts of such transfers on the District.

Assembly Bill 1505 was recently enacted (the "AB 1505"), which aims to slow the growth of charter schools. AB 1505 will give school districts increased leverage to deny applications for new charter schools by providing school districts additional discretion when authorizing charter schools to consider the number and enrollment in proposed charter schools, academic outcomes and offerings and a statement of need for the school. The District cannot predict the impact such legislation will have on its operations and finances.

## District Debt Structure

*General Obligation Bonds.* On November 8, 2016 the District issued \$2,000,000 of its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series A (2016). On February 12, 2019, the District issued \$2,000,000 of its Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series B (2019).

The following table shows the District's outstanding general obligation bonds, including the Bonds of this issue.

**ISSUED AND OUTSTANDING  
GENERAL OBLIGATION BONDED DEBT  
As of January 1, 2020**

Dated Date	Series	Final Maturity	Amount of Original Issue	Amount Outstanding (as of 1/1/20)
11/8/16	Election of 2016, Series A (2016)	8/1/46	\$2,000,000	\$1,950,000
2/12/19	Election of 2016, Series B (2019)	8/1/48	2,000,000	2,000,000

The following table shows the District's annual requirements to amortize its outstanding general obligation bonds, including the Bonds of this issue, assuming no optional redemption:

**AGGREGATE ANNUAL DEBT SERVICE REQUIREMENTS  
FOR ALL OUTSTANDING BONDS  
As of January 1, 2020**

Bond Year Ending (Aug. 1)	Series A Bonds (2017)			Series B Bonds (2019)			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	
2020	—	\$ 90,325.00	\$ 90,325.00	\$ 25,000	\$ 101,800.00	\$ 126,800.00	\$ 217,125.00
2021	—	90,325.00	90,325.00	20,000	101,050.00	121,050.00	211,375.00
2022	—	90,325.00	90,325.00	30,000	100,250.00	130,250.00	220,575.00
2023	—	90,325.00	90,325.00	—	99,050.00	99,050.00	189,375.00
2024	—	90,325.00	90,325.00	—	99,050.00	99,050.00	189,375.00
2025	—	90,325.00	90,325.00	—	99,050.00	99,050.00	189,375.00
2026	—	90,325.00	90,325.00	—	99,050.00	99,050.00	189,375.00
2027	—	90,325.00	90,325.00	—	99,050.00	99,050.00	189,375.00
2028	—	90,325.00	90,325.00	—	99,050.00	99,050.00	189,375.00
2029	\$ 30,000	90,325.00	120,325.00	—	99,050.00	99,050.00	219,375.00
2030	35,000	89,125.00	124,125.00	—	99,050.00	99,050.00	223,175.00
2031	45,000	87,725.00	132,725.00	—	99,050.00	99,050.00	231,775.00
2032	50,000	85,925.00	135,925.00	—	99,050.00	99,050.00	234,975.00
2033	55,000	83,925.00	138,925.00	—	99,050.00	99,050.00	237,975.00
2034	65,000	81,725.00	146,725.00	—	99,050.00	99,050.00	245,775.00
2035	70,000	79,125.00	149,125.00	10,000	99,050.00	109,050.00	258,175.00
2036	80,000	76,325.00	156,325.00	20,000	98,700.00	118,700.00	275,025.00
2037	90,000	73,125.00	163,125.00	20,000	98,000.00	118,000.00	281,125.00
2038	100,000	69,075.00	169,075.00	30,000	97,300.00	127,300.00	296,375.00
2039	115,000	64,575.00	179,575.00	35,000	96,250.00	131,250.00	310,825.00
2040	130,000	59,400.00	189,400.00	75,000	95,025.00	170,025.00	359,425.00
2041	140,000	53,550.00	193,550.00	90,000	91,087.50	181,087.50	374,637.50
2042	160,000	47,250.00	207,250.00	100,000	86,362.50	186,362.50	393,612.50
2043	170,000	39,250.00	209,250.00	125,000	81,112.50	206,112.50	415,362.50
2044	185,000	30,750.00	215,750.00	145,000	74,550.00	219,550.00	435,300.00
2045	205,000	21,500.00	226,500.00	160,000	66,937.50	226,937.50	453,437.50
2046	225,000	11,250.00	236,250.00	180,000	58,537.50	238,537.50	474,787.50
2027	—	—	—	445,000	49,087.50	494,087.50	494,087.50
2048	—	—	—	490,000	25,725.00	515,725.00	515,725.00
<b>TOTAL</b>	<b>\$1,950,000</b>	<b>\$1,956,850.00</b>	<b>\$3,906,850.00</b>	<b>\$2,000,000</b>	<b>\$2,609,425.00</b>	<b>\$4,609,425.00</b>	<b>\$8,516,275.00</b>

*General Fund Obligations.* On October 10, 2013, the District entered into a capital lease for a solar facility valued at \$1,589,060 with the Public Property Financing Corporation of California. The lease qualifies under the 2013 QZAB program and the lease provides for title to pass under at the expiration of the lease period. Future minimum lease payments are described in the table below:

<u>Fiscal Year</u>	<u>Total</u>
2017-18	\$ 83,922
2018-19	111,896
2019-20	111,896
2020-21	111,896
2021-22	111,896
2022-23 – 2026-27	559,478
2027-28 – 2031-32	503,529
Total Minimum Payments	1,594,513
Amount Representing Interest	(161,302)
Present Value of lease Payments	1,433,211

Source: Cuyama Joint Unified School District 2017-18 Audited Financial Statements

## STATE FUNDING; RECENT STATE BUDGET

The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts receive an average of about 55% of their operating revenues from various State sources. The primary source of funding for school districts are revenues under the LCFF, which are a combination of State funds and local property taxes (see “DISTRICT FINANCIAL INFORMATION”). State funds typically make up the majority of a district’s LCFF allocation, although Community Funded school districts derive most of their revenues from local property taxes. School districts also receive some funding from the State for certain categorical programs. The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS”), the condition of the State economy (which affects total revenue available to the State general fund), and the annual State budget process. Decreases in State revenues may significantly affect appropriations made by the legislature to school districts.

### 2019-20 State Budget

On June 27, 2019, Governor Gavin Newsom signed the State budget for fiscal year 2019-20 (the “2019-20 Budget”). The 2019-20 Budget addresses rising costs while maintaining fiscal discipline amidst a slowing global economy. The 2019-20 Budget projects general fund revenues increasing by \$5.8 billion (up 4.2% over 2018-19 levels) to a total of \$143.8 billion, while expenditures are also projected to increase \$5.1 billion (up 3.6% over 2018-19 levels) to a total of \$147.8 billion. The State’s rising revenues are almost entirely offset by a combination of the rising expenditures and continued contributions to the State’s budget stabilization/rainy-day fund.

The largest areas of general fund expenditure increases over 2018-19 expenditures include health and human services, higher education, and legislative, judicial and executive programs. K-12 education

expenditures (as detailed below), the single largest category of expenditures in the 2019-20 Budget, will increase by \$827 million over the prior year to a total of \$58.3 billion (up 1.2% over 2018-19 levels). Notable specific areas of expenditures from the 2019-20 Budget reflecting changes from prior years include:

*Paying Down Retirement Liabilities.* The 2019-20 Budget allocates \$14.3 billion in 2019-20, and an additional \$500 million over the forecast period, to build budgetary resiliency and pay down the State's unfunded liabilities. This includes \$4.5 billion to eliminate debts and reverse deferrals, \$5.5 billion to build reserves, and \$4.3 billion to pay down unfunded retirement liabilities. The supplemental payment to PERS of \$3 billion is scheduled to be made over the forecast period, with \$2.5 billion being made this year and \$500 million scheduled over the following three fiscal years.

*Disaster Preparedness.* The 2019-20 Budget includes critical investments needed to sustain and improve the State's emergency preparedness, response, and recovery capabilities. This includes \$240.3 million to augment the California Department of Forestry and Fire Protection's ("CAL FIRE's") firefighting capabilities by adding 13 additional year-round engines, replacing Vietnam War-era helicopters, deploying new air tankers, and investing in technology and data analytics that support CAL FIRE's initial fire suppression strategies. The 2019-20 Budget also provides a sizable investment in forest management to increase fire prevention and complete additional fuel reduction projects, including increased prescribed fire crews.

The 2019-20 Budget includes funding to backfill wildfire-related property tax losses and waives the local share of costs for debris removal. Funding for impacted schools is also backfilled. Additionally, the 2019-20 Budget establishes a stable funding structure to implement an enhanced Next Generation 9-1-1 system and includes funding to protect vulnerable populations and preserve public safety in response to power interruptions planned by utilities during the upcoming fire season.

*Affordability and Opportunity.* The 2019-20 Budget more than doubles the Earned Income Tax Credit ("EITC") by investing \$1 billion in a new expanded EITC. The expansion includes help for low-income families with young children by providing an additional \$1,000 annually to address the costs of raising young children.

The 2019-20 Budget reflects continued work to improve affordability and access to health care, including addressing the rising cost of prescription drugs and increasing health insurance subsidies so more middle-class Californians can afford health coverage through Covered California. The 2019-20 Budget also moves closer to universal coverage by expanding full-scope Medi-Cal coverage eligibility to the aged, blind, and disabled population from 123% to 138% of the federal poverty level, and to young adults ages 19 through 25 regardless of immigration status.

The 2019-20 Budget takes initial steps to expand full-day full-year preschool to all income-eligible four-year olds, makes major investments in childcare infrastructure and workforce training, and expands kindergarten facilities so more districts can offer full-day programs. The 2019-20 Budget also funds a master plan to develop a roadmap for providing universal preschool to all four-year olds, as well as a long-term plan to improve access to and the quality of subsidized childcare.

The 2019-20 Budget expands the State's Paid Family Leave program so newborns can be cared for by a parent or close relative for the first six months of the child's life. The 2019-20 Budget expands paid family leave for each parent from six to eight weeks. This expansion adds an additional month of paid leave for two-parent families, allowing up to a combined four months of leave after the birth or adoption of their child.

*Higher Education.* The 2019-20 Budget includes funding for two free years of community college tuition for first-time full-time students and provides significant increases for the California State University and the University of California to expand enrollment at the systems by nearly 15,000 students while preventing tuition increases this year. The 2019-20 Budget also increases the number of competitive Cal Grants by nearly 60% and provides a new Cal Grant Access Award for students with children to help meet basic family needs while increasing their likelihood of degree completion. The 2019-20 Budget includes total funding of \$36.9 billion (\$20.8 billion General Fund and local property tax and \$16.1 billion other funds) for all higher education entities in 2019-20.

*2019-20 Budget Provisions Specific to K-12 Education.* The State provides instruction and support services to roughly six million students in grades K-12 in more than 10,000 schools throughout the State. The State's public education system consists of 58 county offices of education, more than 1,000 local school districts, and more than 1,200 charter schools. The 2019-20 Budget includes total funding of \$103.4 billion (\$58.8 billion General Fund and \$44.6 billion other funds) for all K-12 education programs. The 2019-20 Budget also includes the following adjustments to K-12 related expenditures relative to prior years:

*Proposition 98 Funding Levels.* Proposition 98 per pupil spending will be \$11,993 in the 2019-20 fiscal year. Per pupil spending from all State, federal, and local sources will be \$17,423 in the 2019-20 fiscal year.

*Local Control Funding Formula ("LCFF").* The 2019-20 Budget provides \$1.9 billion in new Proposition 98 funding for the LCFF, reflecting a 3.26-percent COLA. Since the enactment of LCFF, the State has allocated over \$23 billion in additional ongoing resources to local educational agencies through the formula.

*STRS and PERS Employer Contribution Rates.* The 2019-20 Budget includes a \$3.15 billion non-Proposition 98 General Fund payment on their behalf to STRS and the PERS Schools Pool. Of this amount, an estimated \$850 million will buy down the employer contribution rates in 2019-20 and 2020-21. With these payments, the STRS employer contribution rate will decrease from 18.13% to 17.1% in 2019-20 and from 19.1% to 18.4% in 2020-21. The payments will decrease the STRS Schools Pool employer contribution rate from 20.7% to 19.7% in 2019-20 and from 23.6% to 22.9% in 2020-21. The remaining \$2.3 billion will be paid toward the employers' long-term unfunded liability for both systems. Overall, this payment is expected to save employers \$6.1 billion over the next three decades, with an estimated reduction in the out-year contribution rate to CalSTRS of 0.3 percentage points, and to the CalPERS Schools Pool of 0.1 to 0.3 percentage points.

*Special Education.* The 2019-20 Budget includes \$645.3 million ongoing Proposition 98 General Fund expenditures for special education. The 2019-20 Budget includes \$152.6 million to provide all Special Education Local Plan Areas with at least the Statewide target rate for base

special education funding, approximately \$557 per unit of average daily attendance, under the existing special education funding formula. The 2019-20 Budget also includes \$492.7 million for special education allocated based on the number of children ages 3 to 5 years with exceptional needs that the school district is serving.

*After School Programs.* The 2019-20 Budget includes \$50 million ongoing Proposition 98 General Fund to provide an increase of approximately 8.3% to the per-pupil daily rate for After School Education and Safety Programs (increasing this rate from \$8.19 to \$8.87 per day).

*Longitudinal Data System.* The 2019-20 Budget provides \$10 million one-time non-Proposition 98 General Fund to plan for and develop a longitudinal data system. This system will connect information from early education providers, K-12 schools, higher education institutions, employers, other workforce entities, and health and human services agencies.

