

Hanford Elementary School District

REGULAR BOARD MEETING AGENDA

Wednesday, April 9, 2025

HESD District Office Board Room
714 N. White Street, Hanford, CA

OPEN SESSION

5:30 p.m.

- Call to Order
- Members Present
- Pledge to the Flag

1. PRESENTATIONS, REPORTS AND COMMUNICATIONS

(In order to ensure that members of the public are provided an opportunity to address the Board on agenda items or non-agenda items that are within the Board's jurisdiction, agenda items may be addressed either at the public comments portion of the agenda, or at the time the matter is taken up by the Board. A person wishing to be heard by the Board shall first be recognized by the President and identify themselves. Individual speakers are allowed three minutes to address the Board. The Board shall limit total time for public input on each item to 20 minutes.)

- a) Public comments
- b) Board and staff comments
- c) Review dates to remember
- d) Recognize the 2025 HESD Excellence in Education Honorees:
 - Raechelle Berna
 - Gloria Molina
 - Lindsey Calvillo
 - Jessica Valencia

2. CONSENT ITEMS

(Items listed are considered routine and may be adopted in one motion. If discussion is required, a particular item may be removed upon request by any Board member and made a part of the regular business.)

- a) Accept warrant listings dated March 19, 2025; March 21, 2025; March 26, 2025 and March 28, 2025.
- b) Approve minutes of the Regular Board Meeting held on March 26, 2025.
- c) Approve interdistrict transfers as recommended.
- d) Approve donations:
 - \$700.00 from Washington Parent Teacher Club for Washington Elementary.
 - 88 dictionaries from Rotary Club of Hanford for Monroe Elementary.
 - \$250.00 from Charities Aid Foundation America to Roosevelt Elementary.

3. INFORMATION ITEMS

- a) Receive for information the third quarter report regarding Williams Uniform Complaints (Gabler)
- b) Receive for information the Hanford Elementary Teachers Association's (HETA) Initial Proposal for a Successor Agreement between HESD and HETA (Martinez)

- *Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection at the Superintendent's Office located at 714 N. White Street, Hanford, CA during regular business hours.*
- *Any individual who requires disability-related accommodations or modifications, including auxiliary aides and services, in order to participate in the Board meeting should contact the Superintendent's Office at least 48 hours prior to the meeting.*

- c) Receive for information the District's Initial Proposal for a Successor Agreement between HESD and HETA (Martinez)
- d) Receive for information the revised Board Policy 5116.2 – Involuntary Student Transfers (Strickland)

4. BOARD POLICIES AND ADMINISTRATION

- a) Consider adoption of Resolution #25-25: Regarding Absent Board Member Compensation – R. Garcia (Gabler)
- b) Consider declaration of surplus technology inventory (Goldsmith)
- c) Consider approval of the updated 2024-2025 School Plans for Student Achievement (Heugly)
- d) Consider approval of a Consultant Contract with Bricks 4 Kidz (Rubalcava)
- e) Consider approval of a Consultant Contract with Fresno Discovery Center (Rubalcava)
- f) Consider approval of a Consultant Contract with Tulare County Office of Education (Rubalcava)
- g) Consider approval of a Consultant Contract with The Karate School (Rubalcava)
- h) Consider approval of revised Board Policy and Administrative Regulation 3100 – Budget (Endo)
- i) Consider approval of revised Board Policy and Administrative Regulation 3280 – Sale or Lease of District-Owned Real Property (Endo)
- j) Consider approval of revised Board Policy and Administrative Regulation 3320 – Claim and Actions Against the District (Endo)
- k) Consider approval of revised Administrative Regulation 5141.21 – Administering Medication and Monitoring Health Conditions (Strickland)

5. PERSONNEL (Martinez)

a) Employment

Certificated

- Caleigh Barlow, Special Education Teacher, Probationary, effective 08/7/25
- Paige Clarke, Special Education Teacher, Probationary, effective 08/7/25

Classified

- Juana Martinez Leon, Yard Supervisor – 3.5 hrs., Roosevelt, effective 03/13/25

Classified Temps/Subs

- Anthony Bursiaga, Athletic Coach, effective 03/20/25
- Rachel Copeland, Substitute Special Education Aide, effective 03/24/25
- Aden Duran, Athletic Coach, effective 03/17/25
- Maurice Danielle McFadden, Athletic Coach, effective 03/21/25
- Aaron Sparks, Athletic Coach, effective 03/17/25

More Hours/Days

- Stacy Freitas, from Food Service Utility Worker – 3.5 hrs., Food Services, to Food Service Utility Worker – 5.75 hrs., Food Services, effective 03/26/25

Short Term Classified

- Ava Holmes, Short-Term Yard Supervisor – 2.0 hrs., Monroe, effective 03/17/25-04/11/25

Temporary Out of Class Assignment

- Austin Lourenco, from Delivery Worker: Mail & Materials – 8.0 hrs., DSF-Warehouse, to Warehouse/Reprographics & Mail Technician – 8.0 hrs., DSF-Warehouse, effective 03/12/25-03/28/25

Employment and Certification of Temporary Athletic Team Coaches pursuant to Title 5 CCR 5594

- Anthony Bursiaga, 7th Boys Baseball, Wilson, effective 03/20/25-05/14/25
- Aden Duran, 8th Boys Baseball, Wilson, effective 03/17/25-05/14/25
- Elias Estrada, 4-6th Boys Track, Lincoln, effective 03/10/25-05/03/25
- Stephanie Felix, 7th Girls Softball, Kennedy, effective 03/03/25-04/26/25
- Jason Lynn, 7th Boys Baseball, Kennedy, effective 03/10/25-05/14/25
- Isabelle Madera, 8th Girls Softball, Kennedy, effective 03/03/25-04/26/25
- Maurice Danielle McFadden, 4-6th Girls Track, Lincoln, effective 03/21/25-05/03/25
- Zelante Mims, 4-6th Boys/Girls Track, Hamilton, effective 03/10/25-05/03/25
- Michael Quiñones, 4-6th Girls Track, Washington, effective 03/10/25-05/03/25
- Steven Santiago, 8th Boys Baseball, Kennedy, effective 03/10/25-05/14/25
- Aaron Sparks, 4-6th Girls Track, King, effective 03/17/25-05/03/25

b) Leave of Absence

- Jennifer Fautleroy, Teacher, Monroe, effective 2025-26 school year, child rearing

c) Resignations

Certificated

- Timerie Correia, Teacher, Hamilton, effective 06/06/25
- Samantha Javaux, Teacher, Lincoln, effective 06/06/25
- Kellie Noji, Teacher, King, effective 06/06/25

Classified

- Vanessa Corona, Yard Supervisor – 2.0 hrs., Monroe, effective 06/06/25
- Marissa Rosas, Library/Media Technician – 8.0 hrs., Roosevelt, effective 06/13/25
- Carrie-Anne Rumpak, Special Education Aide – 5.0 hrs., Roosevelt, effective 06/06/25
- Ariana Trujillo, Educational Tutor, K-8 – 4.5 hrs., King, effective 06/06/25

d) Volunteers

<u>Name</u>	<u>School</u>
Dorothy Ellis Metter	Jefferson
Celeni Hernandez	Jefferson
Bernadette Fillmore	King
Linda Hickey	King/Hamilton
Nickii Soliz	Monroe
Justin Wilson	Monroe
Robin Champion	Roosevelt
Jhadira Moreno Andrade	Roosevelt
Ana Fregoso Garcia	Washington

<u>Name</u>	<u>School</u>
Myra Guzman (HESD EE)	Washington
Leslie Knott	Washington

6. FINANCIAL (Endo)

- a) Consider approval of the 2025-2026 Local Control Accountability Plan (LCAP) and District budget public hearing date of June 11, 2025 at 5:30 p.m.
- b) Consider adoption of Resolution #24-25: Commitment of Fund Balance
- c) Consider approval of Resolution #27-25: Certifying to the Board of Supervisors of Kings County all Proceedings in the November 5, 2024 General Obligation Bond Election
- d) Consider approval of Resolution #28-25: Adopting Bylaws Governing the Measure U Citizens' Oversight Committee
- e) Consider adoption of Resolution #26-25: Authorizing the Issuance and Sale of General Obligation Bonds - 2024 Election

ADJOURN MEETING

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider approval of warrants.

PURPOSE:

The administration is requesting the approval of the warrants as listed on the registers dated: 03/19/25, 03/21/25, 03/26/25 and 03/28/25.

FISCAL IMPACT:

See attached.

RECOMMENDATIONS:

Approve the warrants.

**Warrant Register For Warrants
Dated 03/19/2025**

Warrant Number	Vendor Number	Vendor Name	Amount
12771902	8537	AT&T – Telephone Communications	\$5,400.33
12771903	4119	KRISTINA BALDWIN – Advance-Travel/Conference	\$44.80
12771904	3258	BANK OF AMERICA – Materials/Supplies, Other Services, Travel/Conference	\$9,328.43
12771905	641	HANFORD ELEM. REVOLVING FUND – Other Services	\$3.53
12771906	5813	HANFORD FOX THEATER – Woodrow Field Trip	\$1,400.00
Total Amount of All Warrants:			\$16,177.09

Warrant Register For Warrants Dated 03/21/2025

Warrant Number	Vendor Number	Vendor Name	Amount
12772011	6431	AMAZON.COM – Materials/Supplies	\$6,352.91
12772012	8562	AMERICAN MUSIC CO. – Materials/Supplies	\$5,835.48
12772013	5638	AMERICAN SAFETY & HEALTH – Materials/Supplies	\$646.70
12772014	6253	AT&T – Telephone Communications	\$3,249.02
12772015	8569	BEDTIME MATH FOUNDATION INC. – Materials/Supplies	\$198.00
12772016	6658	BRICKS4KIDZ – Other Services	\$1,170.00
12772017	2784	LISA K. BUTTS – Other Services	\$100.00
12772018	4859	CALIFORNIA DIESEL COMPLIANCE – Services/Repair	\$250.00
12772019	1667	CDW GOVERNMENT INC. – Materials/Supplies	\$20,221.55
12772020	4178	COOK'S COMMUNICATION – Materials/Supplies	\$872.62
12772021	6999	KATHRYN COZ – Reimburse-Materials/Supplies	\$88.13
12772022	8547	CRUNCHLABS LLC – Materials/Supplies	\$664.92
12772023	8576	KIMBERLY DAVIS – Other Services	\$983.00
12772024	8281	DAWN ELECTRIC INC. – Materials/Supplies	\$145.00
12772025	4815	DIGITECH INTEGRATIONS INC – Services/Repair	\$190.00
12772026	8567	JASON ECK – Other Services	\$350.00
12772027	8336	DALE ENGSTROM – Other Services	\$50.00
12772028	7824	MARTIN C., ACCOUNTANCY CORP GARCIA – Other Services	\$131.26
12772029	1393	GAS COMPANY – Utilities	\$2,746.95
12772030	7674	GENERATION GENIUS INC. – Other Services	\$995.00
12772031	8485	ICOOK AFTER SCHOOL – Other Services	\$4,140.00
12772032	764	RICHARD JOHNSTON – Reimburse-Materials/Supplies	\$114.72
12772033	793	KINGS ART CENTER FOUNDATION INC. – Other Services	\$4,940.00
12772034	796	KINGS COUNTY OFFICE OF ED – Other Services	\$76.00
12772035	806	KINGS COUNTY TROPHY – Materials/Supplies	\$2,235.64
12772036	8081	LEON'S – Materials/Supplies	\$412.50
12772037	1004	MORRISON'S SILKSCREEN – Materials/Supplies	\$321.75
12772038	8076	P.A.T.Y. STUDIO – Other Services	\$1,000.00
12772039	1125	PETUNIA'S PLACE – Books	\$1,361.38
12772040	6035	PROJECT SURVIVAL CAT HAVEN – Washington Study Trip	\$808.00
12772041	8338	ERIC G. RAMIREZ – Other Services	\$50.00
12772042	6768	REPTILE RON ANIMAL PRESENTATIONS – Other Services	\$600.00
12772043	1303	SAVE MART SUPERMARKETS – Food Services-Food	\$224.95
12772044	4700	MIKE SCHOFIELD – Other Services	\$50.00
12772045	1801	SMART & FINAL STORES (HFD KIT) – Food Services-Food	\$124.42
12772046	3800	SONITROL OF FRESNO – Other Services	\$8,058.57
12772047	1392	SOUTHERN CALIFORNIA EDISON CO. – Utilities	\$18,343.06
12772048	2031	SOUTHWEST SCH & OFFICE SUPPLY – Warehouse Inventory	\$3,784.37
12772049	1403	STANISLAUS FOUNDATION – DENTAL – Health/Welfare Benefits	\$20,798.28
12772050	4381	STAPLES - BUSINESS ADVANTAGE – Materials/Supplies, Warehouse Inv	\$1,431.98
12772051	8584	TASHA TORRES – Payroll Refund	\$3.54
12772052	1519	UNITED LABORATORIES INC. – Materials/Supplies	\$1,589.75
12772053	8127	UPPER EDGE TECHNOLOGIES INC – Materials/Supplies	\$8,500.00
12772054	21	VISALIA ADVENTURE PARK – Field Trips	\$3,130.00
12772055	7319	YOSEMITE MOUNTAIN – Washington Study Trip	\$1,496.00

Total Amount of All Warrants:

\$128,835.45

Credit Card Register For Payments
Dated 03/21/2025

Document Number	Vendor Number	Vendor Name	Amount
14041188	4125	DISCOUNT SCHOOL SUPPLY – Materials/Supplies	\$2,908.87
14041189	7836	FOLLETT CONTENT SOLUTIONS LLC – Books	\$2,692.87
14041190	5280	J&E RESTAURANT SUPPLY INC – Materials/Supplies	\$800.49
14041191	831	LAKESHORE LEARNING MATERIALS – Materials/Supplies	\$110.00
14041192	1071	ORIENTAL TRADING CO. INC. –	\$942.37
14041193	1121	PERMA-BOUND – Books	\$482.91
14041194	1313	SCHOLASTIC TEACHERS STORE – Books	\$141.12

Total Amount of All Credit Card Payments:

\$8,078.63

**Warrant Register For Warrants
Dated 03/26/2025**

Warrant Number	Vendor Number	Vendor Name	Amount
12772416	344	CMEA TREASURER CENTRAL SECTION – JFK Entry Fee	\$100.00
12772417	4512	DIV. OF STATE ARCHITECT – JFK HVAC Project	\$358.04
Total Amount of All Warrants:			\$458.04

Warrant Register For Warrants Dated 03/28/2025

Warrant Number	Vendor Number	Vendor Name	Amount
12772794	7879	CARMEN ALVAREZ-VARGAS – Reissue Reimburse-Materials/Supplies	\$49.35
12772795	6431	AMAZON.COM – Materials/Supplies	\$5,271.98
12772796	73	APPLE INC. – Materials/Supplies	\$1,784.26
12772797	6253	AT&T – Telephone Communications	\$123.50
12772798	7690	ANDREA MONIQUE AUGUSTO – Materials/Supplies	\$300.00
12772799	91	AUTOMATED OFFICE SYSTEMS – Services/Repair, Equipment	\$10,011.01
12772800	2464	DANNA BAILEY – Reimburse-Other Services	\$100.00
12772801	8587	ARIEL BARRIOS – Reimburse-Mileage	\$142.80
12772802	8566	BECKER'S SCHOOL SUPPLIES – Materials/Supplies	\$1,035.08
12772803	7399	BIMBO BAKERIES USA – Food Services-Food	\$850.68
12772804	149	BLICK ART MATERIALS – Materials/Supplies	\$8,477.65
12772805	224	CALIF. STATE UNIVERSITY-FRESNO – Jefferson Field Trip	\$725.00
12772806	236	STATE OF CALIFORNIA – Other Services	\$1,667.00
12772807	1667	CDW GOVERNMENT INC. – Materials/Supplies	\$250,769.20
12772808	8479	CHARTER UP LLC – Other Services	\$35,677.83
12772809	7891	CINTAS CORPORATION NO. 2 – Materials/Supplies	\$76.22
12772810	7572	CLASS COMPOSER INC – Other Services	\$799.00
12772811	8521	CLAY CAFÉ – Other Services	\$406.88
12772812	392	CUMMINS PACIFIC LLC – Services/Repair	\$1,910.19
12772813	4815	DIGITECH INTEGRATIONS INC – Materials/Supplies	\$772.03
12772814	8354	ANEL DORANTES – Reissue Reimburse-Other Services	\$39.00
12772815	8585	ADEN DURAN – Reimburse-Other Services	\$39.00
12772816	7635	LISA EASTMAN – Reissue Reimburse-Materials/Supplies	\$200.00
12772817	7456	EIDE BAILLY LLP – Other Services	\$5,500.00
12772818	1750	EMPIRE SUPPLY COMPANY INC. – Materials/Supplies	\$725.30
12772819	2829	FASHION CLEANERS – Services	\$96.00
12772820	558	CAROL GALLEGOS – Other Services	\$100.00
12772821	1393	GAS COMPANY – Utilities	\$1,723.81
12772822	591	GOLD STAR FOODS – Food Services-Food	\$34,860.18
12772823	647	HANFORD JT. UNION HIGH SCHOOL – Other Services	\$716.50
12772824	5513	HARMINI HERNANDEZ – Reimburse-Mileage	\$50.98
12772825	2188	THE HOME DEPOT PRO – Services/Repair	\$4,449.56
12772826	7740	JOSE IBANEZ – Reissue Reimburse-Materials/Supplies	\$16.08
12772827	8220	IMAGE 2000 FRESNO – Services/Repair	\$74.71
12772828	5052	IMAGINE U CHILDRENS MUSEUM – Washington Study Trip	\$900.00
12772829	8257	IMPERIAL BAG & PAPER CO LLC – Food Services-Materials/Supplies	\$11,227.74
12772830	8478	SAMANTHA JAVAUX – Materials/Supplies	\$513.00
12772831	8062	CITLALI JIMENEZ-GARCIA – Food Services-Reissue Reimburse-Mileage	\$97.00
12772832	8237	THE KARATE SCHOOL – Other Services	\$1,260.00
12772833	5290	KEENAN & ASSOCIATES – Other Services	\$3,808.00
12772834	801	KINGS COUNTY MOBILE LOCKSMITH – Materials/Supplies	\$999.57
12772835	796	KINGS COUNTY OFFICE OF ED – Other Services	\$308.00
12772836	806	KINGS COUNTY TROPHY – Materials/Supplies	\$707.86
12772837	7553	MARIA LAWSON – Reimburse-Materials/Supplies	\$72.89
12772838	3048	CYNTHIA LEWIS – Reimburse-Mileage	\$33.32
12772839	7521	LITERACY RESOURCES LLC – Books	\$105.45
12772840	8098	THERESE MARQUEZ – Reissue Reimburse-Other Services	\$25.00
12772841	4704	KELLEY MAYFIELD – Reimburse-Mileage	\$14.28

Warrant Register For Warrants Dated 03/28/2025

Warrant Number	Vendor Number	Vendor Name	Amount
12772842	8422	MUSIC THEATRE INTERNATIONAL – Materials/Supplies, Other Services	\$774.87
12772843	1058	ODP BUSINESS SOLUTIONS LLC – Materials/Supplies, Warehouse Inv.	\$4,662.10
12772844	8076	P.A.T.Y. STUDIO – Other Services	\$1,000.00
12772845	8036	JOSEPH PADILLA – Materials/Supplies	\$593.09
12772846	8525	PARADISE PLAYLAND LLC – Richmond Field Trip	\$416.00
12772847	1144	PORT OF SUBS – Materials/Supplies	\$275.00
12772848	1168	PRODUCERS DAIRY PRODUCTS – Food Services-Food	\$16,028.31
12772849	7580	PRUDENTIAL OVERALL SUPPLY – Food Services-Other Services	\$244.30
12772850	6768	REPTILE RON ANIMAL PRESENTATIONS – Other Services	\$500.00
12772851	5898	ANNELIESE ROA – Food Services-Reissue Reimburse-Food	\$177.20
12772852	6574	MARIBEL SANTIAGO – Reimburse-Mileage	\$10.71
12772853	1303	SAVE MART SUPERMARKETS – Food Services-Food	\$13.99
12772854	6533	SCHOOL LIFE – Materials/Supplies	\$725.92
12772855	1327	SCHOOL SPECIALTY LLC – Warehouse Inventory	\$225.76
12772856	7979	SENSORY ROCK LLC – Study Trips	\$800.00
12772857	8095	SKYLINE BUS CHARTER LLC – Other Services	\$10,550.00
12772858	1374	SMART & FINAL STORES (HFD DO) – Materials/Supplies	\$589.09
12772859	1392	SOUTHERN CALIFORNIA EDISON CO. – Utilities	\$10,019.77
12772860	6785	SPY SCREEN & IMAGE PRINTING – Food Services-Materials/Supplies	\$875.16
12772861	1404	STANISLAUS FOUNDATION – ADMIN – Health/Welfare Benefits	\$3,025.92
12772862	1403	STANISLAUS FOUNDATION – DENTAL – Health/Welfare Benefits	\$16,334.39
12772863	4541	STONEYS CONCRETE LLC – Materials/Supplies	\$606.74
12772864	1444	SYSCO FOODSERVICES OF MODESTO – Food Services-Food	\$38,230.35
12772865	8509	MELANIE TATCO – Other Services	\$800.00
12772866	8163	TOLTECMEDIA – Jefferson Entry Fee	\$225.00
12772867	4114	TULARE COUNTY OFFICE OF EDUCATION – Other Services	\$1,800.00
12772868	1503	TULARE-KINGS MUSIC ED. ASSOC. – Reissue Woodrow Entry Fee	\$175.00
12772869	7671	WILSON LANGUAGE – Materials/Supplies	\$2,074.50

Total Amount of All Warrants:

\$501,366.06

**Credit Card Register For Payments
Dated 03/28/2025**

Document Number	Vendor Number	Vendor Name	Amount
14041241	176	BSN SPORTS – Materials/Supplies	\$307.98
14041242	5747	CRISIS PREVENTION INSTITUTE (C – Materials/Supplies	\$364.23
14041243	7836	FOLLETT CONTENT SOLUTIONS LLC – Books	\$365.01
14041244	827	LA TAPATIA TORTILLERIA INC. – Food Services-Food	\$715.50
14041245	831	LAKESHORE LEARNING MATERIALS – Materials/Supplies	\$6,884.50
14041246	1071	ORIENTAL TRADING CO. INC. – Materials/Supplies	\$92.48
14041247	1121	PERMA-BOUND – Books	\$676.26
14041248	3849	SCHOLASTIC BOOK CLUBS – Books	\$421.42

Total Amount of All Credit Card Payments:**\$9,827.38**

Hanford Elementary School District
Minutes of the Regular Board Meeting
 March 26, 2025

Minutes of the Regular Board Meeting of the Hanford Elementary School District Board of Trustees on March 26, 2025, at the District Office Board Room, 714 N. White Street, Hanford, CA.

Call to Order Vice-President Garner called the meeting to order at 5:30 p.m. Trustees Hernandez, Revious, and Strickland were present. President Garcia was absent.

HESD Managers Present Joy C. Gabler, Superintendent, and the following administrators were present: Kelly Bekedam, David Endo, Javier Espindola, Amy Fochetti, David Goldsmith, Robert Heugly, Jennifer Levinson, Jaime Martinez, Jill Rubalcava, Cruz Sanchez-Leal, and Jay Strickland.

Closed Session Trustees adjourned to closed session at 5:30 p.m. for the purpose of discussing:

- Student Discipline pursuant to Education Code section 48918

Open Session Trustees returned to open session at 5:53 p.m.

Case #25-09 Trustee Hernandez moved to accept the Findings of Facts and expel Case #25-09 for the remainder of the 2024-2025 school year for violation of Education Code 48900 and/or 48915 as determined by the Administrative Panel at hearings held on March 24, 2025. Parents may apply for readmission on or after June 6, 2025.

Trustee Revious seconded; motion carried 4-0:

Garcia – Absent
 Garner – Yes
 Hernandez – Yes
 Revious – Yes
 Strickland – Yes

PRESENTATION, REPORTS AND COMMUNICATIONS

Public Comments None

Board and Staff Comments Joy Gabler, Superintendent, recognized Woodrow Wilson Junior High School for receiving Fresno State's 2025 Distinguished Bonner Character and Civic Education Award. She also shared the exciting news that Martin Luther King Jr. Elementary School was named a 2025 California Distinguished School by the California Department of Education. Superintendent Gabler went on to reflect that it has been a good year for Hanford Elementary School District and our schools receiving numerous awards – Monroe's 2024 National Blue Ribbon School to several schools being recognized as U.S. News and World Report Best Schools and Educational Results Partnership Honor Roll Schools.

Dates to Remember Vice-President Garner reviewed dates to remember: Girls' Diamon Classic (Softball) – April 7th; Regular Board Meeting – April 9th.

CONSENT ITEMS

Trustee Strickland made a motion to take consent items "a" through "g" together. Trustee Hernandez seconded; motion carried 4-0:

Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes

Trustee Strickland then made a motion to approve consent items "a" through "g". Trustee Revious seconded; motion carried 4-0:

Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes

The items approved are as follows:

- a) Warrant listings dated March 5, 2025; March 7, 2025; March 12, 2025 and March 14, 2025.
- b) Minutes of the Regular Board Meeting held on March 12, 2025.
- c) Interdistrict transfers as recommended.
- d) Donation \$3,135.70 from Jefferson Parent Teacher Club.
- e) Donation of \$450.43 from Jefferson Associated Student Body.
- f) Donation of \$6,700.00 from Simas Parent Teacher Club.
- g) Donation of \$6,000.00 from Monroe Parent Teacher Club.

Trustee Revious thanked all the Parent Teacher Clubs for their donations.

INFORMATION ITEMS

- Financial Report** a) David Endo, Chief Business Official, presented for information the monthly financial reports for the period of 07/01/2024 – 02/28/25. Everything is moving as planned.
7/1/24-2/28/25
- BP/AR 3100** b) David Endo, Chief Business Official, presented for information the revised Board Policy and Administrative Regulation 3100 – Budget.
- BP/AR 3280** c) David Endo, Chief Business Official, presented for information the revised Board Policy and Administrative Regulation 3280 – Sale or Lease of District-Owned Real Property.
- BP/AR 3320** d) David Endo, Chief Business Official, presented for information the revised Board Policy and Administrative Regulation 3320 – Claim and Actions Against the District.
- AR 5141.21** e) Jay Strickland, Assistant Superintendent, presented for information the revised Administrative Regulation 5141.21 – Administering Medication and Monitoring Health Conditions.

BOARD POLICIES AND ADMINISTRATION

- Out-of-State (MTSS)** a) Trustee Strickland made a motion to approve out-of-state travel for the MTSS Conference for up to 5 school counselors and/or administrators. Trustee Revious seconded; motion carried 4-0:
Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes
- Angela Beyer** b) Trustee Hernandez made a motion to approve the consultant contract with Angela Beyer to provide 2 full days of in class coaching and professional development. Trustee Revious seconded; motion carried 4-0:
Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes
- Change Order** c) Trustee Strickland made a motion to approve change order #3 for Woodrow Wilson administration building and bus drop off. Trustee Revious seconded; motion carried 4-0:
Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes
- FCC Cybersecurity Pilot Program** d) Trustee Strickland made a motion to approve the FCC new Cybersecurity Pilot Program for HESD to participate in. Trustee Hernandez seconded; motion carried 4-0:
Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes
- BP/AR 6158** e) Trustee Revious made a motion to approve the revised Board Policy and Administrative Regulation 6158 – Independent Study. Trustee Hernandez seconded; motion carried 4-0:
Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes

- BP/AR 5148.2** f) Trustee Revious made a motion to approve the Board Policy and Administrative Regulation 5148.2 – Before/After School Programs. Trustee Hernandez seconded; motion carried 4-0:
- Garcia – Absent
 - Garner – Yes
 - Hernandez – Yes
 - Revious – Yes
 - Strickland – Yes

PERSONNEL

Trustee Strickland made a motion to take Personnel items “a” through “e” together. Trustee Revious seconded; the motion carried 4-0:

- Garcia – Absent
- Garner – Yes
- Hernandez – Yes
- Revious – Yes
- Strickland – Yes

Trustee Strickland then made a motion to approve Personnel items “a” through “e”. Trustee Revious seconded; the motion carried 4-0:

- Garcia – Absent
- Garner – Yes
- Hernandez – Yes
- Revious – Yes
- Strickland – Yes

The following items were approved:

Item "a" – Employment

Classified Management

- Daniel Pierotte, Director, Facilities and Operations – 8.0 hrs., DO, effective 4/22/25

Classified

- Adriana Canchola, Account Clerk I – 3.0 hrs., Hamilton, effective 3/14/25
- Jennifer Cruz-Ramirez, READY Program Tutor – 4.5 hrs., Simas, effective 3/13/25