*Retaining and Supporting Educators.* The 2019-20 Budget includes \$89.8 million one-time non-Proposition 98 General Fund to provide up to 4,487 grants of \$20,000 for students enrolled in a professional teacher preparation program who commit to working in a high-need field at a priority school for at least four years. Funds will be provided to qualifying individuals in hard-to-hire subject matter areas (including bilingual education; special education; and science, technology, engineering, and mathematics; among other areas) and school sites with the highest rates of non-credentialed or waiver teachers.

Additionally, the 2019-20 Budget includes \$43.8 million one-time non-Proposition 98 General Fund to provide training and resources for classroom educators, including teachers and paraprofessionals, to build capacity around key State priorities.

*School Facilities Bond Funds.* Proposition 51, approved by voters in November 2016, authorized a total of \$7 billion in State general obligation bonds for K-12 schools to be allocated through the School Facilities Program in place as of January 1, 2015. Approximately \$600 million in Proposition 51 bond funds have been expended in each of fiscal years 2017-18 and 2018-19. The 2019-20 Budget assumes \$1.5 billion Proposition 51 bond funds, an increase of \$906 million over the prior year, to support school construction projects. These funds will support new construction, modernization, retrofitting, career technical education, and charter school facility projects.

*Full-Day Kindergarten.* As discussed in the Early Childhood Chapter, the 2019-20 Budget includes \$300 million one-time non-Proposition 98 General Fund to construct new or retrofit existing facilities to support full-day kindergarten programs, which will increase participation in kindergarten by addressing barriers to access.

For additional information regarding the 2019-20 Budget, please see the Department of Finance website at [ebudget.ca.gov](http://ebudget.ca.gov). The District can take no responsibility for the continued accuracy of the above-referenced internet address as for the or for the accuracy, completeness, or timeliness of information posted therein, and such information is not incorporated herein by reference.



## **Future State Budgets**

Changes in the revenues received by the State can affect the amount of funding, if any, to be received from the State by the District and other school districts in the State.

The District cannot predict the extent of the budgetary problems the State will encounter in this fiscal year or in any future fiscal years, and, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the District cannot predict the final outcome of current and future State budget negotiations, the impact that such budgets will have on its finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors over which the District has no control.

## **Supplemental Information Concerning Litigation Against the State of California**

In June 1998, a complaint was filed in Santa Barbara, Ventura and San Luis Obispo Counties, California Superior Court challenging the authority of the State Controller to make payments in the absence of a final, approved State Budget. The Superior Court judge issued a preliminary injunction preventing the State Controller from making payments including those made pursuant to continuing appropriations prior to the enactment of the State's annual budget. As permitted by the State Constitution, the Legislature immediately enacted and the Governor signed an emergency appropriations bill that allowed continued payment of various State obligations, including debt service, and the injunction was stayed by the California Court of Appeal, pending its decision.

On May 29, 2003, the California Court of Appeal for the Second District decided the case of *Steven White, et al. v. Gray Davis (as Governor of the State of California), et al.* The Court of Appeal concluded that, absent an emergency appropriation, the State Controller may authorize the payment of state funds during a budget impasse only when payment is either (i) authorized by a "continuing appropriation" enacted by the Legislature, (ii) authorized by a self-executing provision of the California Constitution, or (iii) mandated by federal law. The Court of Appeal specifically concluded that the provisions of Article XVI, Section 8 of the California Constitution – the provision establishing minimum funding of K-14 education enacted as part of Proposition 98 – did not constitute a self-executing authorization to disburse funds, stating that such provisions merely provide formulas for determining the minimum funding to be appropriated every budget year but do not appropriate funds. The State Controller has concluded that the provisions of the Education Code establishing K-12 and county office revenue limit funding do constitute continuing appropriations enacted by the Legislature and, therefore, the State Controller has indicated that State payments of such amounts would continue during a budget impasse. However, no similar continuing appropriation has been cited with respect to K-12 categorical programs and revenue limit funding for community college districts, and the State Controller has concluded that such payments are not authorized pursuant to a continuing appropriation enacted by the Legislature and, therefore, cannot be paid during a budget impasse. The California Supreme Court granted the State Controller's Petition for Review on a procedural issue unrelated to continuous appropriations and on the substantive question as to whether the State Controller is authorized to pay State employees their full and regular salaries during a budget impasse. No other aspect of the Court of Appeal's decision was addressed by the State Supreme Court.

On May 1, 2003, with respect to the substantive question, the California Supreme Court concluded that the State 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. The Supreme Court also remanded the preliminary injunction issue to the Court of Appeal with instructions to set aside the preliminary injunction in its entirety.

*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 either 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.

## **CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS**

*The principal of and interest on the Bonds are payable from the proceeds of an ad valorem tax levied by the County for the payment thereof. (See "THE BONDS—Security.") Articles XIII A, XIII B, XIII C and XIII D of the California Constitution, Propositions 98, 111, 218 and 39, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the Counties to levy taxes and of the District to spend tax proceeds and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the Counties to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIII A, Article XIII C, and all applicable laws.*

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

Article XIII A of the State Constitution, adopted and known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum *ad valorem* tax on real property to 1% of "full cash value," and provides that such tax shall be collected by the counties and apportioned according to State law. Section 1(b) of Article XIII A provides that the 1% limitation does not apply to *ad valorem* taxes levied to pay interest and redemption charges on (i) indebtedness approved by the voters prior to July 1, 1978, or (ii) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast on the proposition, or (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition.

Section 2 of Article XIII A defines “full cash value” to mean the county assessor’s valuation of real property as shown on the fiscal year 1975-76 tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. The Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restored value of the damaged property. The State courts have upheld the constitutionality of this procedure. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except the 1% base tax levied by each county and taxes to pay debt service on indebtedness approved by the voters as described above.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in the property tax revenues of the District.

Both the State Supreme Court and the United States Supreme Court have upheld the validity of Article XIII A.

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

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

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

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

Beginning in fiscal year 1981-82, assessors in California no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as \$4 per \$100 of assessed value. All taxable property is now shown at 100% of assessed value on the tax rolls. Consequently, the tax rate is

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

Both the United States Supreme Court and the California State Supreme Court have upheld the general validity of Article XIII A.

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

Article XIII B of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. As amended, Article XIII B defines

(a) “change in the cost of living” with respect to school districts to mean the percentage change in California per capita income from the preceding year, and

(b) “change in population” with respect to a school district to mean the percentage change in the average daily attendance of the school district from the preceding fiscal year.

For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government will be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year pursuant to the provisions of Article XIII B, as amended.

The appropriations of an entity of local government subject to Article XIII B limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for certain debt service, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIII B includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

Article XIII B also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it will be transferred and allocated to the State School Fund pursuant to Section 8.5 of Article XVI of the State Constitution.

## **Unitary Property**

AB 454 (Chapter 921, Statutes of 1986) provides that revenues derived from most utility property assessed by the SBE (“Unitary Property”), commencing with the 1988-89 fiscal year, will be allocated as follows: (1) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (2) if county-wide revenues generated from Unitary Property are less than the previous year’s revenues or greater than 102% of the previous year’s revenues, each jurisdiction will share the burden of the shortfall or excess revenues by a specified formula. This provision applies to all Unitary Property except railroads, whose valuation will continue to be allocated to individual tax rate areas.

The provisions of AB 454 do not constitute an elimination of the assessment of any State-assessed properties nor a revision of the methods of assessing utilities by the SBE. Generally, AB 454 allows valuation growth or decline of Unitary Property to be shared by all jurisdictions in a county.

## **California Lottery**

In the November 1984 general election, the voters of the State approved a Constitutional Amendment establishing a California State Lottery, the net revenues (revenues less expenses and prizes) of which shall be used to supplement other moneys allocated to public education. The legislation further requires that the funds shall be used for the education of pupils and students and cannot be used for the acquisition of real property, the construction of facilities or the financing of research.

Allocation of Lottery net revenues is based upon the average daily attendance of each school and community college district; however, the exact allocation formula may vary from year to year. The District estimates that it will receive approximately 2% of the District’s general fund revenues from Lottery aid in fiscal year 2019-20. At this time, the amount of additional revenues that may be generated by the Lottery in any given year cannot be predicted.

## **Proposition 46**

On June 3, 1986, California voters approved Proposition 46, which added an additional exemption to the 1% tax limitation imposed by Article XIII A. Under this amendment to Article XIII A, local governments and school and community college districts may increase the property tax rate above 1% for the period necessary to retire new, general obligation bonds, if two-thirds of those voting in a local election approve the issuance of such bonds and the money raised through the sale of the bonds is used exclusively to purchase or improve real property.

## **Proposition 39**

On November 7, 2000, California voters approved Proposition 39, called the “Smaller Classes, Safer Schools and Financial Accountability Act” (the “Smaller Classes Act”) which amends Section 1 of Article XIII A, Section 18 of Article XVI of the California Constitution and Section 47614 of the California Education Code and allows an alternative means of seeking voter approval for bonded indebtedness by 55% of the vote, rather than the two-thirds majority required under Section 18 of Article XVI of the Constitution. The 55% 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 exempt the 1% *ad valorem* tax limitation that Section 1(a) of Article XIII A of the Constitution levies, to pay bonds approved by 55% of the voters, subject to the restrictions explained above.

The Legislature enacted AB 1908, Chapter 44, which became effective upon passage of Proposition 39 and amends various sections of the Education Code. Under amendments to Section 15268 and 15270 of the Education Code, the following limits on *ad valorem* taxes apply in any single election: (1) for an elementary and high school district, indebtedness shall not exceed \$30 per \$100,000 of taxable property, (2) for a unified school district, such as the 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. These requirements are not part of Proposition 39 and can be changed with a majority vote of both houses of the Legislature and approval by the Governor. 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.

Alternatively, charter schools are independent public schools formed by teachers, parents, and other individuals and/or groups. Charter schools function under contracts or “charters” with local school districts, county boards of education, or the State Board of Education. Charter schools operate with minimal supervision by the local school district. Charter schools receive revenues from the State and from the local school district for each student enrolled, and thus effectively reduce revenues available for students enrolled in local school district schools. School districts are required to accommodate charter school students originating in the school district in facilities comparable to those provided to regular school district students.

Proposition 39 requires that each local K-12 school district provide charter school facilities sufficient to accommodate the charter school’s students. A K-12 school district, however, would not be required to spend its general discretionary revenues to provide these facilities for charter schools. Instead, the district could choose to use these or other revenues — including State and local bonds. Such facilities must be reasonably equivalent to the district schools that such charter students would otherwise attend. The respective K-12 school district is permitted to charge the charter school for its facilities if district discretionary revenues are used to fund the facilities and a district may decline to provide facilities for a charter school with a current or projected enrollment of fewer than 80 students who are residents in the District.

## Article XIII C and XIII D of the California Constitution

On November 5, 1996, an initiative to amend the California Constitution known as the “Right to Vote on Taxes Act” (“Proposition 218”) was approved by a majority of California voters. Proposition 218 added Articles XIII C and XIII D to the State Constitution and requires majority voter approval for the imposition, extension or increase of general taxes and 2/3 voter approval for the imposition, extension or increase of special taxes by a local government, which is defined in Proposition 218 to include counties. Proposition 218 also provides that any general tax imposed, extended or increased without voter approval by any local government on or after January 1, 1995, and prior to November 6, 1996 shall continue to be imposed only if approved by a majority vote in an election held within two years following November 6, 1996. All local taxes and benefit assessments which may be imposed by public agencies will be defined as “general taxes” (defined as those used for general governmental purposes) or “special taxes” (defined as taxes for a specific purpose even if the revenues flow through the local government’s general fund) both of which would require a popular vote. New general taxes require a majority vote and new special taxes require a two-thirds vote. Proposition 218 also extends the initiative power to reducing or repealing local taxes, assessments, fees and charges, regardless of the date such taxes, assessments or fees or charges were imposed, and lowers the number of signatures necessary for the process. In addition, Proposition 218 limits the application of assessments, fees and charges and requires them to be submitted to property owners for approval or rejection, after notice and public hearing.

The District has no power to impose taxes except property taxes associated with a general obligation bond election, following approval by 55% or 2/3 of the District’s voters, depending upon the Article of the Constitution under which it is passed.

Proposition 218 also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed, and reduces the number of signatures required for the initiative process. This extension of the initiative power to some extent constitutionalizes the February 6, 1995 State Supreme Court decision in *New Cuyamai v. Brown*, which upheld an initiative that repealed a local tax and held that the State constitution does not preclude the repeal, including the prospective repeal, of a tax ordinance by an initiative, as contrasted with the State constitutional prohibition on referendum powers regarding statutes and ordinances which impose a tax. Generally, the initiative process enables California voters to enact legislation upon obtaining requisite voter approval at a general election. Proposition 218 extends the authority stated in *New Cuyamai v. Brown* by expanding the initiative power to include reducing or repealing assessments, fees and charges, which had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Proposition 218 to fees imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. Such legal authority could include the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution.

Proposition 218 has no effect upon the District’s ability to pursue approval of a general obligation bond or a Mello-Roos Community Facilities District bond in the future, although certain procedures and burdens of proof may be altered slightly. The District is unable to predict the nature of any future challenges to Proposition 218 or the extent to which, if any, Proposition 218 may be held to be unconstitutional.