Classified Temps/Subs

- Eric Jones, Athletic Coach, effective 3/10/25
- Yavilex Ledezma, Substitute Bilingual Clerk Typist I, Paraprofessional (TK/K), Translator: Oral Interpreter and Translator: Written Translator, effective 3/07/25
- Blake Peters, Athletic Coach, effective 3/10/25
- Ryan Solorzano, Substitute Custodian I, effective 3/3/25
- Luttrell Young, Athletic Coach, effective 3/13/25

More Hours/Days

- Cecilia Ayala, from Yard Supervisor – 1.5 hrs., Wilson, to Yard Supervisor – 2.5 hrs., Wilson, effective 2/13/25
- Francisca Perez, from Yard Supervisor – 1.5 hrs., King, to Yard Supervisor – 2.0 hrs., King effective 2/13/25

Voluntary Reduction of Hours

- Lisa Puente, from Yard Supervisor – 3.5 hrs., King, to Yard Supervisor – 2.5 hrs., King, effective 2/13/25

Promotion

- Jacob Carrasco, from Custodian II – 8.0 hrs., Monroe, to Lead Custodian – 8.0 hrs., Washington, effective 3/5/25

Employment and Certification of Temporary Athletic Team Coaches pursuant to Title 5 CCR 5594

- Eric Jones, 4-6th Boys Track, Washington, effective 3/10/25-5/3/25
- Robert Lusk, 7th Boys Baseball, Wilson, effective 3/3/25-5/14/25
- Blake Peters, 8th Boys Baseball, Wilson, effective 3/10/25-5/14/25
- Luttrell Young, 4-6th Boys Track, King, effective 3/13/25-5/3/25

Item "b" – Resignations

Classified

- Adriana Canchola, Yard Supervisor – 2.25 hrs., Hamilton, effective 03/13/25
- Alma Contreras, Food Services Utility Worker – 3.5 hrs., Food Services, effective 02/28/25
- Elizabeth Mercado, Yard Supervisor – 3.5 hrs., Monroe, effective 03/31/25
- Christine Payne, Yard Supervisor – 3.5 hrs., Simas, effective 03/21/25

Item "c" – Qualified Educators

- Adopt Declaration of Need for Fully Qualified Educators for 2025-2026 School Year (Title 5, 80026) – Attached

Item "d" – Substitute Teaching Permits

Annual Statement of Need for 30-day Substitute Teaching Permits

- The Governing Board of the Hanford Elementary School District declares that a sufficient number of credentialed teachers are not available to fill vacancies for substitute teaching during the 2025-26 school year. Therefore, the District is filing an annual statement of need with the Kings County Office of Education to allow Emergency 30-day Substitute Permit holders to fill day-to-day substitute needs.

Item "e" – Volunteers

<u>Name</u>	<u>School</u>
Karena Chadderton	Hamilton
Melissa Keller	Hamilton
Philip Padilla	Hamilton
Corey Rocha	Hamilton
Israel Luna (HESD EE)	Jefferson
Kasandra Molina	Jefferson
Kathryn Wittus	Jefferson
Pamela Wittus	Jefferson
Augustine Gonzalez	Monroe
Zoraida Lisua	Monroe
Serafin Ibarra Jr.	Richmond

FINANCIAL

Comprehensive Maintenance Plan a) Trustee Revious made a motion to approve the Comprehensive Maintenance Plan. Trustee Hernandez seconded; the motion carried 4-0:
Garcia – Absent
Garner – Yes
Hernandez – Yes
Revious – Yes
Strickland – Yes

Adjournment There being no further business, Vice-President Garner adjourned the meeting at 6:09 p.m.

Respectfully submitted,

Joy C. Gabler,
Secretary to the Board of Trustees

Approved:

Robert 'Bobby' Garcia, President

Lupe Hernandez, Clerk

No	A/D	Sch Req'd	Home Sch	Date
I-270	A	Roosevelt	Armona	3/31/2025
I-271	A	Roosevelt	Armona	3/31/2025
I-272	A	Roosevelt	Armona	3/31/2025
I-273	A	Roosevelt	Armona	3/31/2025
I-274	A	King	Lemoore	3/31/2025
I-275	A	King	Lemoore	3/31/2025
I-276	A	King	Lemoore	3/31/2025

No	A/D	Sch Req'd	Home Sch	Date
O-199	A	Kit Carson	Kennedy	3/31/2025

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Lindsay Hastings

DATE: 3/18/25

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Consider approval of donations to HESD from: Washington, PTC. Total donation of \$700.00.

PURPOSE: Outdoor yard supplies and materials for students.

FISCAL IMPACT: 0100-1100-0-1110-1000-430000-028-0000

RECOMMENDATIONS: Approve Donation

HANFORD ELEMENTARY SCHOOL DISTRICTAGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jennifer Levinson

DATE: April 9, 2025

For: Board Meeting
 Superintendent's Cabinet

For: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Donation of dictionaries from Rotary Club of Hanford

PURPOSE: Accept donation of 88 dictionaries from the Rotary Club of Hanford.

FISCAL IMPACT (if any): None.

RECOMMENDATION (if any): Action.

HANFORD ELEMENTARY SCHOOL DISTRICT
AGENDA REQUEST FORM

TO: Joy Gabler
FROM: Ramiro Flores *RF*
DATE: March 28, 2025
FOR: Board Meeting
 Superintendent's Cabinet
FOR: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Consider acceptance of donation of \$250.00 from Charities Aid Foundation America to Roosevelt Elementary School.

PURPOSE: To be used for purchase of instructional supplies for the 2024-2025 school year.

FISCAL IMPACT: 0100-1100-0-1110-1000-430000-026-0000

RECOMMENDATION: Accept donation.

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Board of Trustees

FROM: Joy C. Gabler

DATE: March 31, 2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Quarterly report (01/01/25 - 03/31/25) regarding Williams Uniform Complaints. The types of complaints covered in the Williams Uniform Complaint Procedures are:

1. Instructional Materials - Sufficient textbooks and instructional materials
2. Facilities – conditions that pose an emergency or urgent threat to the health or safety of students or staff
3. Teacher vacancy or misassignment

PURPOSE: To comply with the requirements Education Code 35186, the Superintendent shall report summarized data on the nature and resolution of all Williams Uniform Complaints to the Board and the County Superintendent of Schools on a quarterly basis.

For the third quarter of 2024-2025 school year there were no Williams Uniform Complaints filed.

FISCAL IMPACT: None

RECOMMENDATIONS: None

Quarterly Report on *Williams* Uniform Complaints

[Education Code § 35186(d)]

District: Hanford Elementary School District

Person completing this form: Jessica Valencia Title: Administrative Assistant

Quarterly Report Submission Month/Quarter:
(check one)

- October 1st Quarter (7/1-9/30)
 January 2nd Quarter (10/1-12/31)
 April 3rd Quarter (1/1-3/31)
 July 4th Quarter (4/1-6/30)

Quarterly Report Submission Year: 2024-2025

Date for information to be reported publicly at governing board meeting: April 9, 2025

Please check the box that applies:



No complaints were filed with any school in the district during the quarter indicated above.



Complaints were filed with schools in the district during the quarter indicated above. The following chart summarizes the nature and resolution of these complaints.

General Subject Area	Total # of Complaints	# Resolved	# Unresolved
Textbooks and Instructional Materials	0	0	0
Teacher Vacancy or Misassignment	0	0	0
Facilities Conditions	0	0	0
TOTALS	0	0	0

Joy Gabler

Print Name of District Superintendent

Signature of District Superintendent

Date

Please submit to: Genevieve Almanzar, Director
 Kings County Office of Education
 Williams Compliance
 (559) 589-7035
info.foundationalservices@kingscoe.org

Hanford Elementary School District
PERSONNEL DEPARTMENT

AGENDA REQUEST FORM

TO: Joy C. Gabler
FROM: Jaime Martinez
DATE: March 31, 2025
FOR: Board Meeting
 Superintendent's Cabinet

 Information
 Action

DATE YOU WISH TO HAVE YOUR ITEM CONSIDERED: **April 9, 2025**

ITEM: Receive Hanford Elementary Teachers Association's (HETA's) Initial Proposal for a Successor Agreement between Hanford Elementary School District (HESD) and HETA.

PURPOSE: To meet the "sunshining" requirements for collective bargaining proposals prior to the commencement of negotiations.

The current collective bargaining agreement between the District and HETA expires June 30, 2025.

FISCAL IMPACT: Unknown; proposals are subject to negotiation.

RECOMMENDATION: Receive proposals for information only.

TO: Jaime Martinez, Assistant Superintendent, Human Resources
FROM: Gina Young, HETA VP, Negotiations
RE: HETA Contract Reopeners per Article 1 C of the Collective
Bargaining Agreement
DATE: 3/6/2025

Article 1: Agreement

C-Update date

Article 4: Association Rights

I-Change allotted release time when a sub is not needed

Article 9: Certificated Evaluation and Personnel Files

I-2 eliminate since we do not have PAR

J-Self-Directed Evaluation-Discussion

Article 10- Teacher Safety

H-C The District will assist members with home visits when necessary. No teacher will be **responsible/required** for making home visits.

Article 11 School Calendars and Work Year

We previously agreed to the calendar for the 2025-2026 school year.

A-3 Nurses asking to work 3 days before students arrive in exchange for PD Days

Article 13: Teaching Hours and Teaching Load

E-1-Parent/Teacher Conference

Discuss possible changes for planning out schedules.

RSP/SCD/Interpreter/junior high

G-Adjunct Duties-remove

I-Miscellaneous

3-Change the compensated at their per diem rate

Article 14-Class Size

SDC class exceeds the contracted class size class limit of 15 students, the District shall par the affected teacher overage pay

Limit nurses to not more than two sites each

Article 16-Leaves

6-Catastrophic Sick Leave Bank

Article 18 Employee Group Health and Welfare Insurance Benefits

HETA would like the District to maintain fully District paid Dental, Vision, Life, and Medical insurance premiums, including any increase for the 2025-2026 school year.

Article 20 Salary

The Association proposes that the salary schedule be increased so the District is highly competitive with other school districts in Kings and Tulare Counties in order to retain current employees and continue to attract high quality educators for the future.

Review of Step and Column and Teaching Stipends

Article 21 Payment for Co-Curricular Activities

F-Field Trip: Members from Teachers

-Unit pay

-E-omit/discuss overnight stay and pay

-Add lead nurse

Gina Young

HETA VP, Negotiations

Team members-

Garrett Toy

Sarah Crisp

Crystal Avila

Peter Gonsalves

Hanford Elementary School District
PERSONNEL DEPARTMENT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: Jaime Martinez

DATE: March 31, 2025

FOR: Board Meeting
 Superintendent's Cabinet

Information
 Action

DATE YOU WISH TO HAVE YOUR ITEM CONSIDERED: **April 9, 2025**

ITEM: Receive the District's Initial Proposal for a Successor Agreement between Hanford Elementary School District (HESD) and Hanford Elementary Teachers Association (HETA).

PURPOSE: To meet the "sunshining" requirements for collective bargaining proposals prior to the commencement of negotiations.

The current collective bargaining agreement between the District and HETA expires June 30, 2025.

FISCAL IMPACT: Unknown; proposal is subject to negotiations.

RECOMMENDATION: Receive proposal for information only.

**HANFORD ELEMENTARY SCHOOL DISTRICT'S
INITIAL PROPOSAL
FOR SUCCESSOR COLLECTIVE BARGAINING AGREEMENT WITH
HANFORD ELEMENTARY TEACHERS ASSOCIATION**

Effective July 1, 2025

Article 1: Agreement

Update dates for terms of the Agreement.

Article 4: Association Rights

Clarify definition of "duty time".

Add language related to Ed Code 44987 related to leave for Union Officer.

Article 8: Transfer

Add language to involuntary transfer process for qualification to teach TK, PE, FLI, or other specialized areas.

Change "duty day" to "instructional day" in involuntary transfer section.

Article 9: Certificated Evaluation and Personnel Files

Update evaluation process and forms to reflect new California Standards for the Teaching Profession.

Edit language related to Federal Definition of highly qualified.

Delete obsolete language related to PAR.

Change reference to Assistant Superintendent of Special Services to Assistant Superintendent of Student Services.

Article 11: School Calendar

Discuss parent teacher conference days.

Discuss moving January PD Day to start of year for the purpose of mandatory trainings.

Article 12: Faculty Advisory Committee

Add language related to confidentiality in personnel and student matters.

Article 13: Teaching Hours and Teaching Load

Clarify expectations for the professional workday.

Revise language to reflect expectations related to nurses.

Revise Parent Teacher conference procedures to reflect current practice.

Clarify language for absences during staff meetings.

Article 14: Class Size

Revise references to TK.

Discuss SDC/RSP ratio and model at 7-8.

Article 16: Leaves

Revise language to reflect expectations related to nurses.

Eliminate the one day of Paid Family Illness Leave.

Add option of designated person under FMLA.

Add language that bereavement leave must be taken within one year of death.

Discuss differential pay for employees who have exhausted all paid leave.

Article 18: Health & Welfare Benefits

Consider change of JPA from SISC to SET TC.

Discuss Health & Welfare Benefits in combination with any proposed salary increases or additional cost items as a total compensation package.

Article 20: Salary

Discuss salary in combination with any changes to health & welfare benefits or additional cost items as a total compensation package.

Discuss official transcripts requirement for column advancement.

Clarify split assignment stipend does not include itinerant art or pe teachers.

Article 21: Payment for Co-Curricular Activities

Discuss payment of co-curricular activities including units and listing.

Article 29: Effect of the Agreement

Update dates for Effect of the Agreement.

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jason Strickland

DATE: 3/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 4/9/2025

ITEM: BP 5116.2 – Involuntary Student Transfers

PURPOSE: Policy updated to clarify that the policy only addresses involuntary transfers to other schools within the district, add that the determination of where to transfer a student who is the subject of involuntary transfer include a review of the programs to which the student may be involuntarily transferred, provide that the Superintendent or designee ensure that involuntary transfers are made in a nondiscriminatory manner, and reflect NEW CALIFORNIA DEPARTMENT OF EDUCATION GUIDANCE regarding legal requirements and recommended best practices governing voluntary and involuntary students transfers. Policy also updated to clarify requirements for an involuntary transfer of a student who has been convicted of a violent felony or a misdemeanor associated with possession of a firearm, an involuntary transfer to a continuation education program or class within the district, or an involuntary transfer to a community day school within the district. Additionally, policy updated to include information regarding notice and disclosure requirements.

FISCAL IMPACT: None**RECOMMENDATIONS:** Receive updates

Policy 5116.2: Involuntary Student Transfers

Status: ADOPTED

Original Adopted Date: 11/08/2017 | Last Reviewed Date: 11/08/2017

The ~~While the~~ Board of Trustees desires to enroll students in the district school of their choice, ~~but it~~ recognizes that circumstances sometimes necessitate the involuntary transfer of ~~some students~~ a student to another school or program in the district.

The Superintendent or designee shall develop procedures to facilitate the ~~transition~~ involuntary transfer of such students ~~into their new school of enrollment.~~

~~As applicable, when determining the best placement for a student who is subject to involuntary transfer~~ As applicable and as permitted by law, the Superintendent or designee shall review all educational options for which the student is eligible, the student's academic progress and needs, the enrollment capacity at ~~district schools~~ the schools or programs to which the student could be involuntarily transferred, and the availability of support services and other resources.

~~Whenever a student is involuntarily transferred, the Superintendent or designee shall provide timely written notification to the student and his/her parent/guardian and an opportunity for the student and parent/guardian to meet with the Superintendent or designee to discuss the transfer.~~

~~Students~~ The Superintendent or designee shall ensure that involuntary transfers are made in a non-discriminatory manner as specified in Board Policy 0410 - Nondiscrimination In District Programs And Activities.

Involuntary Transfer of a Student Convicted of Violent Felony or Misdemeanor Related to Possession of Firearms

A student may be transferred to another district school if ~~he/she~~ the student is convicted of a violent felony, as defined in Penal Code 667.5(c), or a misdemeanor listed in Penal Code 29805 and is enrolled at the same school as the victim of the crime for which ~~he/she~~ the students was convicted. However, before recommending such a transfer, the ~~(Education Code 48929)~~ Before transferring such a student, the Superintendent or designee Superintendent, the principal, or other designee shall notify the student and the student's parent(s)/guardian(s) of the right to request a meeting with the principal or designee and shall attempt to resolve the conflict using restorative justice, counseling, or other such services. He/she shall also notify the student and his/her parents/guardians of the right to request a meeting with the principal or designee. Participation of the victim in any conflict resolution program shall be voluntary, and the victim shall not be subjected to any disciplinary action for refusing to participate. (Education Code 48929)

~~Participation of~~ If the victim in any attempt to resolve the ~~conflict resolution program shall be voluntary, and he/she shall~~ using restorative justice, counseling, or other such services is ~~not be subjected to any disciplinary action for his/her refusal~~ successful or the victim elects not ~~to participate in conflict resolution.~~

~~The, the~~ principal or designee shall may submit to the Superintendent or designee a recommendation ~~as to whether or not~~ that the student should be involuntarily transferred. If the Superintendent or designee determines that a transfer would be in the best interest of the students involved, ~~he/she~~ agrees with the recommendation, the Superintendent shall submit such recommendation to the Board for approval. The Superintendent's recommendation to the Board shall include the date by which the Superintendent or designee will review the involuntary transfer to determine whether to recommend to the Board that the student be permitted to transfer back to the student's original school.

The Board shall, in accordance with Board Bylaw 9321 - Closed Session, deliberate and vote on the

recommendation, as well as any subsequent recommendation to permit the student to transfer back to the student's original school, in closed session to maintain the confidentiality of student information, unless ~~the~~ a parent/guardian or adult student submits a written request that the matter be addressed in open session and doing so would not violate the privacy rights of any other student. The Board's ~~decision~~ decisions in these instances shall be final.

~~The decision to transfer a student shall be subject to periodic review by the Superintendent or designee.~~

Involuntary Transfers to a Community Day School within the District

If a student is expelled from school for any reason in accordance with Board Policy 5144.1 - Suspension And Expulsion/Due Process, is probation-referred pursuant to Welfare and Institutions Code 300 or 602, or is referred by a school attendance review board or another formal district process, ~~he/she~~ the student may be transferred to a district community day school- as specified in Board Policy 6185 - Community Day School. (Education Code 48662)

Notice, Information, and Reports

The Superintendent or designee shall include notice of this policy in the annual notification to parents/guardians in accordance with Education Code 48980. (Education Code 48929)

Whenever 15 percent or more of the students enrolled in a district school speak a single primary language other than

English, as determined from the California Department of Education census data collected pursuant to Education Code 52164, all notices and reports sent to the parent(s)/guardian(s) of any such student shall, in addition to being written in English, be written in the primary language, and may be responded to either in English or the primary language. (Education Code 48981, 48985)

Whenever an employee learns that a student's parent/guardian is unable to understand the district's printed notifications or reports for any reason, the employee shall inform the principal or designee, who shall work with the parent/guardian to establish other appropriate means of communication.

When a foster youth or American Indian Student, as defined in Welfare and Institutions Code 224.1, is being considered for an involuntary transfer, all notices, documents, and information that would be provided to parents/guardians shall be provided to the foster youth's educational rights holder, attorney, and county social worker and the American Indian Student's tribal social worker and, if applicable, county social worker. (Education Code 48853.5)

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Board of Trustees

FROM: Joy C. Gabler

DATE: March 31, 2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Consider adopting Resolution #25-25: Regarding Absent Board Member Compensation.

PURPOSE: Education Code section 35120(c) provides that a board member may be paid for any meeting when absent if the board by resolution duly adopted and included in its minutes finds that at the time of the meeting: 1) he or she is performing services outside the meeting for the school district or districts, (2) he or she was ill or on jury duty, (3) or the absence was due to a hardship deemed acceptable by the board. Trustee Robert Garcia was unable to attend the March 26, 2025 meeting due to illness.

FISCAL IMPACT: Not to exceed \$306.92.

RECOMMENDATIONS: Adopt Resolution #25-25.

**HANFORD ELEMENTARY SCHOOL DISTRICT
RESOLUTION # 25-25**

**Board of Trustees
Hanford Elementary School District**

**RESOLUTION REGARDING ABSENT BOARD MEMBER COMPENSATION
(Education Code § 35120(c))**

WHEREAS, Education Code section 35120(c) provides that a board member may be paid for any meeting when absent if the board by resolution duly adopted and included in its minutes finds that at the time of the meeting: 1) he or she is performing services outside the meeting for the school district or districts, (2) he or she was ill or on jury duty, (3) or the absence was due to a hardship deemed acceptable by the board.

NOW, THEREFORE BE IT RESOLVED that the Hanford Elementary School District Board of Trustees determines as follows:

1. Board Member Robert Garcia was absent from the Hanford Elementary School District's regular board meeting held March 26, 2025 due to:
 - performing services outside the meeting for the school district
 - illness
 - jury duty
 - hardship deemed acceptable by the Board

2. Said Board Members shall be paid for the meeting.

PASSED AND ADOPTED THIS 9th day of April, 2025 at a regular meeting, by the following vote:

AYES:

NOES:

ABSTAIN:


ABSENT:

Jeff Garner, Vice-President

Lupe Hernandez, Clerk

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler
 FROM: David L. Goldsmith 
 DATE: March 28, 2025

For: Board Meeting
 Superintendent's Cabinet

For: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Consider declaration of surplus technology inventory

PURPOSE: To declare as surplus older technology that has been removed from service and is either non-working or no longer meets district needs and performance requirements.

Surplus equipment to include:

- Dell Latitude 3190 2-in-1 laptops – Qty 3000
- Bretford PowerSync iPad Carts – Qty 8

FISCAL IMPACT: None

RECOMMENDATION: Declare indicated property as surplus

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Robert Heugly
DATE: March 28, 2025

For: Board Meeting
 Superintendent's Cabinet

For: Information
 Action

Date you wish to have your item considered: April 9, 2025

ITEM: Consider for approval, the updated 2024-2025 School Plans for Student Achievement.

PURPOSE: Any school that receives Title 1 funds (all of our schools) must have a School Plan for Student Achievement (SPSA) which is developed with their School Site Councils. The purpose of a SWP is to improve academic achievement throughout a school so that all students, particularly the lowest-achieving students, demonstrate proficiency related to the challenging State academic standards (Title 34, *Code of Federal Regulations [CFR] Part 200, Section 200.25[a][1]*).

Each school has carefully and thoroughly followed the planning process. School Site Councils have approved the updated 2024-2025 school plans. The primary updates in this revision are in Goals 3 & 4 and setting of Expected Outcomes for Suspension Rate and Chronic Absenteeism along with approving any budget changes. Every school site's plan can be found online at:

<https://www.hanfordesd.org/departments/categorical-programs/school-plans-for-student-achievement-school-plans>

Fiscal Impact:

The school plans detail planned expenditures at each school site for Title I, and LCFF funds.

RECOMMENDATION: Consider for approval the updated 2024-2025 School Plans

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jill Rubalcava

DATE: 3/28/25

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 4/9/25

ITEM: Consultant Contract- HESD and Bricks 4 Kidz

PURPOSE: To provide engineering based enrichment activities and lessons to students in the Hanford Elementary School District Summer Program from June 16th to July 18th, 2025 in grades Tk through 5th.

FISCAL IMPACT: \$18,600.00

RECOMMENDATIONS: Approve

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jill Rubalcava

DATE: 3/28/25

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 4/9/25

ITEM: Consultant Contract- HESD and Fresno Discovery Center

PURPOSE: To provide science based enrichment activities and lessons to students in the Hanford Elementary School District Summer Program from June 16th to July 18th, 2025 in grades Tk through 5th.

FISCAL IMPACT: \$21,804.40

RECOMMENDATIONS: Approve

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jill Rubalcava

DATE: 3/28/25

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 4/9/25

ITEM: Consultant Contract- HESD and Tulare County Office of Education

PURPOSE: To provide drama based enrichment activities and lessons to students in the Hanford Elementary School District Summer Program from June 16th to July 18th, 2025 in grades Tk through 5th.

FISCAL IMPACT: \$8,402.00

RECOMMENDATIONS: Approve

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jill Rubalcava

DATE: 3/28/25

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 4/9/25

ITEM: Consultant Contract- HESD and The Karate School

PURPOSE: To provide karate instruction to students in the Hanford Elementary School District Summer Program from June 16th to July 18th, 2025 in grades Tk through 5th.

FISCAL IMPACT: \$15,887.00

RECOMMENDATIONS: Approve

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider adoption of the following Board Policy and Administrative Regulation:
 BP/AR 3100 – Budget

PURPOSE:

Policy updated to clarify that regardless of the option chosen for budget advisory committees, representation of Governing Board members on the committee may not comprise a majority of the Board, since having a quorum participate in any committee would in essence create a Board meeting when the committee meets. Additionally, policy updated to reference **NEW LAW (AB 176, 2024)** which provides that (1) attendance generated through an attendance recovery program will be excluded from the average daily attendance of the district, and (2) when a school is between base year eligibility determinations, any current or newly enrolled students who are eligible for free or reduced-priced meals may be included for purposes of the local control funding formula (LCFF). In addition, policy updated to reflect **NEW LAW (SB 114, 2023)** which requires districts that receive LCFF equity multiplier funding to include specific goals in the local control and accountability plan, and reference **NEW LAW (SB 153, 2024)** which provides that if a school which is otherwise eligible to receive LCFF equity multiplier funds is closed in the year in which the funds are to be allocated, that school is instead deemed to be ineligible, and any unspent funds provided are required to be returned to the California Department of Education. Policy also updated to clarify that the Board may approve a plan for meeting the district's long-term obligations to fund contributions to other defined pension plans such as the California State Teachers Retirement System in addition to the California Public Employees' Retirement System.

Regulation updated to reflect **NEW LAW (AB 721, 2023)** which, beginning January 1, 2027, repeals the requirement to publish notification of the hearing date and location for inspection for the district's proposed budget in a newspaper of general circulation, and instead requires the information to be posted prominently on the district's website homepage at least three days before the availability of the proposed budget for public inspection.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

Adopt the revised Board Policy and Administrative Regulation:
BP/AR 3100 – Budget

Policy 3100: Budget

Status: ADOPTED

Original Adopted Date: ~~05/16/2001~~10/01/2015 | **Last Revised Date:** ~~10/23/2019~~12/01/2024 |

Last Reviewed Date: 10/23/201912/01/2024

The ~~Governing Board of Trustees~~ recognizes its critical responsibility for adopting a sound budget each fiscal year which is aligned with and reflects the district's vision, goals, priorities, local control and accountability plan (LCAP), and other comprehensive plans. The district budget shall guide decisions and actions throughout the year and shall serve as a tool for monitoring the fiscal health of the district.

The district budget shall show a complete plan and itemized statement of all proposed expenditures and all estimated revenues for the following fiscal year, together with a comparison of revenues and expenditures for the current fiscal year. The budget shall also include the appropriations limit and the total annual appropriations subject to limitation as determined pursuant to Government Code 7900-7914. (Education Code 42122)

Budget Development and Adoption Process

In order to provide guidance in the development of the budget, the Board shall annually establish budget priorities based on identified district needs and goals and on realistic projections of available funds.

The Superintendent or designee shall oversee the preparation of a proposed district budget for approval by the Board and shall involve appropriate staff in the development of budget projections.

The Board shall hold a public hearing on the proposed budget in accordance with Education Code 42103 and 42127. ~~The hearing shall occur at the same meeting as the public hearing on the district's LCAP and the local control funding formula (LCFF) budget overview for parents/guardians.~~ (Education Code 42103, 42127, 52062, 52064.1)

The Board shall adopt the district budget at a public meeting held after the date of the public hearing, but on or before July 1 of each year. The Board shall adopt the budget following its adoption of the LCAP, or annual update to the LCAP, and the LCFF budget overview for parents/guardians. The budget shall include the expenditures necessary to implement the LCAP or the annual update to the LCAP. (Education Code 42127, 52062)

The budget that is presented at the public hearing as well as the budget formally adopted by the Board shall adhere to the state's Standardized Account Code Structure as prescribed by the Superintendent of Public Instruction (SPI). (Education Code 42126, 42127)

The Superintendent or designee may supplement this format with additional information as necessary to effectively communicate the budget to the Board, staff, and public.

No later than five days after the Board adopts the district budget or by July 1, whichever occurs first, the Board shall file the adopted district budget with the County Superintendent of Schools. The budget and supporting data shall be maintained and made available for public review. (Education Code 42127)

If the County Superintendent disapproves or conditionally approves the district's budget, the Board shall review and respond to the County Superintendent's recommendations at a regular public meeting on or before October 8. The response shall include any revisions to the adopted budget and any other proposed actions to be taken as a result of those recommendations. (Education Code 42127)

Budget Advisory Committee

The Superintendent or designee may appoint a budget advisory committee composed of staff, Board representatives, and/or members of the community.