## Propositions 98 and 111

On November 8, 1988, voters approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act changes State funding of public education below the university level and the operation of the State’s appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as “K-14 school districts”) at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, and (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

Since the Accountability Act is unclear in some details, there can be no assurances that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 school districts, or to apply the relevant percentage to the State’s budgets in a different way than is proposed in the Governor’s Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State’s budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State’s ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

On June 5, 1990, the voters approved Proposition 111 (Senate Constitutional Amendment No. 1) called the “Traffic Congestion Relief and Spending Limit Act of 1990” (“Proposition 111”) which further modified Article XIII B and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

a. Annual Adjustments to Spending Limit. The annual adjustments to the Article XIII B spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the “change in the cost of living” is now measured by the change in California per capita personal income. The definition of “change in population” specifies that a portion of the State’s spending limit is to be adjusted to reflect changes in school attendance.



b. Treatment of Excess Tax Revenues. “Excess” tax revenues with respect to Article XIII B are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the schools’ minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts’ base expenditures for calculating their entitlement for State aid in the next year, and the State’s appropriations limit is not to be increased by this amount.

c. Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIII B spending limit. First, there are excluded all appropriations for “qualified capital outlay projects” as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

d. Recalculation of Appropriations Limit. The Article XIII B appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

e. School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the “first test”) or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the “second test”). Under Proposition 111, schools will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in per capita State general fund revenues from the prior year is less than the annual growth in California per capita personal income. Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a “credit” to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

## **Proposition 1A and Proposition 22**

On November 2, 2004, California voters approved Proposition 1A, which amends the State constitution to significantly reduce the State’s authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community

colleges, (iii) change how property tax revenues are shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Beginning in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (i) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amends the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Many of the provisions of Proposition 1A have been superseded by Proposition 22 enacted in November 2010.

Proposition 22, The Local Taxpayer, Public Safety, and Transportation Protection Act, approved by the voters of the State on November 2, 2010, prohibits the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies and eliminates the State's authority to shift property taxes temporarily during a severe financial hardship of the State. In addition, Proposition 22 restricts the State's authority to use State fuel tax revenues to pay debt service on state transportation bonds, to borrow or change the distribution of state fuel tax revenues, and to use vehicle license fee revenues to reimburse local governments for state mandated costs. Proposition 22 impacts resources in the State's general fund and transportation funds, the State's main funding source for schools and community colleges, as well as universities, prisons and health and social services programs. According to an analysis of Proposition 22 submitted by the Legislative Analyst's Office (the "LAO") on July 15, 2010, the longer-term effect of Proposition 22, according to the LAO analysis, will be an increase in the State's general fund costs by approximately \$1 billion annually for several decades.

On December 30, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos*, finding California Assembly Bill x1 26 to be constitutional and California Assembly Bill x1 27 to be unconstitutional. As a result, all redevelopment agencies in California were dissolved on February 1, 2012, and the property tax revenue which previously flowed to the redevelopment agencies is now instead going to other local governments, including school districts. It is likely that the dissolution of redevelopment agencies has mooted the effects of Proposition 22.

### **Proposition 30 and Proposition 55**

On November 6, 2012, voters of the State approved the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as "Proposition 30"), which temporarily increased the State Sales and Use Tax (which expired on January 1, 2017) and personal income tax rates on higher incomes. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and through the taxable year ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,000 for single filers (over \$340,000 but less than \$408,000 for head-of-household filers and over \$500,000 but less than \$600,000 for joint filers), (ii) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$408,000 but less than \$680,000 for head-of-household filers and

over \$600,000 but less than \$1,000,000 for joint filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$680,000 for head-of-household filers and over \$1,000,000 for joint filers).

The revenues generated from the personal income tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Propositions 98 and 111” herein. From an accounting perspective, the revenues generated from the personal income tax increases are being deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the “EPA”). Pursuant to Proposition 30, funds in the EPA are allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds are distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district will receive less than \$100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

The California Children’s Education and Health Care Protection Act of 2016, also known as Proposition 55, a constitutional amendment initiative, was approved by California voters at the November 8, 2016 general election in California. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030. Tax revenue received under Proposition 55 will be allocated 89% to K-12 schools and 11% to community colleges. The sales and use tax rate increase under Proposition 30 was not extended.

## **Proposition 2**

Proposition 2, also known as The Rainy Day Budget Stabilization Fund Act (“Proposition 2”) was approved by California voters on November 8, 2016. 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.

## **Proposition 26**

On November 2, 2010, voters in the State approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not

charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

### **California Senate Bill 222**

Senate Bill 222 ("SB 222") was signed by the California Governor on July 13, 2015 and became effective on January 1, 2016. SB 222 amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter approved general obligation bonds which are secured by *ad valorem* tax collections such as the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect of SB 222 is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

### **Kindergarten Through Community College Public Education Facilities Bond Act of 2016**

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 by the State for the new construction and modernization of K-14 facilities. The District makes no guarantee that it will either pursue or qualify for Proposition 51 state facilities funding.

**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 district lacks 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 million 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 Legislature and Governor based on a scoring system that factors in the amount of local funds contributed to the project. The Governor and Legislature will select among eligible projects as part of the annual state budget process.

### **Future Initiatives**

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the State Constitution and Propositions 2, 22, 26, 30, 39, 46, 55 and 98 were each adopted as measure that qualified for the State 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 C**

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR  
THE FISCAL YEAR ENDED JUNE 30, 2018**

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**APPENDIX D**

**COUNTY INVESTMENT POLICY**

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**APPENDIX E**  
**FORM OF OPINION OF BOND COUNSEL**

[Letterhead of Quint & Thimmig LLP]

[Closing Date]

Board of Trustees of the  
Cuyama Joint Unified School District  
2300 Highway 166  
New Cuyama, California 93254

**OPINION:** \$2,000,000\* Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California, California) General Obligation Bonds, Election of 2016, Series C (2020)

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Members of the Board of Trustees:

We have acted as bond counsel to the Cuyama Joint Unified School District (the “District”) in connection with the issuance by the District of \$2,000,000\* principal amount of Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020) (the “Bonds”), pursuant to the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with section 53506) of the California Government Code (the “Act”), and a resolution adopted by the Board of Trustees of the District on December 12, 2019 (the “Resolution”). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the District contained in the Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify such facts by independent investigation.

Based upon our examination, we are of the opinion, as of the date hereof, that:

1. The District is duly created and validly existing as a school district with the power to cause the Board to issue the Bonds in its name and to perform its obligations under the Resolution and the Bonds.
2. The Resolution has been duly adopted by the District and creates a valid first lien on the funds pledged under the Resolution for the security of the Bonds.
3. The Bonds have been duly authorized, executed and delivered by the Board and are valid and binding general obligations of the District. The Boards of Supervisors of Santa Barbara, Ventura and San Luis Obispo Counties are required under the Act to levy a tax upon all taxable property in the District for the interest and redemption of all outstanding bonds of the District, including the Bonds. The Bonds are payable from an *ad valorem* tax levied without limitation as to rate or amount.
4. Subject to the District’s compliance with certain covenants, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference

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\* Preliminary, subject to change.

in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code"). Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. It is also our opinion that the Bonds are "qualified tax-exempt obligations" under section 265(b)(3) of the Code.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to the bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

## APPENDIX F

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the “Disclosure Certificate”) is executed and delivered by the CUYAMA JOINT UNIFIED SCHOOL DISTRICT (the “District”) in connection with the issuance by the District of its \$2,000,000\* Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California) General Obligation Bonds, Election of 2016, Series C (2020) (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on December 12, 2019 (the “Bond Resolution”). The District covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth above and in the Indenture which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means the date that is nine months after the end of the District’s fiscal year (currently March 31 based on the District’s fiscal year end of June 30).

“*Dissemination Agent*” shall mean, initially, Isom Advisors, A Division of Urban Futures Incorporated or any successor Dissemination Agent designed in writing by the District and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

“*Fiscal Year*” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the District as its official fiscal year period under a Certificate of the District filed with the Trustee.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the final official statement executed by the District in connection with the issuance of the Bonds.

“*Participating Underwriter*” means Raymond James & Associates, Inc., the original underwriter of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

“*Significant Events*” means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

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\* Preliminary, subject to change.

### Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2020, with the report for fiscal year 2018-19 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

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

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

(a) The District's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the District for preceding fiscal year, substantially similar to that provided in the Official Statement, as follows:

- (i) The District's approved budget for the then current fiscal year;
- (ii) Assessed value of taxable property in the District as shown on the most recent equalized assessment role; and
- (iii) Property tax levies, collections and delinquencies for the District, for the most recent completed fiscal year, if Santa Barbara, Ventura or San Luis Obispo Counties are no longer participating in the Teeter Plan.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the District shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The District shall clearly identify each such other document so included by reference.

#### Section 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) Modifications to rights of security holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the District or other obligated person;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or an obligated person, or the sale of all or substantially all of the assets of the District or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) The incurrence of a financial obligation of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect security holders, if material; or

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Significant Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The District acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier “if material.” The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the District determines the event’s occurrence is material for purposes of U.S. federal securities law. The District intends that the words used in paragraphs (xv) and (xvi) and the definition of “financial obligation” to have the meanings ascribed thereto in SEC Release No. 34-83885 (August 20, 2018).

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the 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 governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days’ written notice to the District.

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

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, 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 proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto 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.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the District hereunder and shall not be

deemed to be acting in any fiduciary capacity for the District, the Bond holders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: [CLOSING DATE]

CUYAMA JOINT UNIFIED SCHOOL DISTRICT

By \_\_\_\_\_  
Superintendent

ACKNOWLEDGED:

ISOM ADVISORS, A Division of Urban Futures  
Incorporated, as Dissemination Agent

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO EMMA OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Cuyama Joint Unified School District

Name of Issue: Cuyama Joint Unified School District (Santa Barbara, Ventura and San Luis Obispo Counties, California, California) General Obligation Bonds, Election of 2016, Series C (2020)

Date of Issuance: [Closing]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated [Closing Date], furnished by the Issuer in connection with the Issue. The Issuer anticipates that the Annual Report will be filed by \_\_\_\_\_.

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

ISOM ADVISORS, A Division of Urban Futures  
Incorporated, as Dissemination Agent

By \_\_\_\_\_  
Title \_\_\_\_\_

cc: Paying Agent

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## APPENDIX G

### BOOK-ENTRY SYSTEM

*The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest on the Bonds to Direct Participants, Indirect Participants or Beneficial Owners (as such terms are defined below) of the Bonds, confirmation and transfer of beneficial ownership interests in the Bonds and other Bond related transactions by and between DTC, Direct Participants, Indirect Participants and Beneficial Owners of the Bonds is based solely on information furnished by DTC to the District which the District believes to be reliable, but the District and the Underwriter do not and cannot make any independent representations concerning these matters and do not take responsibility for the accuracy or completeness thereof. Neither the DTC, Direct Participants, Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.*

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has 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](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in

the name of DTC's partnership nominee, Cede & Co. or such other name as requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct or Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as tenders, defaults, and proposed amendments to the Bonds documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its service as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-Entry Only transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the District determines that DTC shall no longer act and delivers a written certificate to the Paying Agent to that effect, then the District will discontinue the Book-Entry System with DTC for the Bonds. If the District determines to replace DTC with another qualified securities depository, the District will prepare or direct the preparation of a new single separate, fully registered Bond for each maturity of the Bonds registered in the name of such successor or substitute securities depository as are not inconsistent with the terms of the Resolution. If the District fails to identify another qualified securities depository to replace the incumbent securities depository for the Bonds, then the Bonds shall no longer be restricted to being registered in the Bond registration books in the name of the incumbent

securities depository or its nominee, but shall be registered in whatever name or names the incumbent securities depository or its nominee transferring or exchanging the Bonds shall designate.

In the event that the Book-Entry System is discontinued, the following provisions would also apply: (i) the Bonds will be made available in physical form, (ii) payment of principal of and interest on the Bonds will be payable upon surrender thereof at the trust office of the Paying Agent identified in the Resolution, and (iii) the Bonds will be transferable and exchangeable as provided in the Resolution.