The committee shall submit recommendations during the budget development process and its duties shall be assigned each year based on district needs. All recommendations of the committee shall be advisory only and shall not be binding on the Board.

Budget Criteria and Standards

The district budget shall be developed in accordance with state criteria and standards specified in 5 CCR 1544015450 as they relate to projections of average daily attendance (ADA), enrollment, ratio of ADA to enrollment, LCFF revenue, salaries and benefits, other revenues and expenditures, facilities maintenance, deficit spending, fund balance, and reserves. In addition, the Superintendent or designee shall provide the supplemental information specified in 5 CCR 15451, which addresses the methodology and budget assumptions used, contingent liabilities, use of one-time revenues for ongoing expenditures, use of ongoing revenues for one-time expenditures, contingent revenues, contributions, long-term commitments, unfunded liabilities, status of collective bargaining agreements, the LCAP, and LCAP expenditures. (Education Code 33128, 33129, 42127.01; 5 CCR 15440-15451)

The district budget shall provide for increased or improved services for unduplicated students at least in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated students in accordance with 5 CCR 15496. Unduplicated students are students who are eligible for free or reduced-price meals, English learners, and/or foster youth. (Education Code 42238.07; 5 CCR 15496)

Additionally, the district budget shall provide for increased or improved services for each school which generates LCFF equity multiplier funding. (Education Code 42238.024, 52064)

The Board may establish other budget assumptions or parameters which may take into consideration the stability of funding sources, legal requirements and constraints on the use of funds, anticipated increases and/or decreases in the cost of services and supplies, program requirements, and any other factors necessary to ensure that the budget is a realistic plan for district revenues and expenditures.

Fund Balance

The district shall classify fund balances in compliance with Governmental Accounting Standards Board (GASB) Statement 54, as follows:

1. Nonspendable fund balance includes amounts that are not expected to be converted to cash, such as ~~resources that~~resourcesthat are not in a spendable form (e.g., inventories and prepaids) or that are legally or contractually required to be maintained intact-
2. Restricted fund balance includes amounts constrained to specific purposes by their providers or by law-
3. Committed fund balance includes amounts constrained to specific purposes by the Board-

For this purpose, all commitments of funds shall be approved by a majority vote of the Board. The constraints shall be imposed no later than the end of the reporting period (June 30), although the actual amounts may be

determined subsequent to that date but prior to the issuance of the financial statements.

4. Assigned fund balance includes amounts which are intended for a specific purpose but do not meet the criteria to be classified as restricted or committed-

The Board delegates authority to assign funds to the assigned fund balance to the Superintendent and authorizes the assignment of such funds to be made any time prior to the issuance of the financial statements. The Superintendent shall have discretion to further delegate the authority to assign funds.

5. Unassigned fund balance includes amounts that are available for any purpose-

When multiple types of funds are available for an expenditure, the district shall first utilize funds from the restricted fund balance as appropriate, then from the committed fund balance, then from the assigned fund balance, and lastly from the unassigned fund balance.

The Board intends to maintain a minimum assigned and unassigned fund balance in an amount the Board deems sufficient to maintain fiscal solvency and stability and to protect the district against unforeseen circumstances.

If the assigned and unassigned fund balance falls below the level set by the Board due to an emergency situation, unexpected expenditures, or revenue shortfalls, the Board shall develop a plan to recover the fund balance which may include dedicating new unrestricted revenues, reducing expenditures, and/or increasing revenues or pursuing other funding sources.

Reserve Balance

The district budget shall include a minimum reserve balance for economic uncertainties that is consistent with the percentage or amount specified in 5 CCR 15450.

In any year following the fiscal year in which the district is notified by the SPI that the amount of monies in the state Public School System Stabilization Account equals or exceeds three percent of the combined total of general fund revenues appropriated for school districts and allocated local proceeds of taxes, the district budget shall not contain a combined assigned or unassigned ending general fund balance that is in excess of 10 percent of these funds, unless the requirement is waived in accordance with Education Code 42127.01. (Education Code 42127.01)

Long-Term Financial Obligations

The district's current-year budget and multiyear projections shall include adequate provisions for addressing the district's long-term financial obligations, including, but not limited to, long-term obligations resulting from collective bargaining agreements, financing of facilities projects, unfunded or future liability for retiree benefits, and accrued workers' compensation claims.

The Board may approve a plan for meeting the district's long-term obligations to fund contributions to the California

Public Employees' Retirement System (CalPERS) or other defined pension plans such as the California State Teachers Retirement System which, to the extent possible, minimizes significant increases in annual general fund expenditures towards pension obligations. The plan may include prefunding required pension contributions through the California Employers' Pension Prefunding Trust Program pursuant to Government Code 21710-21716.

The Board shall approve a plan for meeting the district's long-term obligations to fund nonpension, other postemployment benefits (OPEBs). This plan shall include a specific funding strategy and the method that will be used to finance the district's annual fiscal obligations for such benefits in a manner that continually

reduces the deficit to the district to the extent possible. The Board reserves the authority to review and amend the funding strategy as necessary to ensure that it continues to serve the best interests of the district and maintains flexibility to adjust for changing budgetary considerations.

The Superintendent or designee shall annually present a report to the Board on the estimated accrued but unfunded cost of OPEBs. As a separate agenda item at the same meeting, the Board shall disclose whether ~~or not~~ it will reserve a sufficient amount of money in its budget to fund the present value of the benefits of existing retirees and/or the future cost of employees who are eligible for benefits in the current fiscal year. (Education Code 42140)

The Superintendent or designee shall annually present a report to the Board on the estimated accrued but unfunded cost of workers' compensation claims and the actuarial reports upon which the estimated costs are based. As a separate agenda item at the same meeting, the Board shall disclose whether it will reserve in the budget sufficient amounts to fund the present value of accrued but unfunded workers' compensation claims or if it is otherwise decreasing the amount in its workers' compensation reserve fund. The Board shall annually certify to the County Superintendent the amount, if any, that it has decided to reserve in the budget for these costs. The Board shall submit to the County Superintendent any budget revisions that may be necessary to account for this budget reserve. (Education Code 42141)

Budget Amendments

No later than 45 days after the Governor signs the annual Budget Act, the Superintendent or designee shall make available for public review any revisions in budgeted revenues and expenditures which occur as a result of the funding made available by that Budget Act. (Education Code 42127)

Whenever revenues and expenditures change significantly throughout the year, the Superintendent or designee shall recommend budget amendments to ensure accurate projections of the district's net ending balance. When final figures for the prior-year budget are available, this information shall be used as soon as possible to update the current-year budget's beginning balance and projected revenues and expenditures.

In addition, budget amendments shall be submitted for Board approval as necessary when collective bargaining agreements are accepted, district income declines, increased revenues or unanticipated savings are made available to the district, program proposals are significantly different from those approved during budget adoption, interfund transfers are needed to meet actual program expenditures, and/or other significant changes occur that impact budget projections.



Regulation 3100: Budget

Status: ADOPTED

Original Adopted Date: ~~05/16/2001~~ 03/01/2019 | **Last Revised Date:** ~~10/23/2019~~ 12/01/2024 |

Last Reviewed Date: ~~10/23/2019~~ 12/01/2024

Budget Advisory Committee

Membership of the district's budget advisory committee may include representatives of each of the following groups:

1. Governing ~~Board of Trustees~~ members, provided that less than a majority of the Board serves on the committee
2. District and school site administrators
3. Representatives of bargaining units
4. Certificated and/or classified staff
5. Parents/guardians
6. Representatives of the business community and/or other community members
7. Students

The committee's duties may include, but are not necessarily limited to:

1. Making recommendations regarding budget priorities which align with the district's vision, goals, priorities, local control and accountability plan (LCAP), and other comprehensive plans
2. Recommending cost reduction strategies, such as identifying services that may be reduced, made more efficient, or discontinued
3. Reviewing the clarity and effectiveness of budget documents and communications
4. Presenting progress reports on the committee's work and a final report of recommendations to the Superintendent or designee and to the Board

The specific duties of the committee shall be clearly defined and presented to each member in writing, along with any background information necessary for the successful completion of the committee's charges, the timelines for reporting the committee's progress, and timelines for completion of each task.

Public Hearing

The agenda for the public hearing on the district budget shall be posted at least 72 hours before the hearing and shall indicate the location where the budget may be inspected. The proposed budget shall be available for public inspection at least three working days before this hearing. (Education Code 42103, 42127, 52062)

The Superintendent or designee shall notify the County Superintendent of Schools of the location and dates at which the proposed budget may be inspected, as well as the location, date, and time of the public

hearing, in sufficient time for the County Superintendent to publish such information in a newspaper of general circulation at least 10 days but not more than 45 days before the hearing, as ~~required by Education Code 42103~~specified in Education Code 42103. Beginning January 1, 2027, this notification, rather than being published in a newspaper of general circulation as described above, shall be prominently posted on the homepage of the district's website at least three days before the availability of the proposed budget for public inspection.

Whenever the proposed district budget includes a combined assigned and unassigned ending fund balance that exceeds the minimum recommended reserve for economic uncertainties adopted by the State Board of Education, the district shall provide, for each fiscal year included in the budget, the following information for public review and discussion at the public hearing: (Education Code 42127; 5 CCR 15450)

1. The minimum recommended reserve for economic uncertainties
2. The combined assigned and unassigned ending fund balances that are in excess of the minimum recommended reserve
3. A statement of reasons substantiating the need for the combined assigned and unassigned ending balances that are in excess of the minimum recommended reserve

During the hearing, any district resident may appear and object to the proposed budget or to any item in the budget. The hearing may conclude when all residents who have requested to be heard have had the opportunity to speak.

(Education Code 42103)

Budget Review Committee for Disapproved Budgets

If the district's budget is disapproved by the County Superintendent for any reason other than disapproval of the district's LCAP or annual update to the LCAP, the budget shall be reviewed by a budget review committee, unless the Board and County Superintendent agree to waive the requirement and the California Department of Education accepts the waiver. (Education Code 42127)

This committee shall consist of either: (Education Code 42127.1, 42127.2)

1. Three persons selected by the Board from a list of candidates provided by the Superintendent of Public Instruction (SPI), who shall be selected within five working days after receiving the list of candidates
2. A regional review committee selected and convened by the County Superintendent with the approval of the Board and SPI

If the budget review committee recommends disapproval of the district budget, the Board may submit a response to the SPI no later than five working days after receipt of the committee's report. The response may include any revisions to the adopted final budget and any other proposed actions to be taken as a result of the committee's recommendations. (Education Code 42127.3)

If the SPI disapproves the district budget after reviewing the committee's report and the district's response, the Board shall consult with the County Superintendent to develop and adopt, by December 31, a fiscal plan and budget that will allow the district to meet its current fiscal year and multiyear financial obligations. -For the current fiscal year, the district shall operate in accordance with the budget adopted by the County Superintendent. (Education Code 42127.3)

Until the district receives approval of its budget, it shall continue to operate either on the basis of the prior year's budget or on the basis of the current year's unapproved budget as adopted and revised by the Board, whichever budget contains a lower total spending authority. (Education Code 42127.4)

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider adoption of the following Board Policy and Administrative Regulation:
 BP/AR 3280 – Sale of Lease of District-Owned Real Property

PURPOSE:

Policy updated to delete provision that until July 1, 2024, the Governing Board may elect not to appoint a district advisory committee for the sale or lease of surplus property that has not previously operated, or was not constructed to be operated, as an early childhood education facility or a school for elementary or secondary instruction, as this exception has expired. Additionally, policy updated to add that before taking any action to dispose of surplus real property, the Board is required to declare, at a regular meeting supported by written findings that, under the Surplus Land Act, the land is either surplus land or exempt surplus land. In addition, policy updated to reflect **NEW LAW (AB 480, 2023)** which provides that the Board may decide not to make such a declaration if the district provides notice and opportunity for public comment, as specified. In addition, policy updated to reflect **NEW GUIDELINES** which require the Board to provide the Department of Housing and Community Development (HCD) a copy of the Board's declarations and findings supporting the Board's determination that the property is exempt surplus land at least 30 days prior to disposing of the exempt surplus land, and **NEW LAW (SB 229, 2023)** which provides that if the district has received notification from HCD, the Board may not pursue a final action to ratify or approve the proposed disposal of surplus land unless the Board holds an open and public meeting to review and consider the substance of the notice. Policy also updated to delete the provision which authorized the proceeds from the sale or lease of property purchased entirely with local funds to be used for any general fund purpose, as that authorization has expired.

Regulation updated to reflect **NEW LAW (AB 480, 2023)** which adds new definitions related to surplus property.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

Adopt the revised Board Policy and Administrative Regulation:
BP/AR 3280 – Sale of Lease of District-Owned Real Property

Policy 3280: Sale Or Lease Of District-Owned Real Property

Status: ADOPTED

Original Adopted Date: ~~05/16/2001~~07/01/2011 | Last Revised Date: 12/~~12/2018~~01/2024 | Last Reviewed Date: 12/~~12/2018~~01/2024

The Governing Board believes that district facilities and resources should be utilized in an economical and practical manner. The Superintendent or designee shall periodically study the current and projected use of all district facilities to ensure the efficient utilization of space for the effective delivery of instruction.

~~The~~Prior to the sale or lease of any surplus real property, the Board shall appoint a district advisory committee ~~prior to the sale or lease of any surplus real property~~ to advise the Board regarding the use or disposition of schools or school building space which is not needed for school purposes. ~~Rentals of surplus property not exceeding 30 days are exempted from this requirement. When the sale, lease, or rental of surplus property is for the purpose of teacher or other employee housing or for the offering of summer school by a private educational institution, the~~The Board may elect not to appoint a district advisory committee ~~for any of the following: (Education Code 17388, 17391)~~

~~(Education Code 17387-17391)~~

- ~~1. A rental of property for a period of time not exceeding 30 days~~
- ~~2. A lease or rental of surplus property to a private educational institution for the purpose of offering summer school~~
- ~~3. A sale, lease, or rental of surplus property to be used for teacher or other employee housing~~

~~In addition, to ensure that the proposed disposition of the property conforms with any general plan adopted by~~ the local planning agency ~~has adopted a general plan~~ that affects or includes the area where the surplus property is located, the Board shall submit a report to the local planning agency describing the location of the surplus property and the purpose and extent of the proposed sale or lease. ~~(Government Code 65402)~~

The Board shall determine whether the sale or lease of the surplus property is subject to review under the California Environmental Quality Act. ~~(Public Resources Code 21000-21177; 14 CCR 15061-15062)~~

~~The Board may meet in closed session with its real property negotiator prior to the sale or lease of real property by the district in order to grant its negotiator authority regarding the minimum price or rent and terms of the sale or lease. (Government Code 54956.8)~~

~~Before taking action to dispose of any land, the Board shall declare, at a regular meeting, supported by written findings that, under the Surplus Land Act, the land is either (1) surplus land or (2) exempt surplus land. (Government Code 54221)~~

~~However, if the land involved is exempt surplus land as specified in Government Code 54221(f)(1), the Board, at its discretion, may decide not to make such a declaration. Instead of the declaration, the Board may identify the land as exempt surplus land in a notice that is published and available for public comment and to the entities identified in Government Code 54222 at least 30 days before the exemption takes effect. (Government Code 54221)~~

~~Additionally, at least 30 days prior to disposing of exempt surplus land, the district shall provide the Department of Housing and Community Development (HCD) a copy of the Board's declarations and~~

findings supporting the Board's determination that the land is exempt surplus land using the form prescribed by HCD. (Government Code 54221)

If the district has received notification from HCD that the district has violated the Surplus Land Act pursuant to Government Code 54230.5, the Board shall not pursue a final action to ratify or approve the proposed disposal of surplus land unless the Board holds an open and public meeting in compliance with Government Code 54230.7 to review and consider the substance of the notice.

When selling or leasing district real property, the Board shall comply with ~~the priorities and applicable~~ procedures and give priority to specified ~~in applicable~~ public agencies as required by law. (Education Code 17230, 17464, 17485-~~17499~~17500; Government Code ~~54222~~54221-54234)

~~In addition, when selling real property purchased, constructed, or modernized with funds received within the past 10 years from a state school facilities funding program, the Board shall consider whether any of the proceeds from the sale will need to be returned to the State Allocation Board (SAB) pursuant to Education Code 17462.3.~~

Resolution of Intention to Sell or Lease

Before ordering the sale or lease of any real property, the Board shall adopt a resolution by a two-thirds vote of all of its members at a regularly scheduled open meeting. The resolution shall describe the property proposed to be sold or leased in such a manner as to identify it, specify the minimum price or rent, describe the terms upon which it will be sold or leased, and specify the commission or rate, if any, which the Board will pay to a licensed real estate broker out of the minimum price or rent. The resolution shall fix a time, not less than three weeks thereafter, for a public meeting, held at the Board's regular meeting place, at which sealed proposals to purchase or lease will be received and considered. (Education Code 17466)

The Superintendent or designee shall provide notice of the adoption of the resolution and of the time and place of the meeting that will be held to consider bids by posting copies of the resolution, signed by the Board, in three public places not less than 15 days before the date of the meeting. In addition, the notice shall be published at least once a week for three successive weeks before the meeting, in a newspaper of general circulation published in the county in which the district is located, if such a newspaper exists. (Education Code 17469)

~~In accordance with Education Code 17470~~ At least 60 days prior to the public meeting, the Superintendent or designee shall take reasonable steps to provide written notification of the public meeting, by certified mail, to the former ~~owners of the owner from whom the district acquired the~~ property ~~of the district's intent to sell it.~~ (Education Code 17470)

Acceptance/Rejection of Bids

At the public meeting specified in the resolution of intention to sell or lease property, the Board shall open, examine, and declare all sealed bids. Before accepting a written proposal, the Board shall call for oral bids in accordance with law. (Education Code 17472, 17473)

The Board may reject any and all bids, either written or oral, and withdraw the properties from sale when the Board determines that rejection is in the best public interest. If no proposals are submitted or the submitted proposals do not conform to all the terms and conditions specified in the resolution of intention to lease, the Board may lease the property in accordance with Education Code 17477. (Education Code 17476, 17477)

Of the proposals submitted by responsible bidders which conform to all terms and conditions specified in the resolution of intention to sell or lease, the Board shall finally accept the highest bid after deducting the commission, if any, to be paid to a licensed real estate broker, unless the Board accepts a higher oral bid or rejects all bids.

(Education Code 17472)

The final acceptance of the bid may be made either at the same meeting specified in the resolution or at any adjourned/continued meeting held within 10 days. Upon acceptance of the bid, the Board may adopt a resolution of acceptance that directs the Board president, or any other Board member, to execute the deed or lease and to deliver the document upon performance and compliance by the successful bidder of all of the terms and conditions of the contract. (Education Code 17475-17478)

Use of Proceeds

The Superintendent or designee shall ensure that the proceeds from the sale or lease with an option to purchase of surplus district property are used for one-time expenditures and not for ongoing expenditures such as salaries and general operating expenses. (Education Code 17462; 2 CCR 1700)

Proceeds from a sale of surplus district property shall generally be used for capital outlay or maintenance costs that the Board determines will not recur within a five-year period. (~~Education Code 17462~~)

Proceeds from a lease of district property with an option to purchase may be deposited into a restricted fund for the routine repair of district facilities, as defined by the State Allocation Board (SAB), for up to a five-year period. (Education Code 17462)

~~However, if~~ the Board and SAB determine that the district has no anticipated need for additional sites or building construction for the next 10 years and no major deferred maintenance requirements, the proceeds from the sale or lease with an option to purchase may be deposited in a special reserve fund for the future maintenance and renovation of school sites or in the district's general fund. ~~Proceeds from the sale or lease with option to purchase of district property may also be deposited in a special reserve fund for capital outlay or maintenance costs of district property that the Board determines will not recur within a five-year period.~~ (Education Code 17462)

Whenever the district sells real property that was purchased, improved, or modernized with funds that were received from a state school facilities funding program within the previous 10 years, the district shall notify OPSC within 90 calendar days of the sale of the property if the proceeds from the sale are not used for capital outlay and the property is not sold to a charter school, another school district, a county office of education, or an agency that will use the property exclusively for the delivery of child care and development services. If SAB subsequently makes a finding that the sale is subject to Education Code 17462.3, the district shall return the funds to the SAB within 90 calendar days of the finding. (2 CCR 1702)

Regulation 3280: Sale Or Lease Of District-Owned Real Property

Status: ADOPTED

Original Adopted Date: ~~05/16/2001~~09/01/1990 | Last Revised Date: 12/01/2024 | Last Reviewed

Date: ~~05/16/2001~~12/01/2024

Definitions

Dispose means either (1) the sale of surplus land or (2) the lease of surplus land for a term longer than 15 years, inclusive of any extension or renewal options included in the terms of the initial lease. Dispose does not include the entering of a lease for surplus land on which no development or demolition will occur, regardless of the term of the lease. (Government Code 54221)

Under the Surplus Land Act, exempt surplus land means land, as described in Items #1-10 below, that is: (Government Code 54221)

1. Less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes
2. Being exchanged for another property necessary for the district's use, including easements, pursuant to Education Code 17536
3. Subject to the district advisory committee pursuant to Education Code 17388
4. Jointly occupied by the district and any private person, firm, local governmental agency or corporation pursuant to Education Code 17515
5. Being transferred to a local, state, or federal agency, or to a third-party intermediary for future dedication for the receiving agency's use, or to a federally recognized California Indian tribe
6. A former street, right of way, or easement, and is conveyed to an owner of an adjacent property
7. Developed for low- or moderate-income housing development that meets specified criteria
8. Subject to a valid legal restriction that is not imposed by the district and that makes housing prohibited, such as a conservation easement
9. Transferred to a community land trust, and meets certain specified conditions
10. Included in any of the other exemptions specified in Government Code 54221

District Advisory Committee

The district advisory committee, which may be referred to as a "7-11 Committee," on use or disposition of surplus school buildings or space shall consist of not less than seven ~~to~~ or more than 11 members representative of each of the following: (Education Code 17389)

1. The district's ethnic, age group, and socioeconomic composition

2. The business community, such as store owners, managers, or supervisors
3. Landowners or renters, with preference to representatives of neighborhood associations
4. Teachers
5. Administrators
6. Parents/guardians of students
7. Persons with expertise in environmental impact, legal contracts, building codes, and land use planning, ~~local~~including, but not limited to, knowledge of the zoning, and other ~~local~~ land use restrictions of the cities and counties in which the surplus property is located

This committee shall: (Education Code 17390)

1. Review projected school enrollment and other data to determine the amount of surplus space and real property
2. Establish and circulate throughout the attendance area a priority list for use of surplus space and real property that will be acceptable to the community
3. Hold hearings, with community input, on acceptable uses of space and real property, including the sale or lease of surplus real property for child care development purposes
4. Make a final determination of limits of tolerance of use of space and real property
5. Send the Governing Board ~~of Trustees its recommendations regarding a report recommending~~ uses of surplus space and real property

~~Sale, Lease or Rental for Child Care Purposes~~

~~Any surplus real property sold or leased to designated child care providers for child care and development purposes shall comply with legally specified outdoor activity space requirements for child care facilities. The provisions of Education Code 17458 shall apply to any such sale or lease.~~

~~The use of district facilities or grounds for extended day care services shall be granted only in accordance with the provisions of Education Code 38134. (Education Code 8469.5)~~

The district advisory committee shall comply with open meeting requirements of the Brown Act. (Government Code 54952)

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider adoption of the following Board Policy and Administrative Regulation:
 BP/AR 3320 – Claims and Actions Against the District

PURPOSE:

Policy updated to incorporate material from the accompanying administrative regulation, as the majority of the content is related to Governing Board actions and therefore more appropriately placed in Board policy. Additionally, policy updated to reference **NEW LAW (AB 452, 2023)** which provides that there are no time limits for the commencement of actions for the recovery of damages for claims of childhood sexual assault that occurred on or after January 1, 2024, including plaintiffs who are 40 years of age or older who file certificates of merit by the plaintiff's attorney and by a licensed mental health practitioner selected by the plaintiff setting forth the facts which support the declaration, and in conjunction with **NEW LAW (SB 558, 2023)**, that the statute of limitations for acts of childhood sexual assault that occurred on or before December 31, 2023 is what was set forth in law on December 31, 2023. In addition, policy updated to (1) generalize and thereby make timeless the language regarding the monetary limit for a limited civil case, (2) require the Board, when a claim is presented late and is not accompanied by an application to present a late claim, to give written notice as specified to avoid potentially waiving certain legal defenses, and (3) clarify that the written notice indicating that a claim was not presented timely and is being returned without further action be done in accordance with a specified Government Code section. Policy also updated to reflect the legal change of the term "Roster of Public Agencies" to "Registry of Public Agencies", and to provide more detail regarding the information that is required to be filed with the Secretary of State and County Clerk.

Regulation deleted with material moved to Board policy, as the majority of the content is related to Governing Board actions and therefore more appropriately placed in Board policy.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

Adopt the revised Board Policy and delete the following Administrative Regulation:
BP/AR 3320 – Claims and Actions Against the District

Policy 3320: Claims And Actions Against The District

Status: ADOPTED

Original Adopted Date: ~~11/02/2011~~03/01/2009 | Last Revised Date: ~~08/14/2019~~12/01/2024 |

Last Reviewed Date: ~~08/14/2019~~12/01/2024

The Governing Board of Trustees desires to conduct district operations in a manner that minimizes risk, protects district resources, and promotes the health and safety of students, staff, and the public. Any and all claims for money or damages against the district shall be presented to and acted upon in accordance with the Government Claims Act or other applicable state or district procedures, as well as the district's joint powers authority (JPA) agreement or other insurance coverage.

Any claim for money or damages not governed by the Government Claims Act (Government Code 810-996.6) or specifically excepted by Government Code 905 shall be presented and acted upon in accordance with district established procedures consistent with the manner and time limitations specified in this Board policy. (Government Code 935)

Unless otherwise provided by law, a written claim shall be presented to and acted upon by the Board in accordance with such procedures prior to filing a lawsuit against the district for money or damages.

Upon notice to the district of a claim, the Superintendent or designee shall take all necessary steps to protect the district's rights under any applicable contractual agreements, including the right to indemnification from its insurance or other coverage provider. Time Limitations

The following time limitations apply to the presentation of claims for money or damages against the district:

1. Claims relating to a cause of action for death or for injury to a person, personal property, or growing crops shall be presented to the Board not later than six months after the accrual of the cause of action (Government Code 911.2)
2. Claims relating to any other cause of action subject to the Government Claims Act shall be filed not later than one year after the accrual of the cause of action (Government Code 911.2)
3. Claims relating to childhood sexual assault and other causes of action which are specifically excepted from the Government Claims Act by Government Code 905, that are subject to a claims presentation procedure in another statute or regulation, shall be presented to the Board in accordance with the applicable governing statute or regulation (Government Code 905)
4. Claims relating to any cause of action which is specifically excepted from the Government Claims Act by Government Code 905 but is not governed by any other claim presentation statute or regulation shall be presented to the Board within the time limits specified in Items #1 and 2 above, depending on the applicable cause of action (Government Code 911.2, 935)

Receipt of Claims

A claim shall be deemed presented and received when delivered to the district office or deposited in a post office, mailbox, sub-post office, substation, mail chute, or other similar facility maintained by the U.S. government, in a sealed envelope properly addressed to the district office with postage paid, or when otherwise actually received in the district office or by the Board secretary or clerk. (Government Code 915, 915.2)

A claim may be submitted electronically in the manner specified by the Superintendent or designee. (Government Code 915, 915.2)

Upon receipt of a claim against the district pursuant to the Government Claims Act, the Superintendent or designee shall promptly provide written notice to the district's JPA or insurance carrier in accordance with the applicable conditions of coverage.

Review of Contents of the Claim

The Superintendent or designee shall review any claim received to ensure that the claim contains all of the following information as specified in Government Code 910 and 910.2:

1. The name and post office address of the claimant
2. The post office address to which the person presenting the claim desires notices to be sent
3. The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted
4. A general description of the indebtedness, obligation, injury, damage, or loss incurred insofar as it may be known at the time of presentation of the claim
5. The name(s) of the district employee(s) causing the injury, damage, or loss, if known
6. The amount claimed if it totals less than \$10,000, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the claim, together with the basis of computation of the amount claimed

If the amount claimed exceeds \$10,000, the dollar amount shall not be included in the claim and the claimant shall indicate whether the claim is a limited civil case as specified in Code of Civil Procedure 85 and 86.