*The District and the Paying Agent do not have any responsibility or obligation to DTC Participants, to the persons for whom they act as nominees, to Beneficial Owners, or to any other person who is not shown on the registration books as being an owner of the Bonds, with respect to (i) the accuracy of any records maintained by DTC or any DTC Participants; (ii) the payment by DTC or any DTC Participant of any amount in respect of the principal of and interest on the Bonds; (iii) the delivery of any notice which is permitted or required to be given to registered owners under the Resolution; (iv) any consent given or other action taken by DTC as registered owner; or (v) any other matter arising with respect to the Bonds or the Resolution. The District and the Paying Agent cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal of and interest on the Bonds paid to DTC or its nominee, as the registered owner, or any notices to the Beneficial Owners or that they will do so on a timely basis or will serve and act in a manner described in this Official Statement. The District and the Paying Agent are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner in respect to the Bonds or any error or delay relating thereto.*

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**APPENDIX H**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

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**APPENDIX I**

**ACCRETED VALLUE TABLES**

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**RESOLUTION NO. 2014-03**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE CUYAMA JOINT UNIFIED SCHOOL DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF A SITE LEASE, A LEASE AGREEMENT, FILING AGENT AGREEMENT AND A PROGRAM FUND AGREEMENT, AND ACTIONS WITH RESPECT THERETO**

**WHEREAS**, the Cuyama Joint Unified School District (the "District") is a school district duly organized and existing under and pursuant to the Constitution and laws of the State of California (the "State"); and

**WHEREAS**, the District has filed two applications under the Qualified Zone Academy Bond Program with the California Department of Education (the "QZAB Program");

**WHEREAS**, the applications included programs designed in cooperation with business partners to enhance the academic curriculum; and

**WHEREAS**, the District has identified projects (the "Projects") which will qualify for funding under the QZAB Program and which were identified in the District's applications to the Department of Education; and

**WHEREAS**, the District will receive written commitments from private entities for contributions of at least 10% of QZAB Program bond amount; and

**WHEREAS**, the District has not received a qualified or negative certification of its abilities to meet its fiscal year financial obligations pursuant to Section 42131 of the California Education Code during the current fiscal year or the preceding fiscal year, and the District does not expect to receive such a qualified or negative certification in the remainder of the current fiscal year; and

**WHEREAS**, the District proposes to utilize the assistance of the Public Property Financing Corporation of California, a nonprofit public benefit corporation organized and existing under the laws of the State (the "Corporation"), authorized pursuant to the Corporations Code of the State to provide assistance in the financing of the Projects; and

**WHEREAS**, in connection with the Financing of the QZAB Projects, the District will lease certain real property, the improvements thereto and certain Equipment located thereon (defined in the Lease) (the "Site") to the Corporation pursuant to a Site Lease (the "Site Lease"), and sublease the Site back from the Corporation pursuant to a Lease Agreement (the "Lease Agreement");

**WHEREAS**, all rights to receive such lease payments will be assigned without recourse by the Corporation to Dubuque Bank & Trust Company, as purchaser (together with its successors and assigns, the "Assignee"), pursuant to an Assignment Agreement;

**WHEREAS**, in connection with the Financing of the Projects, the District will enter into a Program Fund Agreement (the "Program Fund Agreement") by and among the District, the Assignee, the Corporation, and U.S. Bank National Association (the "Disbursement Agent");

**WHEREAS**, the District desires to retain a filing agent to provide certain services pursuant to a Filing Agent Agreement by and between the District and Dubuque Bank & Trust Company (the "Filing Agent Agreement") to assist the District with reporting to the IRS, on an annual basis, and reporting to the Corporation, on a quarterly basis, the amount of tax credit permitted with respect to the Lease Agreement pursuant to Section 54E of the Internal Revenue Code of 1986, as amended.

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

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

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Cuyama Joint Unified School District, as follows:

**Section 1.** All of the recitals herein contained are true and correct and the Board so finds.

**Section 2.** The form of the Site Lease, on file with the Clerk to the Board, is hereby approved, and the President of the Board, and such other members of the Board as the President may designate, the Superintendent of the District, the Chief Business Official of the District, and such other officers or employees of the District as the Superintendent may designate (collectively, the "Authorized Officers"), each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Site Lease in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 3.** The form of the Lease Agreement, on file with the Clerk to the Board, is hereby approved, and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Lease Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate amount of the principal components of the base rental payments payable under the Lease Agreement shall not exceed \$2,000,000 and the term of the Lease Agreement shall not exceed 20 years (provided that such term may be extended as provided therein). The Board hereby determines that the lease payments due under the Lease Agreement in each fiscal year are reasonable and will not exceed the fair rental value of the Property to the District in each fiscal year.

**Section 4.** The form of the Filing Agent Agreement, on file with the Clerk to the Board, is hereby approved, and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Filing Agent Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 5.** The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Program Fund Agreement, in such form as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 6.** The Authorized Officers are hereby authorized and directed, jointly and severally, to execute and deliver such other documents or certificates and do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 7.** All actions heretofore taken by the officers, employees and agents of the District with respect to the transactions set forth above are hereby approved, confirmed and ratified.


**Section 8.** This Resolution shall take effect from and after its date of adoption.

**PASSED AND ADOPTED** this 26<sup>th</sup> day of September, 2013.

  
\_\_\_\_\_  
President of the Board of Trustees of the  
Cuyama Joint Unified School District

[Seal]

ATTEST:

  
\_\_\_\_\_  
Clerk to the Board of Trustees of the  
Cuyama Joint Unified School District

### CLERK'S CERTIFICATE

I, Tamra Cloud, Clerk to the Board of Trustees of the Cuyama Joint Unified School District, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly held at the regular meeting place thereof on September 26, 2013, of which meeting all of the members of said Board of Trustees had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT OR NOT VOTING:

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

Dated: Sept. 26, 2013

  
Clerk to the Board of Trustees of the  
Cuyama Joint Unified School District

[Seal]



RECORDING REQUESTED BY  
CHICAGO TITLE

COPY of Document Recorded  
10-Oct-2013 2013-0066508  
Has not been compared with  
original  
SANTA BARBARA COUNTY RECORDER

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Stradling Yocca Carlson & Rauth, P.C.  
44 Montgomery St., Suite 4200  
San Francisco, California 94104  
Attention: Nicholas R. Heuer

[Space above for Recorder's use.]

This document is recorded for the benefit of  
the Cuyama Joint Unified School District, and  
the recording is fee-exempt under Section  
27383 of the Government Code.

**SITE LEASE**

by and between

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**

and

**PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA**

Dated as of October 10, 2013

## SITE LEASE

This Site Lease is made and entered into as of October 10, 2013 by and between the CUYAMA JOINT UNIFIED SCHOOL DISTRICT, a political subdivision of the State of California (the "State") duly organized and existing under and by virtue of the laws of the State, as lessor (the "District"), and the PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, a nonprofit public benefit corporation duly organized and existing under the laws of the State, as lessee (the "Corporation").

### WITNESSETH:

WHEREAS, the District has entered into this Site Lease (the "Site Lease") with the Corporation for the purpose of leasing the real property (including all existing and future improvements thereon and the Equipment (defined in the Lease Agreement) located thereon)) consisting of Cuyama Valley High School with Assessor's Parcel Number of: 149-029-002, with a street address of 4500 Highway 166, New Cuyama, California 93254, described in Exhibit A hereto as such Exhibit A may be amended and supplemented from time to time (the "Leased Property") to the Corporation, as lessee hereunder;

WHEREAS, the District intends to lease the Leased Property back from the Corporation, pursuant to the terms of that certain Lease Agreement, dated the date hereof, between the Corporation and the District (the "Lease Agreement") and evidenced by a Memorandum of Lease Agreement recorded concurrently herewith;

WHEREAS, in order to provide a source of financing to fund the rental payment due hereunder by the Corporation, the Corporation has entered into an Assignment Agreement dated as of October 10, 2013, (the "Assignment Agreement") between the Corporation and Dubuque Bank & Trust Company (together with its successors and assigns, the "Assignee") pursuant to which the Corporation assigns the right to receive lease payments, among other things, to the Assignee; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of the Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the Site Lease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration, it is hereby mutually agreed as follows:

Section 1. **Definitions.** Unless the context otherwise requires, the capitalized terms herein which are not defined herein shall have the meanings specified in the Lease Agreement or the Program Fund Agreement (as defined herein), as applicable.

Section 2. **Lease of the Leased Property.** The District hereby leases to the Corporation and the Corporation hereby leases from the District the Leased Property, on the terms and conditions hereinafter set forth.

Section 3. **Term.** The term of this Site Lease shall commence as of the date hereof and shall remain in effect until the later of October 10, 2031 or the date of expiration of the Lease

Agreement as provided for by Section 4.3 thereof, unless such term is sooner terminated as hereinafter provided, however, if the term of the Lease Agreement is extended pursuant to Section 4.3 of the Lease Agreement, the term of this Site Lease shall also be extended, to the same date as the Lease Agreement is extended, except that the term of this Site Lease shall in no event extend beyond October 10, 2041. If the Lease Agreement is terminated in whole pursuant to Sections 9.2, 9.3, or 9.4 of the Lease Agreement, the term of this Site Lease shall also be terminated.

Section 4. **Rental.** The Corporation, or any assignee or successor in interest of the Corporation under this Site Lease, shall pay upon execution and delivery of this Site Lease as and for rental hereunder, the sum of \$1,589,060.00 (the "Site Lease Payment"). Such payment shall be deposited by the U.S. Bank National Association (the "Disbursement Agent") in the QZAB Program Fund pursuant to Program Fund Agreement (the "Program Fund Agreement") of even date herewith among the Corporation, the District, the Assignee, and the Disbursement Agent. The Corporation and the District hereby find and determine that the total amount of the Site Lease Payment does not exceed the fair market value of the leasehold interest in the Leased Property which is conveyed hereunder by the District to the Corporation. No other amount of rental is due and payable by the Corporation for the use and occupancy of the Leased Property under this Site Lease. The District shall apply the proceeds of the Site Lease Payment to pay Program Costs (as defined in the Lease Agreement), and shall ensure that all of such proceeds are applied solely for capital outlay purposes.

As additional consideration for the leasing of the Leased Property to it, the Corporation shall execute and deliver the Lease Agreement and shall perform its obligations thereunder.

Section 5. **Acquisition and Installation of the QZAB Program.** The purpose for which the District agrees to lease the Leased Property to the Corporation hereunder is to enable the District to finance the QZAB Program as provided in the Program Fund Agreement and the Lease Agreement.

Section 6. **Representations, Warranties and Covenants.** The District represents and warrants that it is the owner in fee of the Leased Property. The District covenants that it shall not encumber the Leased Property except for Permitted Encumbrances (as such term is defined in the Lease Agreement). The District further covenants that it: (a) will not consent to any amendment, modification or termination of the Site Lease without prior written consent of Assignee, which consent shall not be unreasonably withheld, conditioned or delayed; (b) will not convey, transfer, or otherwise divest its interest in the Leased Property or in the Site Lease (or either of them) without the prior written consent of Assignee which consent shall not be unreasonably withheld, conditioned or delayed, provided the purchaser of such interests shall simultaneously enter into a lessor's consent, estoppel certificate and agreement in form and substance satisfactory to Assignee in its sole discretion; and (c) shall provide Assignee (at the address provided below) with a copy of any written notice that the District sends to or receives from the Corporation.

Section 7. **Assignments.** The District acknowledges, approves, and affirms the assignment by the Corporation of its right, title and interest in and to this Site Lease to the Assignee, under the terms of the Assignment Agreement. The Corporation may not assign its rights under this Site Lease or sublet all or any portion of the Leased Property, except as provided in the Lease Agreement and the Assignment Agreement, without the prior written consent of the Assignee.

Section 8. **Substitution or Release of Property.** If the District exercises its option under Section 4.9 of the Lease Agreement to substitute property for the Leased Property in whole or in part,

such substitution shall also operate to substitute property for the Leased Property which is leased hereunder. If the District exercises its option under Section 4.10 of the Lease Agreement to release any portion of the Leased Property from the Lease Agreement, such release shall also operate to release property hereunder. The description of the property which is leased under the Lease Agreement shall conform at all times to the description of the property which is leased hereunder.

In the event of damage to or destruction of all or a portion of the Leased Property due to earthquake or other uninsured casualty for which the proceeds of rental interruption insurance are not available, the District shall promptly after the occurrence of such event and without any further authorization substitute and add as Leased Property under this Site Lease and the Lease Agreement other real or personal property of the District that is unimpaired and unencumbered, the fair rental value of which shall be at least equal to the Lease Payments due during each fiscal year for the remainder of the term of the Lease Agreement.

Section 9. ***Right of Entry; Environmental Covenants.*** The District reserves the right for any of its duly authorized representatives to enter upon the Leased Property, or any portion thereof, at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

The District represents and warrants that after due inquiry it is not aware of any actual or alleged violation with respect to the Leased Property of any Environmental Regulations, and that there is no action or proceeding pending before or appealable from any court, quasi-judicial body or administrative agency relating to Hazardous Materials affecting or alleged to be affecting the Leased Property. The District shall not use or permit the Leased Property or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the Leased Property and then, only in compliance with all Environmental Regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the pumping, spilling, leaking, disposing of, emptying, discharging or releasing (hereinafter collectively referred to as "Release") or threat of Release of Hazardous Materials on, from or beneath the Leased Property or onto any other real property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of an office building, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release, or presence, of Hazardous Materials, the District shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Corporation or Assignee, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so Released or present, on, from or beneath the Leased Property, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to and in accordance with Laws and Regulations and only to the extent necessary to maintain the Leased Property.

The District shall comply with, and shall cause its tenants, subtenants, licensees, guests, invitees, contractors, employees and agents to comply with, all Environmental Regulations, and shall keep the Leased Property free and clear of any liens imposed pursuant thereto (provided, however, that any such liens, if not discharged, may be bonded). The District shall cause each tenant, and use its best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all

Environmental Regulations with respect to the Leased Property. Upon receipt of any notice from any individual or Person with regard to the presence of, or Release of Hazardous Materials on, from or beneath the Leased Property, the District shall give prompt written notice thereof to the Corporation and the Assignee (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulation).

The District shall, to the extent permitted by law, defend, indemnify and hold harmless the Corporation and the Assignee, their partners, depositors and each of its and their employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this Section), consultants' fees, investigation and laboratory fees, liabilities, settlements, court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Leased Property, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached, or governmental order relating to Hazardous Materials on, from or beneath any of the Leased Property, (iv) any violation of Environmental Regulations or this Section 8 by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the District is strictly liable under any Environmental Regulation, its obligation to the Corporation and the Assignee and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. Its obligations and liabilities under this Section 9 shall survive any termination of the Leased Property Lease or exercise of any remedies thereunder, and the satisfaction of all Lease Payments.

"Asbestos Containing Materials" shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (ricbeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) antinolite.

"Asbestos Operations and Maintenance Plan" shall mean that written plan for the Leased Property relating to monitoring and maintaining all Asbestos Containing Materials used or located on the Leased Property.

"Environmental Regulations" shall mean all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1251, et seq.) (together with the regulations promulgated thereunder, "CWA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, "CAA"), the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.) (together with the regulations promulgated thereunder, "TSCA"), the Occupational Safety and Health Act, as amended (29 U.S.C. Section 651 et seq.) (together with regulations promulgated thereunder, "OSHA") and

any similar federal, state or local laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

"Hazardous Materials" shall mean any material amount of flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as characterized, regulated or defined in CERCLA, RCRA, CWA, CAA, TSCA, OSHA and Title III, and the regulations promulgated pursuant thereto, and in any other Environmental Regulations applicable to the District, any of the Leased Property or the business operations conducted by the District therein.

"Laws and Regulations" shall mean any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Leased Property.

Section 10. ***Actions on Termination.*** The Corporation agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property in the same good order and condition as it was in at the time the real property then constituting the Leased Property became subject to this Site Lease, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Leased Property at the time of the termination of this Site Lease shall remain thereon and all interest therein shall vest in the District free and clear of any interest of the Corporation.

Section 11. ***Default.*** If the Corporation defaults in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Corporation, the District may exercise any and all remedies granted by law, except that no merger of this Site Lease and the Lease Agreement shall be deemed to occur as a result thereof and no such remedy may include termination hereof; provided that the District may not terminate this Site Lease and shall exercise only remedies providing for specific performance hereunder; provided, further, that so long as the Lease Agreement remains in effect, the Lease Payments payable by the District under the Lease Agreement shall continue to be paid to the Assignee. In the event of the occurrence of an Event of Default under the Lease Agreement, the Corporation may (i) exercise the remedies provided in the Lease Agreement, (ii) use the Leased Property for any lawful purpose, subject to any applicable legal limitations or restrictions, and (iii) exercise all options provided herein or under applicable law.

Section 12. ***Quiet Enjoyment.*** The Corporation at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Property, subject to the provisions of the Lease Agreement and subject only to Permitted Encumbrances (as such term is defined in the Lease Agreement).

Section 13. ***Waiver of Personal Liability.*** All liabilities under this Site Lease on the part of the Corporation are solely corporate liabilities of the Corporation as a public entity, and the District hereby releases each and every member and officer of the Corporation of and from any personal or individual liability under this Site Lease. No member or officer of the Corporation or its

governing board shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the Corporation hereunder.

Section 14. **Taxes.** The District covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Property.

Section 15. **Eminent Domain.** If the whole or any part of the Leased Property or any improvements thereon is taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of the then unpaid Lease Payments payable under the Lease Agreement and the balance of the award, if any, shall be paid to the District.

Section 16. **Partial Invalidity.** If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. **Applicable Law.** This Site Lease shall be governed by and construed in accordance with the laws of the State.

Section 18. **Representatives.** Whenever under the provisions of this Site Lease the approval of the Corporation or the District is required, or the Corporation or the District is required to take some action at the request of the other, such approval or such request shall be given for the District by the President of the Board of Trustees, the Superintendent, or the Chief Business Official, as representative, or his or her written designee, and for the Corporation by its Chairman, Treasurer or Secretary of the Corporation, as representative, or his or her written designee.

Section 19. **Notices.** All notices or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid:

If to the District:

Cuyama Joint Unified School District  
2300 Highway 166  
New Cuyama, California 93254  
Attention: Superintendent  
Facsimile: (661) 766-2255

If to the Corporation:

Public Property Financing Corporation of California  
2945 Townsgate Road, Suite 200  
Westlake Village, CA 91361  
Attention: Secretary  
Facsimile: (805) 267-7142

If to the Assignee:

Dubuque Bank & Trust Company  
1398 Central Avenue  
P.O Box 778  
Dubuque, IA 52004-0778  
Attention: Kenneth J. Erickson, Executive Vice President  
Telephone: (563) 589-2124  
Facsimile: (563) 584-2519  
E-mail: [kerickson@htlf.com](mailto:kerickson@htlf.com)

If to the Disbursement Agent: U.S. Bank National Association

Global Corporate Trust Services  
U.S. Bank Center, LM-AZ-X16P  
101 North First Ave., Suite 1600  
Phoenix, AZ 85003  
Attn: Keith Henselen, Assistant Vice President  
Phone: 602-257-5431  
Fax: 602-257-5433

If to the Servicer:

BluePath Finance LLC  
950 Lincoln Blvd #29048  
San Francisco, CA 94129  
Attention: Michael J.J. Cox, Chief Financial Officer  
Telephone: (415) 549-0742

The Corporation and the District, by notice given hereunder, may designate different addresses to which subsequent notices or other communications will be sent.

Section 20. ***Amendment of this Site Lease.*** The Corporation and the District may at any time amend or modify any of the provisions of this Site Lease, but only (a) with the prior written consent of the Owners of a majority in aggregate principal amount of the outstanding Lease Payments; or (b) without the consent of any owners of outstanding Lease Payments, but only if such amendment or modification is for any one or more of the following purposes:

(i) to make cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, or in any other respect whatsoever as the Corporation and the District may deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments do not materially adversely affect the interests of the owners of outstanding Lease Payments;

(ii) to amend any provision hereof relating to the Tax Code, to any extent whatsoever, but only if and to the extent such amendment will not (x) cause the obligations of the District under the Lease Agreement to lose their status as "Qualified Zone Academy Bonds" under Sections 54A and 54E of the Tax Code and (y) adversely affect the interests of any owner of Lease Payments; or

(iii) for the purpose of effectuating any substitution or release of property permitted under and pursuant to the conditions set forth under Sections 4.9 and 4.10 of the Lease Agreement or Section 8 hereof.



The Corporation shall deliver or cause to be delivered a draft of any amendment of this Site Lease to each rating agency which then maintains a rating on the outstanding Lease Payments, at least 15 days prior to the effective date of such amendment.

Section 21. **Captions.** The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision or section of this Site Lease.

Section 22. **Execution in Counterparts.** This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same lease. It is also agreed that separate counterparts of this Site Lease may be separately executed by the Corporation and the District, all with the same force and effect as though the same counterpart had been executed by both the Corporation and the District.

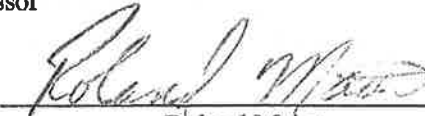
Section 23. **Third Party Beneficiary.** The Assignee is hereby made a third party beneficiary under this Site Lease with all rights of a third party beneficiary.

Section 24. **No Merger.** Neither this Site Lease, the Lease Agreement nor any provisions hereof or thereof shall be construed to effect a merger of the title of the District to the Leased Property under this Site Lease and the District's leasehold interest therein under the Lease Agreement.

IN WITNESS WHEREOF, the parties have caused this Site Lease to be executed by their duly authorized officers on the date and year first above written.

CUYAMA JOINT UNIFIED SCHOOL DISTRICT,  
as Lessor

By: \_\_\_\_\_



Roland Maier  
Superintendent

PUBLIC PROPERTY FINANCING CORPORATION  
OF CALIFORNIA, as Lessee

By: \_\_\_\_\_

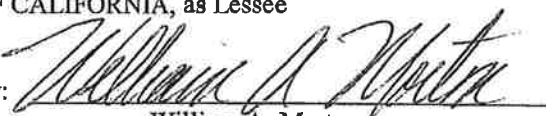
William A. Morton  
Treasurer/Secretary

IN WITNESS WHEREOF, the parties have caused this Site Lease to be executed by their duly authorized officers on the date and year first above written.

CUYAMACA COUNTY UNIFIED SCHOOL DISTRICT,  
as Lessor

By: \_\_\_\_\_  
Roland Maier  
Superintendent

PUBLIC PROPERTY FINANCING CORPORATION  
OF CALIFORNIA, as Lessee

By:   
William A. Morton  
Treasurer/Secretary

### **CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed under the foregoing to the Public Property Financing Corporation of California, a California nonprofit public benefit corporation, is hereby accepted by the undersigned officer or agent on behalf of the Board of Directors of the Corporation, pursuant to authority conferred by resolution of the said Board of Directors adopted on September 30, 2013, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: October 10, 2013

**PUBLIC PROPERTY FINANCING CORPORATION OF  
CALIFORNIA**

By: \_\_\_\_\_



William A. Morton  
Treasurer/Secretary

State of California )

County of Kern )

On 10-07-2013, before Brandi M. Smith, Notary Public,  
(here insert name and title of the officer)

personally appeared Roland M. Smith who proved to me on the basis of satisfactory evidence to be the person(s) whose name is subscribed to the within instrument and who acknowledged to me that he/~~she~~/they executed the same in their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Brandi M. Smith



(Seal)

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State of California )

County of Los Angeles )

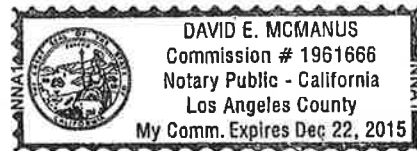
On October 7, 2013 before me, David E. McManus, notary public, personally appeared William A. Morton who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

*David E. McManus*



(Seal)

---

## **EXHIBIT A**

### **LEASED PROPERTY**

The real property, all improvements thereto and the Equipment located thereon, commonly known as Cuyama Valley High School located at 4500 Highway 166, New Cuyama, California 93254, described as follows:

A portion of the Cuyama School Tract, according to the map thereof recorded in Book 15, pages 393-394 of Maps, in the Office of the Recorder of said County, particularly described as follows, to wit:

Commencing at a point on the southerly line of California State Highway No. 57 (posted as No. 166) which bears South 79°00'30" East, a distance of 2288.38 feet along said southerly line of said highway from a one-half inch survey pipe, said survey pipe being in the northeasterly corner of the Town-site of New Cuyama, as recorded in Map Book 15, pages 296-304, Official Records of the County of Santa Barbara, State of California, said corner being also the northwesterly corner of that certain parcel of land shown on Record of Survey Map recorded in Book 30, page 28, Official Records of said County;

Thence South 79°00'30" East, a distance of 1917.37 feet along the southerly line of said California State Highway No. 57;

Thence South 0°17'00" West distance of 808.41 feet;

Thence North 89°43'00" West, a distance of 1946.99 feet;

Thence North 0°17'00" East, a distance of 831.78 feet;

Thence North 10°59'30" East, a distance of 339.07 feet, more or less, to the point of commencement;

Excepting therefrom the West 100 feet of the South 100 feet of the East 637.79 feet thereof;

Also excepting therefrom all asphaltum, petroleum, coal or other minerals within or underlying said property.

APN: 149-029-002

**RECORDING REQUESTED BY  
CHICAGO TITLE**

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**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

Stradling Yocca Carlson & Rauth, P.C.  
44 Montgomery St., Suite 4200  
San Francisco, California 94104  
Attention: Nicholas R. Heuer

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This document is recorded for the benefit of  
the Cuyama Joint Unified School District, and  
the recording is fee-exempt under Section  
27383 of the Government Code.

**MEMORANDUM OF LEASE AGREEMENT**

by and between

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT**

and

**PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA**

Dated as of October 10, 2013

Relating to

**\$1,589,060  
Cuyama Joint Unified School District  
Lease Agreement  
(2013 QZAB Program)**



## MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement dated as of October 10, 2013 (this "Memorandum of Lease Agreement"), is made and entered into by and between the CUYAMA JOINT UNIFIED SCHOOL DISTRICT (the "District"), a school district organized and validly existing under the laws of the State of California, as lessee, and the PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA (the "Corporation"), a nonprofit public benefit corporation organized and existing under and by virtue of the laws of the State of California, as lessor, who agree as follows:

**Section 1.01. Site: Term.** The Corporation leases to the District and the District leases from the Corporation, certain real property (including all existing and future improvements thereon and the Equipment (defined in the Lease Agreement) located thereon)) (the "Site"), which is located in the County of Santa Barbara, State of California, and is described more fully in Exhibit A attached hereto and by this reference incorporated herein. The Lease Agreement is for a term commencing on the Delivery Date, as set forth therein, and shall terminate on October 10, 2031, unless such term is extended or sooner terminated as provided therein.

**Section 1.02. The Lease Agreement.** The District leases from the Corporation and the Corporation leases to the District, certain real property described in Section 1.02 hereof, upon the terms and conditions, and for the term, more fully set forth in the Lease Agreement, dated as of October 10, 2013 (the "Lease Agreement"), by and between the Corporation, as lessor, and the District, as lessee, all of the provisions of which are hereby incorporated into this Memorandum of Lease Agreement by reference.

**Section 1.03. Assignment.** The Corporation has agreed to sell, assign and transfer to Dubuque Bank & Trust Company (the "Purchaser") certain of its rights under the Lease Agreement pursuant to the Assignment Agreement, dated as of October 10, 2013, by and between the Corporation and the Purchaser. The Lease will evidence principal in the aggregate amount of \$1,589,060.


**Section 1.04. Provisions Binding on Successors and Assigns.** Subject to the provisions of the Lease Agreement relating to assignment and subletting, the Lease Agreement shall inure to the benefit of and shall be binding upon the Corporation and the District and their respective successors and assigns.

**Section 1.05. Purpose of Memorandum.** This Memorandum of Lease Agreement is prepared for the purpose of recordation, and it in no way modifies the provisions of the Lease Agreement.

**Section 1.06. Execution.** This Memorandum of Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have executed this Memorandum of Lease Agreement by their officers thereunto duly authorized as of the day and year first written above.