7. The signature of the claimant or the person acting on the claimant's behalf

Notice of Claim Insufficiency

If a claim is found insufficient or not to satisfy the form requirements under Government Code 910 and 910.2, the

Board or its designee shall, within 20 days of receipt of the claim, provide a notice in the manner specified in

Government Code 915.4 that states the particular defects or omission in the claim. (Government Code 910.8)

The Board shall not act upon the claim until at least 15 days after such notice is given. (Government Code

910.8) Amendment to Claims

Within the time limits provided in "Time Limitations" above or prior to final action by the Board, whichever is later, a claim may be amended if, as amended, it relates to the same transaction or occurrence which gave rise to the original claim. (Government Code 910.6)

Late Claims

When a claim that is required to be presented not later than six months after the accrual of the cause of action, as specified in "Time Limitations" above, is not presented within that time, an application to present a late claim may be presented to the Board, in the manner specified in Government Code 915 and 915.2, within a reasonable time not to exceed one year after the accrual of the cause of action. The application shall include the proposed claim and shall state the reason for the delay in presenting the claim. (Government Code 911.4)

If the claim is presented late and is not accompanied by an application to present a late claim, the Board or its designee shall, within 45 days, give written notice, in the manner specified in Government Code 911.3, that the claim was not presented timely and that it is being returned without further action. (Government Code 911.3)

The Board shall grant or deny the application to present a late claim within 45 days after it is presented. This 45-day period may be extended by written agreement of the claimant and the Board provided that such agreement is made before the expiration of the 45-day period. (Government Code 911.6)

The Board shall grant the application to present a late claim where one or more of the following conditions are applicable: (Government Code 911.6)

1. The failure to present the claim was through mistake, inadvertence, surprise, or excusable neglect and the district was not prejudiced in its defense regarding the claim by the claimant's failure to present the claim within the time limit
2. The person who sustained the alleged injury, damage, or loss was a minor during all of the time specified for presentation of the claim
3. The person who sustained the alleged injury, damage, or loss was physically or mentally incapacitated during all of the time specified for presentation of the claim and the disability was the reason the person failed to present the claim
4. The person who sustained the alleged injury, damage, or loss died before the expiration of the time specified for the presentation of the claim

If the application to present a late claim is denied, the claimant shall be given notice in substantially the same form as set forth in Government Code 911.8 and in the manner specified in Government Code 915.4.

If the Board does not take action on the application to present a late claim within 45 days, the application shall be deemed to have been denied on the 45th day unless the time period has been extended, in which case it shall be denied on the last day of the period specified in the extension agreement. (Government Code 911.6) **Action on Claims**

Within 45 days after the presentation or amendment of a claim, the Board shall take action on the claim. This time limit may be extended by written agreement between the district and the claimant before the expiration of the 45-day period. If the 45-day period has expired, the time limit may be extended if legal action has not commenced or been barred by legal limitations. (Government Code 912.4)

The Board may act on the claim in one of the following ways: (Government Code 912.4, 912.6)

1. If the Board finds that the claim is not a proper charge against the district, the claim shall be rejected
2. If the Board finds that the claim is a proper charge against the district and is for an amount justly due, the claim shall be allowed
3. If the Board finds that the claim is a proper charge against the district but is for an amount greater than is justly due, the Board shall either reject the claim or allow it in the amount justly due and reject it as to the balance
4. If legal liability of the district or the amount justly due is disputed, the Board may reject or compromise the claim
5. If the Board takes no action on the claim, the claim shall be deemed rejected

In accordance with Government Code 935.4, the Board delegates to the Superintendent the authority to allow, compromise, or settle claims of \$~~5~~50,000 or less pursuant to any conditions of coverage in the district's JPA agreement or insurance coverage.

~~Revised~~ If the Board, or Superintendent when appropriate, allows the claim, in whole or in part, or compromises the claim and the claimant accepts the amount allowed or offered to settle the claim, the Board may require the claimant to accept it in settlement of the entire claim. (Government Code 912.6)

The Board or its designee shall transmit to the claimant written notice of action taken or of inaction which is deemed rejection. The notice shall be in the form set forth in Government Code 913 and shall be provided in the manner specified in Government Code 915.4. (Government Code 913)

Registry of Public Agencies

Within 10 days of any change in the full, legal name of the district, the mailing address of the Board, or the names, titles, and addresses of the Board president, the Board clerk or secretary, or other Board members, the Superintendent or designee shall file the updated information with the Secretary of State and the County Clerk. -(Government Code 53051)

Regulation 3320: Claims And Actions Against The DistrictStatus:
ADOPTED

Original Adopted Date: 11/02/2011 | Last Revised Date: 02/23/2022 | Last Reviewed Date: 02/23/2022

~~Any claim against the district for money or damages shall be filed and acted upon in accordance with the Government Claims Act (Government Code 810-996.6) or other applicable law. Claims that are specifically excepted from the Government Claims Act by Government Code 905 and are not governed by any other statute or regulation may be filed and acted upon in accordance with district established procedures pursuant to Government Code 935.~~

~~Unless otherwise provided by law, a written claim shall be presented to and acted upon by the Governing Board in accordance with such procedures prior to filing a lawsuit against the district for money or damages.~~

Time Limitations

~~The following time limitations apply to the presentation of claims for money or damages against the district:~~

- ~~1. Claims relating to a cause of action for death or for injury to a person, personal property, or growing crops shall be presented to the Board not later than six months after the accrual of the cause of action. (Government Code 911.2)~~
- ~~2. Claims relating to any other cause of action subject to the Government Claims Act shall be filed not later than one year after the accrual of the cause of action. (Government Code 911.2)~~
- ~~3. Claims relating to childhood sexual assault and other causes of action which are specifically excepted from the Government Claims Act by Government Code 905 but are subject to a claims presentation procedure in another a statute or regulation shall be presented to the Board in accordance with the applicable governing statute or regulation. (Government Code 905)~~
- ~~4. Claims relating to any cause of action which is specifically excepted from the Government Claims Act by Government Code 905 but is not governed by any other claim presentation statute or regulation shall be presented to the Board within the time limits specified in items #1 and 2 above, depending on the applicable cause of action. (Government Code 911.2, 935)~~

Receipt of Claims

~~A claim shall be deemed presented and received when delivered to the district office or deposited in a post office, mailbox, sub-post office, substation, mail chute, or other similar facility maintained by the U.S. government, in a sealed envelope properly addressed to the district office with postage paid, or when otherwise actually received in the district office or by the Board secretary or clerk. (Government Code 915, 915.2)~~

~~A claim may be submitted electronically in the manner specified by the Superintendent or designee. (Government Code 915, 915.2)~~

~~Upon receipt of a claim against the district pursuant to the Government Claims Act, the Superintendent or designee shall promptly provide written notice to the district's joint powers authority or insurance carrier in accordance with the applicable conditions of coverage.~~

~~Review of Contents of the Claim~~

~~The Superintendent or designee shall review any claim received to ensure that the claim contains all of the following information as specified in Government Code 910 and 910.2:~~

- ~~1. The name and post office address of the claimant~~
- ~~2. The post office address to which the person presenting the claim desires notices to be sent~~
- ~~3. The date, place, and other circumstances of the occurrence or transaction which gave rise to the claim asserted~~
- ~~4. A general description of the indebtedness, obligation, injury, damage, or loss incurred insofar as it may be known at the time of presentation of the claim~~
- ~~5. The name(s) of the district employee(s) causing the injury, damage, or loss, if known~~
- ~~6. The amount claimed if it totals less than \$10,000, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds \$10,000, the dollar amount shall not be included in the claim and the claimant shall indicate whether the claim is a limited civil case of \$25,000 or less.~~
- ~~7. The signature of the claimant or the person acting on the claimant's behalf~~

~~Notice of Claim Insufficiency~~

~~If a claim is found insufficient or not to satisfy the form requirements under Government Code 910 and 910.2, the Board or its designee shall, within 20 days of receipt of the claim, provide a notice in the manner specified in Government Code 915.4 that states the particular defects or omission in the claim. (Government Code 910.8, 915.4)~~

~~The Board shall not act upon the claim until at least 15 days after such notice is given. (Government Code 910.8) Amendment to Claims~~

~~Within the time limits provided in the section "Time Limitations" above or prior to final action by the Board, whichever is later, a claim may be amended if, as amended, it relates to the same transaction or occurrence which gave rise to the original claim. (Government Code 910.6)~~

~~Late Claims~~

~~When a claim that is required to be presented not later than six months after the accrual of the cause of action, as specified in the section "Time Limitations" above, is not presented within that time, an~~

~~application to present a late claim may be presented to the Board, in the manner specified in Government Code 915 and 915.2, within a reasonable time not to exceed one year after the accrual of the cause of action. The application shall include the proposed claim and shall state the reason for the delay in presenting the claim. (Government Code 911.4, 915, 915.2)~~

~~If the claim is presented late and is not accompanied by an application to present a late claim, the Board or its designee may, within 45 days, give written notice that the claim was not presented timely and that it is being returned without further action. (Government Code 911.3)~~

~~The Board shall grant or deny the application to present a late claim within 45 days after it is presented. This 45-day period may be extended by written agreement of the claimant and the Board provided that such agreement is made before the expiration of the 45-day period. (Government Code 911.6)~~

~~The Board shall grant the application to present a late claim where one or more of the following conditions are applicable: (Government Code 911.6)~~

- ~~1. The failure to present the claim was through mistake, inadvertence, surprise, or excusable neglect and the district was not prejudiced in its defense regarding the claim by the claimant's failure to present the claim within the time limit.~~
- ~~2. The person who sustained the alleged injury, damage, or loss was a minor during all of the time specified for presentation of the claim.~~
- ~~3. The person who sustained the alleged injury, damage, or loss was physically or mentally incapacitated during all of the time specified for presentation of the claim and the disability was the reason the person failed to present the claim.~~
- ~~4. The person who sustained the alleged injury, damage, or loss died before the expiration of the time specified for the presentation of the claim.~~

~~If the application to present a late claim is denied, the claimant shall be given notice in substantially the same form as set forth in Government Code 911.8 and in the manner specified in Government Code 915.4. (Government Code 911.8, 915.4)~~

~~If the Board does not take action on the application to present a late claim within 45 days, the application shall be deemed to have been denied on the 45th day unless the time period has been extended, in which case it shall be denied on the last day of the period specified in the extension agreement. (Government Code 911.6) Action on Claims~~

~~Within 45 days after the presentation or amendment of a claim, the Board shall take action on the claim. This time limit may be extended by written agreement between the district and the claimant before the expiration of the 45-day period. If the 45-day period has expired, the time limit may be extended if legal action has not commenced or been barred by legal limitations. (Government Code 912.4)~~
~~The Board may act on the claim in one of the following ways: (Government Code 912.4, 912.6)~~

- ~~1. If the Board finds that the claim is not a proper charge against the district, the claim shall be rejected.~~
- ~~2. If the Board finds that the claim is a proper charge against the district and is for an amount justly due, the claim shall be allowed.~~

~~3. If the Board finds that the claim is a proper charge against the district but is for an amount greater than is justly due, the Board shall either reject the claim or allow it in the amount justly due and reject it as to the balance.~~

~~4. If legal liability of the district or the amount justly due is disputed, the Board may reject or compromise the claim.~~

~~5. If the Board takes no action on the claim, the claim shall be deemed rejected.~~

~~If the Board allows the claim in whole or in part or compromises the claim and the claimant accepts the amount allowed or offered to settle the claim, the Board may require the claimant to accept it in settlement of the entire claim. (Government Code 912.6)~~

~~The Board or its designee shall transmit to the claimant written notice of action taken or of inaction which is deemed rejection. The notice shall be in the form set forth in Government Code 913 and shall be provided in the manner specified in Government Code 915.4. (Government Code 913, 915.4)~~

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy Gabler

FROM: Jason Strickland

DATE: 3/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 4/9/2025

ITEM: AR 5141.21 Administering Medication and Monitoring Health Conditions

PURPOSE: Regulation updated to reference NEW LAW (AB 1722, 2023) which authorizes districts to hire a licensed vocational nurse following Governing Board approval that a diligent search was conducted for a suitable credentialed nurse, include definitions that pertain to new legislation, and reflect NEW LAW (AB 1651, 2023) which (1) includes holders of an Activity Supervisor Clearance Certificate as those for whom districts are required to provide epinephrine auto-injectors if they have volunteered to administer them in an emergency and have received training, and (2) requires schools that provide epinephrine auto-injectors to store them in an accessible location and include that location in annual notices to staff. Regulation also updated to reflect NEW LAW (AB 1283, 2023) which authorizes districts to provide emergency stock albuterol inhalers to school nurses or trained personnel who have volunteered, who may use the inhaler to provide emergency medical aid to person(s) suffering, or reasonably believed to be suffering, from respiratory distress. NEW LAW (AB 1166, 2023) which provides that employees and volunteers who render emergency treatment at the scene of an opioid overdose or suspected opioid overdose by administering an opioid antagonist will not be liable for civil damages resulting from an act or omission, unless such act constitutes gross negligence or willful or wanton misconduct, and NEW LAW (AB 1810, 2022) which authorizes a school nurse or a volunteer designated and trained to administer emergency anti-seizure medication to a student diagnosed with seizures, a seizure disorder, or epilepsy who has been prescribed such medication from a health care provider and is suffering from a seizure.

FISCAL IMPACT: None**RECOMMENDATIONS:** Approve.

Description

Board Policy Manual
Hanford Elementary School District**Regulation 5141.21: Administering Medication And Monitoring Health**

Status: ADOPTED

Conditions Original Adopted Date: 05/09/2012 | Last Revised Date: 12/13/2017 | Last

Reviewed Date: 12/13/2017

Definitions

Authorized health care provider means an individual who is licensed by the State of California to prescribe or order medication, including, but not limited to, a physician or physician assistant. (Education Code 49423; 5 CCR 601)

Other designated school personnel means any individual employed by the district, including a nonmedical school employee, who has volunteered or consented to administer medication or otherwise assist the student and who may legally administer the medication to the student or assist the student in the administration of the medication. (5 CCR 601, 621)

Medication may include not only a substance dispensed in the United States by prescription, but also a substance that does not require a prescription, such as over-the-counter remedies, nutritional supplements, and herbal remedies. (5 CCR 601)

Epinephrine auto-injector means a disposable delivery device designed for the automatic injection of a premeasured dose of epinephrine into the human body to prevent or treat a life-threatening allergic reaction. (Education Code 49414)

Anaphylaxis means a potentially life-threatening hypersensitivity to a substance, which may result from an insect sting, food allergy, drug reaction, exercise, or other cause. Symptoms may include shortness of breath, wheezing, difficulty breathing, difficulty talking or swallowing, hives, itching, swelling, shock, or asthma. (Education Code 49414)

Opioid antagonist means naloxone hydrochloride or another drug approved by the federal Food and Drug Administration that, when administered, negates or neutralizes in whole or in part the pharmacological effects of an opioid in the body and that has been approved for the treatment of an opioid overdose. (Education Code 49414.3)

Albuterol means a bronchodilator used to open the airways by relaxing the muscles around the bronchial tubes.