**PUBLIC PROPERTY FINANCING CORPORATION  
OF CALIFORNIA, as lessor**

By:   
William A. Morton  
Treasurer/Secretary

**CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT, as lessee**


By: \_\_\_\_\_  
Roland Maier  
Superintendent

**IN WITNESS WHEREOF**, the parties hereto have executed this Memorandum of Lease Agreement by their officers thereunto duly authorized as of the day and year first written above.

**PUBLIC PROPERTY FINANCING CORPORATION  
OF CALIFORNIA, as lessor**

By: \_\_\_\_\_  
William A. Morton  
Treasurer/Secretary

**CUYAMA JOINT UNIFIED SCHOOL  
DISTRICT, as lessee**

By:   
Roland Maier  
Superintendent

## CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed under the foregoing to the Cuyama Joint Unified School District, a school district duly organized and existing under and by virtue of the Constitution and laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Trustees of the District, pursuant to authority conferred by resolution of the said Board of Trustees adopted on September 26, 2013, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: October 10, 2013

CUYAMA JOINT UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_

  
Roland Maier  
Superintendent



CALIFORNIA  
DEPARTMENT OF  
EDUCATION

**TOM TORLAKSON**

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

June 5, 2013

Roland Maier, Superintendent  
Cuyama Joint Unified School District  
2300 Highway 166  
New Cuyama, CA 93254

Dear Superintendent Maier:

Subject: Qualified Zone Academy Bond Program

The California Department of Education (CDE) is pleased to inform you that your participation in the **Qualified Zone Academy Bond Program** was successful. Your success in the application process entitles the Cuyama Joint Unified School District on behalf of the following academies, Cuyama Elementary School Academy and Cuyama Valley High School Academy, to issue \$2,000,000 worth of bonds for the purposes specified in your proposals. You should now find a lender willing to abide by the laws and regulations specified in the application packages. Any questions about bonding should be directed to your bond counsel. Bonds must be issued by December 5, 2013.

Within 15 days of issuance, a copy of the appropriate federal Internal Revenue Service Form, Information Return for Tax-Exempt Bonds must be submitted to the CDE, School Facilities and Transportation Services Division. Additionally, at the conclusion of the projects a completion letter must be submitted to the CDE. The letter must be completed by district bond counsel stating that the proceeds of issuance were used in accordance with all Federal laws and regulations. All correspondence should be sent to the California Department of Education, School Facilities and Transportation Services Division, 1430 N Street, Suite 1201, Sacramento, CA 95814.

On January 17, 2013, the State Superintendent of Public Instruction Tom Torlakson and State Treasurer Bill Lockyer sent a letter (<http://www.cde.ca.gov/nr/el/le/yr13ltr0117.asp>) to all district superintendents cautioning districts against the issuance of capital appreciation bonds. Please review this letter for further information.

Roland Maier, Superintendent  
June 5, 2013  
Page 2

We appreciate your interest in the opportunity provided by the Qualified Zone Academy Bond Program. If you have any questions, please contact Shannon Farrell-Hart at 916-323-3923 or by e-mail at [sfarrell@cde.ca.gov](mailto:sfarrell@cde.ca.gov).

Sincerely,



Kathleen J. Moore, Division Director  
School Facilities and Transportation Services Division

KJM:kr



Pulling for Kids Educational Foundation • P.O. Box 189 • Girard, KS 66743  
Phone: 620.724.6281 Fax: 620.724.6284

September 27, 2013

Mr. Roland Maier  
Superintendent of Schools  
Cuyama Joint Unified School District  
4400 Cathedral Oaks Road  
P.O. Box 6307  
Santa Barbara, CA 93160

**RE: 1,589,060 Qualified Zone Academy Bond (QZAB)**

Dear Mr. Maier,

The Pulling for Kids Foundation, Inc., is a 501(c)(3) public charity. The Foundation, enthusiastically supports the efforts of your school district and the Qualified Zone Academy Bond (QZAB) program.

As you may already be aware, we provide access to The Pulling for Kids Educational Resource Sampler with learning content designed to enhance student instruction. There are 12 online professional development modules (valued at \$95 each). We have also partnered with NBC Learn K-12 to provide full access to their NBC News archives (valued at \$2,500 per building). Another series of online courses can be used by teachers and students to learn beginning programming (valued at \$199 per student).

The professional development material was developed by *The Master Teacher*, a recognized leading provider of continuous professional development for teachers and school staff. The online modules are available 24/7 and contain high quality content that is relevant, research-based, and written by practitioners in the field. The 12 courses range from Effective Classroom Management to Tactics to Keep Students Motivated to the End.

NBC Learn K-12 contains more than 12,000 digitized stories from the NBC News archives. The collections of NBC Learn are available through internet streaming or via download. They are accessible as a stand-alone resource or as a building block for curriculum or online course development.

A series of online courses for secondary students called *Basic Programming and Game Development with Scratch* provide instruction to build programming skills for beginners and more advanced students.

The values set forth above are based on our actual pricing to school districts and others that are purchasing such materials from the Pulling for Kids Foundation, Inc.

Representatives of the Pulling for Kids Foundation, Inc. will work with your staff over the coming months to establish access to the learning materials for your teachers for a one-year period. The value of the Pulling for Kids Educational Resource Sampler for each participating teacher is \$1,140, \$199 for each student, and \$2,500 per building. Although not all teachers and not all students will participate, we commit to you to work with enough teachers and students that the value of all learning materials donated to your school will have a present value, as of the date you issue your bonds, of not less than \$158,906 which will be at least 10 percent of the proceeds of the bond issue.

It is our hope that our in-kind contribution, subject to McLiney And Company successfully placing the issue, will ensure the success of your QZAB program and will help establish a strong relationship between your school and us. We look forward to an ongoing partnership, and wish you the best of luck with your project.

Sincerely,

  
Kelly Peak  
Special Project Director





# McLINEY AND COMPANY

*Investment bankers  
Municipal Bonds*

2800 McGee Trafficway  
Kansas City, Missouri 64108

1(800) 432-4042  
(816) 221-4042  
Fax (816) 221-4048

June 27th, 2013 (updated 8/28)

**\$1,589,060**  
**Cuyama Joint Unified School District**  
**Placement Memorandum**

Thank you for your interest in the Cuyama Joint Unified School District (the District) Qualified Zone Academy Bonds ("QZABs" or "Bonds") project. Below is a summary of your offer to purchase these bonds. We appreciate your consideration, and if the following QZAB financing is correct, please sign and return at your earliest convenience.

**Summary of Terms and conditions:**

**ISSUER:** Cuyama Joint Unified School District (the "District")

**PURCHASER:** Dubuque Bank & Trust Company (the "Purchaser")

**AMOUNT:** \$1,589,060.00

**CLOSING DATE:** 45 days prior to, or on, the date of this proposal.

**MATURITY:** 17 years from the closing date.

**RATE:** The Purchaser's offer shall be at 100% of par with a rate equal to the published QZAB rate of 5.19%<sup>1</sup> along with a supplemental coupon rate of 1.50%. The credit and the interest will be paid will be paid to the Purchaser quarterly.

**SECURITY:** The QZAB Obligation will be executed and delivered pursuant to a Qualified Zone Academy Bond allocation granted by the California Department of Education to the District and are payable from the general fund of the District. The QZAB shall be secured by certain real property and the obligation to make annual payments (as described in the authorizing documents).

The District will lease certain property (the "Leased Property") pursuant to a Lease Agreement, dated as of September 28, 2013 (the "Lease") or thereafter. The agreement will evidence proportionate interests in lease payments (the "Lease Payments") to be made by the District as lessee under the Lease for the use and possession of the Leased Property. The District's obligation to make Lease Payments is subject to abatement in the event of substantial interference with its use and possession of all or part of the Leased Property.

**QZAB RATE:** The QZAB credit rate will be established as of the date of the District's resolution authorizing a written binding agreement between the District and the Purchaser.

**PAYMENTS:** The District will make quarterly interest payments anticipated to beginning 3 months from the closer of this bond issue. The District will make quarterly principal payments beginning one year from the closing date of this issue. The average annual payments to be made by the School District shall be equal to approximately **\$116,766.00** (Excludes first years interest only payment. Please see attached maturity Schedule).

<sup>1</sup> Subject to change. The Federal Tax-Credit Rate changes daily. It may be locked only when a binding written agreement has been made between the District and the Purchaser. The changes in the tax-credit rate will have no effect on the annual principal and interest schedule.

## MCLINEY AND COMPANY

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Kansas City, Missouri 64108

1(800) 432-4042  
(816) 221-4042  
Fax (816) 221-4048

**PURPOSE:** Capital improvements and energy related projects to various school buildings (the "Project") throughout the district.

**EXPENSES:** The Cost of issuance will be paid by the QZAB Advisor; McLiney And Company from their fee. This will include bond attorney, purchaser's attorney, and Public Property Financing Corporation of California (the Corporation) Legal Fee and other QZAB associated costs of issuance.

**COST OF ISSANCE:** The cost of issuance will be 5% of the par amount of the bond being financed. All costs, including bond advisory fees, legal opinion, purchaser's legal opinion and other cost of issuance will be paid from this fee.

**STRUCTURE:** The structure of the financing will include a Site Lease between the District and the Corporation,, under which the District will lease the Cuyama Elementary school facility ( the "Leased Facility") to the Corporation. Under a separate Taxable Facility Lease Agreement (the "Facility Lease"), the Corporation will sublease the Leased Facility back to the District. The payments due under the Facility Lease will represent rent for the beneficial use of the Leased Facility. Regardless of the status of installation or performance of the Equipment, the District's obligation to make payments commence on that certain date as set forth in the Facility Lease. Under an Assignment Agreement (the "Assignment"), the Corporation will assign to the Assignee all of the Corporation's right, title, and interest, in and to the Leased Facility under the Site Lease and the Facility Lease, including its right to receive the lease payments due under the Facility Lease.

The Facility Lease will not be subject to termination based on annual appropriations but will be subject to abatement under California law. As such, the District is obligated to make all the payments under the Facility Lease and will be entitled to abate payments solely in the event the Leased Facility is not available for the District's beneficial use and enjoyment due to damage, destruction or condemnation.

In the event of damage to or destruction of all or a portion of the Equipment due to earthquake or other uninsured casualty for which the proceeds of rental interruption insurance are not available, Lessee shall promptly after the occurrence of such event and without any further authorization substitute and add as Equipment under this Agreement other real or personal property of Lessee that is unimpaired and unencumbered, the fair rental value of which shall be at least equal to the Rental Payments due during each fiscal year for the remainder of the term of this Agreement.

### **EVENTS OF NON PAYMENT:**

In the event the District fails to make a payment, the District shall forfeit the property used as collateral to secure the QZAB. Specifically, the School and any other buildings as describe in the QZAB authorizing documents. The School District shall be in default if it should it fail to perform timely and properly, keep and preserve any term, provision, covenant, agreement, or condition under the bond documents.

# MCLINEY AND COMPANY

*Investment bankers*

*Municipal Bonds*

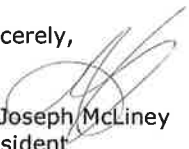
2800 McGee Trafficway  
Kansas City, Missouri 64108

1(800) 432-4042  
(816) 221-4042  
Fax (816) 221-4048

## **CLOSING CONDITIONS:**

This proposal and acceptance is subject to approval of the senior management of the Purchaser, as well as the board approval of the District and subject to approval of all final documentation.

Sincerely,

  
G. Joseph McLiney  
President

## **ACCEPTANCE OF PROPOSAL:**

The above proposal is accepted by the District and the Purchaser with the terms and conditions provided herein.

BY:

\_\_\_\_\_  
School District

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

BY:

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# MCLINEY AND COMPANY

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Municipal Bonds*

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Kansas City, Missouri 64108

1(800) 432-4042  
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Fax (816) 221-4048

## **Payment Schedule**

### *Qualified Zone Academy Bond*

Cuyama School District

Debt Service Report

FY Start 07/01 Dates	Principal Amount	Coupon Rate	Interest Amount	Total Debt Service
2014	-	1.50	11,917.95	11,917.95
2015	23,232.77	1.50	23,835.92	47,068.69
2016	93,805.59	1.50	22,961.39	116,766.98
2017	95,220.61	1.50	21,546.38	116,766.99
2018	96,656.97	1.50	20,110.02	116,766.99
2019	98,115.00	1.50	18,651.98	116,766.98
2020	99,595.03	1.50	17,171.96	116,766.99
2021	101,097.38	1.50	15,669.61	116,766.99
2022	102,622.39	1.50	14,144.60	116,766.99
2023	104,170.41	1.50	12,596.59	116,767.00
2024	105,741.77	1.50	11,025.22	116,766.99
2025	107,336.84	1.50	9,430.14	116,766.98
2026	108,955.98	1.50	7,811.01	116,766.99
2027	110,599.53	1.50	6,167.45	116,766.98
2028	112,267.88	1.50	4,499.11	116,766.99
2029	113,961.39	1.50	2,805.60	116,766.99
2030	<u>115,680.45</u>	1.50	<u>1,086.53</u>	<u>116,766.98</u>
	1,589,060.00	-	221,431.46	1,810,491.46



# Santa Barbara County Education Office

4400 Cathedral Oaks Rd, PO Box 6307, Santa Barbara, CA 93160-6307  
Telephone: (805) 964-4711 • FAX: (805) 964-4712 • sbceo.org



Susan C. Salcido, Superintendent of Schools

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November 5, 2019

SBAS-9303

TO: President of the Board of Trustees  
Dr. Stephen Bluestein, Superintendent  
Cuyama Joint Unified School District

FROM: Bill Ridgeway, Assistant Superintendent, Administrative Services  
Denice Cora, Administrator   
Nicole Evenson, District Financial Advisor 

SUBJECT: **Revised Adopted Budget Analysis and Recommendations**

In accordance with the provisions of Education Code Section 42127, our office has completed a review of the district's revised Adopted Budget submitted to our office Oct. 8, 2019. **Our final review has resulted in "approval" of the budget. This approval is based on the district's agreement to maintain a positive General Fund balance for 2019-20 and to restore its General Fund Reserve for Economic Uncertainties (REU) to at least 2.5% in 2020-21 and maintain its required 5% REU in 2021-22 as outlined in our letter dated Sept. 15, 2019.** This correspondence serves as an addendum to that letter.

## District actions

The district submitted a fiscal recovery plan with specific revenue enhancements and/or expenditure reductions approved by the district's Governing Board on Oct. 7. The actions outlined in that plan allow the district to maintain a positive fund balance and achieve minimum reserve requirements in the projection years. Furthermore, the district submitted all items requested in our analysis of the original budget.

At future reporting periods, the following items must be submitted with the budget:

- an updated cash flow analysis for the current and subsequent years
- an analysis identifying and explaining any known changes to actual revenue and any estimated revenue changes at each reporting period
  - **we highly recommend** unanticipated revenues be set aside in the reserve account until the REU is restored
- an analysis identifying and explaining expenditures which are inconsistent with the revised budget
  - including an expenditure update that reflects the status of planned reductions versus actual reductions

- an update on Cafeteria (Fund 13) revenues and expenditures (budget versus actuals) to monitor and mitigate encroachment on the General Fund

### **Financial overview**

As noted in our Adopted Budget letter dated Sept. 15, 2019, there are several dynamic and volatile factors impacting the district's current financial position. The closure of the district's authorized A3 charter schools represents a significant decrease in projected revenue for the current and subsequent years. Additionally, LCFF revenue sources will need to be adjusted and recaptured for any overpayments made to these charter schools, posing a potentially significant cash flow concern for the district. Enrollment and attendance projections will continue to be critical as accurate and timely information will afford the district time to adjust revenue and expenditures as necessary.

The district has taken swift action to review, plan, and coordinate a fiscal recovery plan that maintains a positive General Fund balance in the current year and restores reserve levels in subsequent years. We understand some elements of the current year's plan have already been implemented while other actions are in process. As the year progresses, it will be imperative that the district continually monitor and revise its budget and multi-year projections to ensure adherence to the fiscal recovery plan. Current and subsequent year assumptions that are regularly updated and verified will help ensure the district's fiscal solvency.

We strongly urge the district to continue developing, refining, and implementing strong internal controls that a capable business manager can monitor and maintain, as this is key to the long-term fiscal health of the district. Well planned processes and procedures will ensure financial data that is transparent, reliable, and timely. It is imperative that the district implement its short and long-term financial plans, while still exploring options for growing budgetary reserves, within a system of strong internal controls.

### **Revised Adopted Budget**

We offer the following comments and concerns noted by our office in its review of the district's 2019-20 revised Adopted Budget and any corresponding supplemental information provided by the district. The specific findings, comments, and requested actions are reflected in the following sections.

#### **General Fund (Fund 01) – as submitted**

##### General Fund - unrestricted reserve

The district is projecting an operating deficit in its unrestricted funds of approximately \$173,000, exclusive of contributions and inter-fund transfers. The district also projects that the General Fund will transfer \$42,000 to the Cafeteria Fund (Fund 13). In addition, the district is projecting to transfer \$82,000 from the Special Reserve Fund for Capital Outlay Projects (Fund 40) to the General Fund.

The net effect of these transactions is a decrease in unrestricted reserves of approximately \$133,000. This decrease, when added to the beginning balance of approximately



\$219,000, results in a projected unrestricted ending balance of approximately \$86,000.

General Fund - restricted reserve

With regard to its restricted funds, the district is projecting an operating deficit of approximately \$33,000. This decrease, when added to the beginning balance of approximately \$33,000, results in a projected restricted ending balance of zero.

**Net ending fund balance**

The district's revised Adopted Budget projections include the 2018-19 Unaudited Actuals ending balances. The unrestricted fund balance in the current and subsequent two years are therefore projected to be approximately \$86,000 for 2019-20, approximately \$89,000 for 2020-21, and approximately \$186,000 for 2021-22. The corresponding total unrestricted reserve percentages for 2019-20, 2020-21 and 2021-22 are projected to be 2.42%, 2.67%, and 5.69%, respectively. These projected reserve balances include revenue enhancements or expenditure reductions the district has already implemented or are in process of review or approval. Should any revenue enhancements or expenditure reductions not be realized, these amounts will be impacted unless there are further adjustments to the district's budget.

**Unrestricted General Fund Projection  
(\$ thousands)**

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Unrestricted General Fund Beginning Balance	\$219	\$86	\$89
Projected Surplus/Deficit	(\$133)	\$3	\$97
Projected Unrestricted General Fund Ending Balance	<u>\$86</u>	<u>\$89</u>	<u>\$186</u>
Reserve for Economic Uncertainty (5%)	\$177	\$166	\$163
Total Shortfall needed to meet minimum reserve	(\$91)	(\$77)	\$ --

As outlined in the original Adopted Budget letter, the district maintains a positive unrestricted General Fund balance in the current year and is able to restore nearly half its required REU in 2019-20. The adjusted REU for 2020-21 and 2021-22 are projected to be 2.5% (minimum) and 5%, respectively. **We recommend any excess funds above the REU be accounted for in the Reserve for Economic Uncertainties (9789) rather than Unassigned/Unappropriated Amount (9790). We also encourage the district to maintain reserves beyond the state minimum since unexpected events can quickly deplete reserve balances.**

**Current and multi-year projection planning factors**

The district has several unique variables that can potentially affect the budget in the current or subsequent years and should be monitored closely. Any revised data or information impacting the budget should be immediately accounted for and included in revisions to the current and subsequent years' projections. Some of these items include:

- Administrator to Teacher Ratio: Subsequent to the submission of the revised Adopted Budget, our office received information that the district may not meet its required Administrator to Teacher Ratio in the current year. We understand that the district's

external auditors are working with management to complete an exemption/waiver request to be submitted to the California Department of Education (CDE). Since this requirement carries a fiscal penalty, we ask that the district forward copies of the exemption/waiver request to our office, in addition to informing us of the submission and status of this request to CDE.

- A3 Charter School Oversight Fee Revenue: In 2019-20, the district has budgeted approximately \$66,000 in oversight fee revenue associated with the A3 charter schools for the 2018-19 year, based upon actual 2018-19 P-Annual data submitted by the charter schools. This should be closely monitored and if there are any changes or adjustments, the budget should be updated immediately to reflect the modification. Accordingly, the impact to the General Fund must be reviewed and appropriate adjustments made in other areas to maintain a positive General Fund balance.

**The district must continue to closely monitor revenue and expenditures throughout the remainder of the year and make budget adjustments as necessary. Providing accurate, transparent, and timely financial data, supported by detailed assumptions, is critical to facilitate prudent financial decisions by the district's board and administration. We request any board approved reductions be itemized and included with the district's First Interim Report submission. Detailed assumptions should be provided with the submission in order for our office to analyze the impact to the district's financial condition.**

### **Cash flow**

The district submitted a current year cash flow projection that took into consideration the potential reduction of Principal Apportionment cash payments after the certification of P-1 data in February 2020 due to the closure of the A3 Charter Schools. Additionally, as a result of these closures, the cash flow projection reflects the projected shift in source and timing of cash receipts, mainly related to State Aid, In Lieu Property Tax Transfer (ILPT), and Educational Revenue Augmentation Funds (ERAF).

Currently the district projects it will have a positive General Fund cash balance in each month of the current fiscal year. However, June 2020 is projected to end with a cash balance of approximately \$363,000. Although personnel disbursements may be lower during summer months, other expenditures may be incurred that require cash disbursements, or cash receipts may be less in comparison to regular school operating months.

Since the district has already transferred the majority of its available balance in the Special Reserve Fund for Capital Outlay Projects (Fund 40), and will transfer the remaining balance by the end of the current year, the district will only have approximately \$79,000 in its Deferred Maintenance Fund (Fund 14) that would be available for interfund borrowing should the district's General Fund require a temporary cash loan.

**Cash liquidity is crucial to maintaining fiscal solvency. The district must monitor cash in all its funds closely and consistently throughout the year and revise and update cash flow projections timely. We ask that the district notify our office immediately if a cash shortfall is projected that cannot be covered through local means (i.e., inter-fund borrowing).**



## **Conclusion**

We appreciate the tremendous amount of time and effort that district administration and the governing board have put into developing a fiscal recovery plan and revising the budget accordingly. We remain optimistic that the district is on the right path and encourage steadfastness in staying the course until the recovery plan is fully implemented and the district's fiscal health is restored.

Thank you for providing documentation which was helpful in our analysis of the 2019-20 revised Adopted Budget and in verifying the district's projected fiscal condition. We hope that these comments will be helpful to the district administration and governing board as you plan for the remainder of 2019-20 and continue development of your projections for 2020-21 and 2021-22. We wish to express our appreciation to the district staff for their cooperation during the budget review. If our office can be of further assistance, please call us.

c      Dr. Susan Salcido, County Superintendent of Schools



# Santa Barbara County Education Office

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Telephone: (805) 964-4711 • FAX: (805) 964-4712 • sbceo.org

Susan C. Salcido, Superintendent of Schools

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November 1, 2019

Dr. Stephen Bluestein, Superintendent  
Cuyama Joint Unified School District  
PO Box 271  
New Cuyama, CA 93254-0271

RE: Annual Williams Legislation Report, 2018-19

Dear Dr. Bluestein:

California *Education Code* Section 1240 requires that Santa Barbara County Education Office visit schools identified in our county, review information in the areas noted below, and report to you the results of the visits and reviews. As the county superintendent designee, I am pleased to provide, **for submission to your governing board at a regularly scheduled meeting**, the annual report for fiscal year 2018-19 as required by *Education Code* section 1240(c)(2)(G) pursuant to the Williams Settlement. This report presents the results of the visit and reviews of the Cuyama Elementary School.

The purpose of the visit as specified in California Education Code 1240 was to:

1. Determine if students have “sufficient” standards-aligned instructional materials in four core subject areas (English language arts, mathematics, history/social science and science), including science laboratory equipment in grades 9-12, and, as appropriate, in foreign languages, and health;
2. Determine if there is any facility condition that “poses an emergency or urgent threat to the health or safety of pupils or staff”; and
3. Determine if the school has provided accurate data on the annual school accountability report card related to the sufficiency of instructional materials and the safety, cleanliness, and adequacy of school facilities, including “good repair.”

The law further requires that the county superintendent:

1. Annually monitor and review teacher misassignments and teacher vacancies in schools ranked in deciles 1-3 (2012 Base API); and
2. Receive quarterly reports on complaints filed within the school district concerning insufficient instructional materials, teacher vacancies and misassignments, and emergency or urgent facilities issues under the Uniform Complaint Procedure.

Page 2  
November 1, 2019  
Dr. Stephen Bluestein, Superintendent

While the Uniform Complaint data are not mandated to be a part of this report to you, they are being included so that you and the citizens of our community will have a complete understanding of the environment in which the schools are functioning.

Before proceeding with the report, let me define some basic terms:

- “Sufficient textbooks or instructional materials” means each pupil, including English language learners, has a standards-aligned textbook, or instructional materials, or both, to use in class, use after class, and to take home.
- A school facility condition that poses an “emergency or urgent threat” is a “condition that poses a threat to the health or safety of pupils or staff while at school.”
- “Good Repair” means the school facilities are clean, safe and functional as determined pursuant to the school facility inspection and evaluation instrument developed by the Office of Public School Construction or a local evaluation instrument that meets the same criteria. Each school district that receives state funding for facilities maintenance is required to establish a facilities inspection system to ensure that each of its schools is maintained in “good repair.”

The findings of the evaluations are summarized in the attached report.

Please extend to your governing board, administration and site staff my appreciation for their professionalism in addressing the compliance requirements for the Williams Settlement Legislation.

Sincerely,



Bridget Baublits  
Assistant Superintendent

BB/bca

**Santa Barbara County Superintendent of Schools**  
**WILLIAMS SETTLEMENT LEGISLATION**  
**ANNUAL REPORT FOR CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
**2018-19 FISCAL YEAR**

*This report summarizes the results of the Williams Site Visits and documentation reviews at decile 1, 2, and 3 schools (2012 Base API) for the period of 2018-19.*

**INSTRUCTIONAL MATERIALS:**

Schools were reviewed for sufficient textbooks and instructional materials\*\* as noted below:

School	Review Date	# of Classrooms Visited	Subject/ Course	Textbook/Instructional Materials Needed	Grade	Period	Room #	# of Material Missing	Corrected on
Cuyama Elementary TK/K-8	9-17-18	9	RLA/Math/Social Science/Science	None (Note: foreign language and health not offered as separate courses)					NA

\* Unannounced school(s)

\*\* "Sufficient textbooks and instructional materials" means each pupil, including English Language learners, has a standards-aligned textbook or instructional materials, or both, to use in class, use after class, and to take home in the four core areas (including science laboratory equipment in grades 9-12) as well as, for middle and high school, in foreign language and health.

**SCHOOL FACILITIES:**

Schools were reviewed for condition of facilities, whether they were in "good repair"\* or pose an "emergency"\*\* as noted below:

School	Review Date	Room/ Area	Facility Deficiencies Identified	Emergency	Correction/ Action Taken	Corrected On	School Rating
Cuyama Elementary	9-17-18	4-8 Grade Play Area Fields Drinking Fountain	Numerous cracks in blacktop Field in poor condition (Hallway) not working	None	To be completed	2019-20	97.7% Good

\* "Good repair" means the facilities are clean, safe and functional as determined pursuant to the school facility inspection and evaluation instrument developed by the Office of Public School Construction or a local evaluation instrument that meets the same criteria.

\*\* "Emergency condition" means a facility condition that poses a threat to the health or safety of pupils or staff while at school.

Santa Barbara County Superintendent of Schools  
**WILLIAMS SETTLEMENT LEGISLATION**  
**ANNUAL REPORT FOR CUYAMA JOINT UNIFIED SCHOOL DISTRICT**  
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**SCHOOL ACCOUNTABILITY REPORT CARD (SARC):**

The 2018-19 School Accountability Report Cards (SARC), 2017-18 school year report, for the following school was reviewed to determine the accuracy of the information reported for sufficiency of textbooks and instructional materials and safety, cleanliness, and adequacy of school facilities, including “good repair”:

School	SARC Review Date	Instructional Materials Discrepancies	Facility Conditions Discrepancies
Cuyama Elementary	7-9-19	None	None

**TEACHER MISASSIGNMENTS AND TEACHER VACANCIES:**

Reported information was submitted to SBCEO and verified that all teachers are appropriately assigned and no vacancies exist.

**UNIFORM COMPLAINTS (OPTIONAL):**

The number of complaints filed within the district during this period, their nature, and resolution are noted below:

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials	0	0	0
Teacher Misassignments or Vacancies	0	0	0
Facilities Conditions	0	0	0
TOTALS	0	0	0

**From:** Chris Burger chburger@kern.org   
**Subject:** RE: County of Santa Barabra: Temporary Entry Permit - Access to Tower Site  
**Date:** October 25, 2019 at 10:00 AM  
**To:** Stephen Bluestein sbloenstein@cuyamaunified.org

Steve,

I have reviewed the Agreement and have no comments. However, there remains the issue of ownership of the tower. My understanding is the Agreement you sent in for review is for the purpose of Santa Barbara County entering onto district property. I understand that Santa Barbara County has presented KCSOS with a proposed Agreement concerning access to space on the tower. I have not yet seen that Agreement but, presuming it will be a straight forward tower space license Agreement, I don't see any problem in approving it.

Chris

Christopher P. Burger, Esq.  
Schools Legal Service  
1300 17th Street (93301)  
Post Office Box 2445  
Bakersfield, CA 93303  
Phone: 661/636-4830  
Fax: 661/636-4843

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**From:** Stephen Bluestein <sbloenstein@cuyamaunified.org>  
**Sent:** Tuesday, October 22, 2019 4:36 PM  
**To:** Chris Burger <chburger@kern.org>  
**Subject:** Re: County of Santa Barabra: Temporary Entry Permit - Access to Tower Site

Hi Chris, did you have a chance to review this document and suggest any edits?

Thanks, Steve Bluestein



County Project:	Access to Tower Site from Cuyama School District
APN:	149-290-002
Real Prop. File:	003725
Agent:	CS

**TEMPORARY ENTRY PERMIT**  
(12A-11)

CUYAMA UNIFIED SCHOOL DISTRICT, owner of all that real property in the unincorporated area of the County of Santa Barbara, State of California, commonly known as Cuyama High School located at 7670-7432 Cuyama Highway, New Cuyama, CA 93254 and described as Santa Barbara County Assessor's Parcel Number: 149-290-002 (herein the "Property"), and referred to as OWNER herein, on behalf of themselves, their successors and assigns,

FOR A VALUABLE CONSIDERATION, DOES HEREBY GRANT TO the COUNTY OF SANTA BARBARA, a political subdivision of the State of California, and referred to as COUNTY, a right of entry, including the right to enter, move workers, equipment, and materials over, within and upon a portion of the Property. The Property and the approximate area covered by this Temporary Entry Permit (the "Portion") are identified on the exhibit map attached hereto and incorporated herein.

This Temporary Entry Permit ("Permit") shall cover the Portion and shall be for the purpose of access to and from the Communications Tower Site and for such other purposes as may be incidental to constructing, operating, maintaining, repairing, altering, replacing and removing COUNTY communications equipment on the Communications Tower Site (the "Project"). This Permit shall be subject to the following provisions, requirements, and restrictions:

1. In consideration of the enhanced communications for public safety and emergency response to the Cuyama Valley, OWNER grants this Permit to COUNTY at no cost.
2. It is contemplated that this Permit shall be for a period of up to one (1) year and will commence upon execution by OWNER or COUNTY, whichever is later. In the event that the work contemplated herein is not completed within said one (1)-year period, the County may extend the term of this Permit for two (2) additional one-year periods as necessary to facilitate completion of the Project. COUNTY shall provide OWNER with a fifteen (15) day written and advance notice in the event the COUNTY extends the term of this Permit. This Permit shall terminate not later than September 2, 2020.
3. The OWNER agrees to keep the Portion free of personnel, materials or objects that may obstruct construction during the term of this Permit.
4. The COUNTY, its authorized agents, employees and contractors shall exercise reasonable precautions necessary to prevent damage to and protect the Property during COUNTY'S entry thereon.
5. By COUNTY'S exercise of this Permit, OWNER assumes no liability for loss or damage to COUNTY'S property, or injury to or death of any agent, employee, or contractor of COUNTY, unless said loss, damage, injury, or death is as a result, in part or wholly, of the OWNER'S negligence or other wrongful act.

6. COUNTY agrees to defend, indemnify and hold OWNER harmless from any claims or damages resulting from COUNTY'S use of the Property, unless said claims or damages are as a result, in part or wholly of the OWNER'S negligence or other wrongful act.

7. This Permit shall terminate and all rights of COUNTY shall cease and COUNTY shall quietly and peacefully deliver to OWNER, all interest in the Portion at the expiration of the term as provided in Section 2 herein above. Either party may terminate this Permit by providing written notice of termination at least sixty (60) days prior to expiration of the term.

8. COUNTY, its authorized agents, employees and contractors shall replace and/or repair any improvements on OWNER'S property, destroyed or damaged, as a result of the rights granted under this Permit. If any improvements are damaged or removed by COUNTY, its authorized agents, employees and contractors, they shall be restored or replaced by COUNTY to as near the original condition and location as is practicable. If any mature trees are damaged to the extent that they do not survive, COUNTY shall replace each such tree with two of the same or similar trees of not less than 5-gallon size as OWNER'S sole remedy.

9. Signatories for the OWNER(S) do hereby certify that they are, collectively, the sole owners of the Property; or warrant that they are authorized to sign on behalf of the OWNER(S), have communicated the contents, rights and duties of this Permit to all parties having an interest in the Property, and that no additional signatures are required to grant the interest and perform the obligations specified herein.

OWNER:

Dr. Stephen B. Bluestein

Signature

Dr. Stephen B. Bluestein  
Print Name/Title SUPERINTENDENT

Date: November 14, 2019

COUNTY:

Janette D. Pell, Director  
General Services Department

(On behalf of the Board of Supervisors pursuant to Santa Barbara County Code Section 12A-11)

Date: \_\_\_\_\_

APPROVE:

By:

Thomas Gresham

Thomas Gresham, Assistant Director  
Information and Communications Technology Division

APPROVED AS TO FORM  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

By:

Scott Greenwood

Scott Greenwood, Deputy County Counsel

APPROVED:

By:

Carlo Achdjian

Carlo Achdjian, Manager  
Real Property Division

APPROVED:

By:

Ray Aromatorio

Ray Aromatorio, ARM, AIC  
Risk Manager

*Cuyama Joint Unified School District*  
*Board of Trustees Approved*

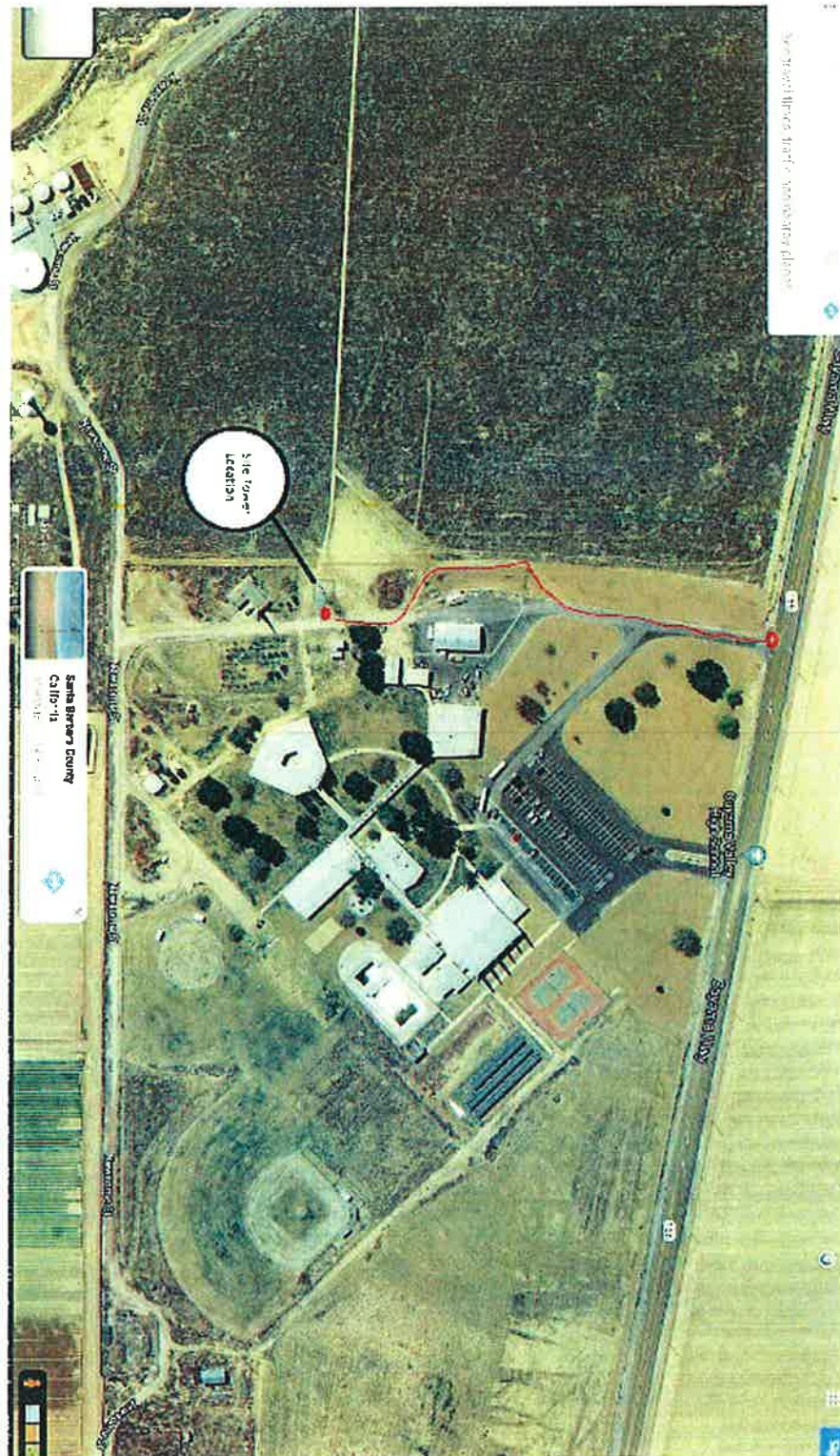
Date of Board of Trustees Meeting: November 14, 2019 Page 2 of 2

Affirmed by Dr. Bluestein, Secretary to the Board

Signature and Date: \_\_\_\_\_



EXHIBIT MAP



presidency to be indicative of training + required training hours to be met.

Board Bylaw

BB 9100

Board Bylaws

Organization Annual Organizational Meeting

The Governing Board shall hold an annual organizational meeting within the time limits prescribed by law. (Education Code 35143)

At this meeting the Board shall:

1. Elect a president and a clerk and/or vice president from its members.
2. Appoint a secretary to the Board.
3. Authorize signatures.
4. Develop a schedule of regular meetings for the year.
5. Develop a Board calendar for the year.
6. Designate Board representatives.

(cf. 9140 -Board Representatives)

(cf. 9320 -Meetings and Notices)

Election of Officers

Option 1: The Board shall each year elect one of its members to be (clerk)/(vice president).

This member shall be one who previously has not served in office, unless all the Board's members have previously served in office. After serving one year as (clerk)/(vice president), the elected member shall serve one year as president of the Board.

*This shall be removed, and a new president will be elected using another method.*

When the only members who have not served as officers are new to the Board, the Board may elect as (clerk)/(vice president) a Board member who has served in office.

(cf. 9224 -Oath or Affirmation)

Legal Reference:

EDUCATION CODE

5017 Term of office

*Addition of a 1 year non-mandatory term. Could run for 2 years in total time served.*

35143 Annual organizational meeting date, and notice

35145 Public meetings

GOVERNMENT CODE

54953 Meetings to be open and public; attendance

ATTORNEY GENERAL OPINIONS 68 OPS. CAL. ATTY. GEN. 65 (1985)

59 OPS. CAL. ATTY. GEN. 619, 621-622 (1976)

*Clerk to attend training as well.*

1<sup>st</sup> Reading: 8/14/08

2<sup>nd</sup> Reading/Approved: 9/11/08

*Board president should have MIG*