(Education Code 49414.7)

Inhaler means a device used for the delivery of prescribed asthma medication that is inhaled. (Education Code 49414.7)

Notifications to Parents/Guardians

At the beginning of each school year, the Superintendent or designee shall notify parents/guardians of the options available to students who need to take prescribed medication during the school day and the rights and responsibilities of parents/guardians regarding those options. (Education Code 49480)

In addition, the Superintendent or designee shall inform the parents/guardians of any student on a continuing medication regimen for a non-episodic condition of the following requirements: (Education Code 49480)

1. The parent/guardian is required to inform the school nurse or other designated employee of the medication being taken, the current dosage, and the name of the supervising physician.
2. With the parent/guardian's consent, the school nurse or other designated employee may communicate with the student's physician regarding the medication and its effects and may counsel school personnel regarding the possible effects of the medication on the student's physical,

Description

intellectual, and social behavior, as well as possible behavioral signs and symptoms of adverse side effects, omission, or overdose.

When a student requires medication during the school day in order to participate in the educational program, the Superintendent or designee shall, as appropriate, inform the student's parents/guardians that the student may qualify for services or accommodations pursuant to the Individuals with Disabilities Education Act (20 USC 1400-1482) or Section 504 of the federal Rehabilitation Act of 1973 (29 USC 794).

Parent/Guardian Responsibilities

The responsibilities of the parent/guardian of any student who may need medication during the school day shall include, but are not limited to:

1. ~~Providing~~ **Submitting the** parent/guardian **written statement** and **the** authorized health care ~~provider~~ **provider's** written statement each school year as described in the sections "Parent/Guardian Statement" and "Health Care Provider Statement" below. The parent/guardian shall provide a new authorized health care provider's statement if the medication, dosage, frequency of administration, or reason for administration changes. (Education Code 49414.5, 49423, 49423.1; 5 CCR 600, 626)
2. If the student is on a continuing medication regimen for a nonepisodic condition, informing the school nurse or other designated certificated employee of the medication being taken, the current dosage, and the name of the supervising physician, and updating the information when needed. (Education Code 49480)
3. Providing medications in properly labeled, original containers along with the authorized health care provider's instructions. For prescribed or ordered medication, the container also shall bear the name and telephone number of the pharmacy, the student's identification, and the name and phone number of the authorized health care provider. (5 CCR 606)

Parent/Guardian Statement

When district employees are to administer medication to a student, the parent/guardian's written statement shall:

1. Identify the student
2. Grant permission for an authorized district representative to communicate directly with the student's authorized health care provider and pharmacist, as may be necessary, regarding the health care provider's written statement or any other questions that may arise with regard to the medication
3. Contain an acknowledgment that the parent/guardian understands how district employees will administer the medication or otherwise assist the student in its administration
4. Contain an acknowledgment that the parent/guardian understands ~~his/her responsibilities to enable district employees to administer or otherwise assist the student in the administration of medication, including, but not limited to, the parent/guardian's responsibility~~ **the responsibilities** to provide a written statement from the authorized health care provider, to ensure that the medication is delivered to the school in a proper container by an individual legally authorized to be in possession of the medication, and to provide all necessary supplies and equipment
5. Contain an acknowledgment that the parent/guardian understands ~~that he/she may~~ **the right to** terminate the consent for the administration of the medication or for otherwise assisting the student in the administration of medication at any time

Description

In addition to the requirements in Items #1-5 above, if a parent/guardian has requested that ~~his/her child~~ the student be allowed to carry and self-administer prescription auto-injectable epinephrine or prescription inhaled asthma medication, the parent/guardian's written statement shall: (Education Code 49423, 49423.1)

1. Consent to the self-administration
2. Release the district and school personnel from civil liability if the student suffers an adverse reaction as a result of self-administering the medication

In addition to the requirements in Items #1-5 above, if a parent/guardian wishes to designate an individual who is not an employee of the district to administer medication to ~~his/her child~~ the student, the parent/guardian's written statement shall clearly identify the individual and shall state:

1. The individual's willingness to accept the designation
2. That the individual is permitted to be on the school site
3. Any limitations on the individual's authority

Health Care Provider Statement

When any district employee is to administer prescribed medication to a student, or when a student is to be allowed to carry and self-administer prescribed medication during school hours, the authorized health care provider's written statement shall include:

1. Clear identification of the student (Education Code 49423, 49423.1; 5 CCR 602)
2. The name of the medication (Education Code 49423, 49423.1; 5 CCR 602)
3. The method, amount, and time schedules by which the medication is to be taken (Education Code 49423, ~~49423.1; 5 CCR 602~~ 49423.1; 5 CCR 602)
4. If a parent/guardian has requested that ~~his/her child~~ the student be allowed to self-administer medication, confirmation that the student is able to self-administer the medication (Education Code 49414.5, 49423, 49423.1; 5 CCR 602)
5. For medication that is to be administered by unlicensed personnel, confirmation by the student's health care provider that the medication may safely and appropriately be administered by unlicensed personnel (Education Code 49423, 49423.1; 5 CCR 602)
6. For medication that is to be administered on an as-needed basis, the specific symptoms that would necessitate administration of the medication, allowable frequency for administration, and indications for referral for medical evaluation
7. Possible side effects of the medication
8. Name, address, telephone number, and signature of the student's authorized health care provider

For self-administration of inhaled asthma medication, the district shall accept a written statement from a physician or surgeon contracted with a health plan licensed pursuant to Health and Safety Code 1351.2.

Description

Such written statement shall be in English and Spanish and shall include the name and contact information for the physician or surgeon. (Education Code 49423.1)

District Responsibilities

The Superintendent or designee shall ensure that any unlicensed school personnel authorized to administer medication to a student receives appropriate training from the school nurse or other qualified medical personnel.

The school nurse or other designated school personnel shall:

1. Administer or assist in administering medication in accordance with the authorized health care provider's written statement
2. Accept delivery of medications from parents/guardians and count and record them upon receipt
3. Maintain a list of students needing medication during the school day, including those authorized to self-administer medication, and ~~note~~ maintain on the list the type of medication and the times and dosage to be administered
4. Maintain for each student a medication log which may:
 - a. Specify the student's name, medication, dose, method of administration, time of administration during the regular school day, date(s) on which the student is required to take the medication, and the authorized health care provider's name and contact information
 - b. Contain space for daily recording of the date, time, and amount of medication administered, and the signature of the individual administering the medication
5. Maintain for each student a medication record which may include the authorized health care provider's written statement, the parent/guardian's written statement, the medication log, and any other written documentation related to the administration of medication to the student
6. Ensure that student confidentiality is appropriately maintained
7. Coordinate and, as appropriate, ensure the administration of medication during field trips and other school related activities
8. Report to a student's parent/guardian and the site administrator any refusal by the student to take ~~his/her~~ the medication
9. Keep all medication to be administered by the district in a locked drawer or cabinet
10. As needed, communicate with a student's authorized health care provider and/or pharmacist regarding the medication and its effects
11. Counsel other designated school personnel regarding the possible effects of a medication on a student's physical, intellectual, and social behavior, as well as possible behavioral signs and symptoms of adverse side effects, omission, or overdose

Description

12. Ensure that any unused, discontinued, or outdated medication is returned to the student's parent/guardian at the end of the school year or, if the medication cannot be returned, dispose of it in accordance with state laws and local ordinances
13. In the event of a medical emergency requiring administration of medication, provide immediate medical assistance, directly observe the student following the administration of medication, contact the student's parent/guardian, and determine whether the student should return to class, rest in the school office, or receive further medical assistance
14. Report to the site administrator, the student's parent/guardian, and, if necessary, the student's authorized health care provider any instance when a medication is not administered properly, including administration of the wrong medication or failure to administer the medication in accordance with authorized health care provider's written statement

Emergency Epinephrine Auto-Injectors and Emergency Albuterol Inhalers

The Superintendent or designee shall provide epinephrine auto-injectors to school nurses or other ~~employees~~ trained personnel who have volunteered to administer them in an emergency and have received training. The school nurse, or ~~a volunteer employee~~ when a school nurse or physician is unavailable, a trained volunteer may administer an epinephrine auto-injector to provide emergency medical aid to any person suffering, or reasonably believed to be suffering, from potentially life threatening symptoms of anaphylaxis at school or a school activity. A trained volunteer may include the holder of an Activity Supervisor Clearance Certificate who has received specified training. (Education Code 49414)

Additionally, the Superintendent or designee may make emergency stock albuterol inhalers available to school nurses and trained personnel who have volunteered to be used to provide medical aid to person(s) suffering, or reasonably believed to be suffering, from respiratory distress. (Education Code 49414.7)

At least once per school year, the Superintendent or designee shall distribute to all ~~staff~~ employees a notice requesting volunteers to be trained to administer ~~an epinephrine auto-injector and describing~~ injectors and/or stock albuterol inhalers for emergency aid to individuals exhibiting signs of anaphylaxis reaction or respiratory distress. Such notice shall also describe the training that the ~~volunteer~~ volunteers will receive. (Education Code 49414, 49414.7)

The principal or designee at each school may designate one or more volunteers to receive initial and annual refresher training, which shall be provided by a school nurse or other qualified person designated by a physician and surgeon authorized pursuant to Education Code 49414 or 49414.7, and shall be based on the standards developed by the Superintendent of Public Instruction (SPI). Written materials covering the required topics for training shall be retained by the school for reference. (Education Code 49414, 49414.7)

A school nurse or other qualified supervisor of health, or a district administrator if the district does not have a qualified supervisor of health, shall obtain a prescription for epinephrine auto-injectors or stock albuterol inhalers for each school from an authorized physician and surgeon. Such prescription may be filled by local or mail order pharmacies or ~~epinephrine auto-injector~~ manufacturers. (Education Code 49414, 49414.7)

Elementary schools shall, at a minimum, be provided one adult (regular) and one junior epinephrine auto-injector. Secondary schools shall be provided at least one adult (regular) epinephrine auto-injector, unless there are any students at the school who require a junior epinephrine auto-injector. (Education Code 49414)

Description

~~If~~ The district shall store emergency epinephrine auto-injectors and stock albuterol inhalers in an accessible location, and shall specify such location in annual notices to staff.

If either medication is used, the school nurse or other qualified supervisor of health shall restock the ~~epinephrine auto-injector~~ medication as soon as reasonably possible, but no later than two weeks after it is used. In addition, ~~epinephrine auto-injectors~~ all medications shall be restocked before their expiration date. (Education Code 49414, 49414.7)

Any volunteer or trained personnel who administers either medication shall initiate emergency medical services or other appropriate medical follow up in accordance with the training materials retained by the school. (Education Code 49414, 49414.7)

Information regarding defense and indemnification provided by the district for any and all civil liability for volunteers administering epinephrine auto-injectors and/or stock albuterol inhalers shall be provided to each volunteer and retained in ~~his/her~~ the employee's personnel file. (Education Code 49414, 49414.7)

~~(Education Code 49414)~~

A school may accept gifts, grants, and donations from any source for the support of the school in carrying out the requirements of Education Code 49414 or 49414.7, including, but not limited to, the acceptance of epinephrine auto-injectors and/or emergency albuterol inhalers from a manufacturer or wholesaler. (Education Code 49414, 49414.7)

The Superintendent or designee shall maintain records regarding the acquisition and disposition of ~~epinephrine auto-injectors~~ the described medications for a period of three years from the date the records were created. (Business and Professions Code 4119.2)

Emergency Medication for Opioid Overdose

The district may elect to make emergency naloxone hydrochloride or another opioid antagonist available at schools for the purpose of providing emergency medical aid to persons suffering, or reasonably believed to be suffering, from an opioid overdose. In determining whether to make this medication available, the Superintendent or designee shall evaluate the emergency medical response time to the school and determine whether initiating emergency medical services is an acceptable alternative to providing an opioid antagonist and training personnel to administer the medication. (Education Code 49414.3)

When available at the school site, the school nurse shall provide emergency naloxone hydrochloride or another opioid antagonist for emergency medical aid to any person exhibiting potentially life-threatening symptoms of an opioid overdose at school or a school activity. Other designated personnel who have volunteered and have received training may administer such medication when a school nurse or physician is unavailable; and shall only administer the medication by nasal spray or auto-injector. (Education Code 49414.3)

At least once per school year, the Superintendent or designee shall distribute to all staff a notice requesting volunteers to be trained to administer naloxone hydrochloride or another opioid antagonist, describing the training that the volunteer will receive, and explaining the right of the volunteer to rescind ~~his/her~~ the offer to volunteer at any time, including after receiving training. The notice shall also include a statement that no benefit will be granted to or withheld from any employee based on ~~his/her~~ the offer to volunteer and that there will be no retaliation against any employee for rescinding ~~his/her~~ the offer to volunteer. (Education Code 49414.3)

The principal or designee ~~may~~ shall designate ~~one~~ two or more volunteer employees to receive initial and annual refresher training, based on standards adopted by the SPI, regarding the storage and emergency use of naloxone hydrochloride or another opioid antagonist. The training shall be provided at no cost to

Description

the employee, conducted during his/her regular working hours, and be provided by a school nurse or other qualified person designated by an authorizing physician and surgeon. Written materials provided during the training shall be retained at the school for reference. (Education Code 49414.3, 49414.8)

~~(Education Code 49414.3)~~

Each volunteer shall meet the minimum standards of training for the administration of an emergency opioid antagonist as specified in Education Code 49414.3 or shall have undergone opioid overdose prevention and treatment training and reviewed material available on the California Department of Public Health's website.

(Education Code 49414.8)

Any prescription for naloxone hydrochloride or another opioid antagonist shall be obtained by a school nurse, other qualified supervisor of health, or, if the district does not have a qualified supervisor of health, a district administrator shall obtain a prescription for naloxone hydrochloride or another opioid antagonist for each school from an authorized physician and surgeon. Such prescription may be filled by local or mail order pharmacies or manufacturers. (Education Code 49414.3)

If the medication is used, the school nurse, other qualified supervisor of health, or district administrator, as applicable, shall restock the medication as soon as reasonably possible, but no later than two weeks after it is used. In addition, the medication shall be restocked before its expiration date. (Education Code 49414.3, 49414.8)

Employees and volunteers that render emergency treatment at the scene of an opioid overdose or suspected opioid overdose by administering an opioid antagonist shall not be liable for civil damages resulting from an act or omission, unless such act constitutes gross negligence or willful or wanton misconduct. (Health and Safety Code 1799.113)

Information regarding defense and indemnification provided by the district for any and all civil liability for volunteers administering naloxone hydrochloride or another opioid antagonist for emergency aid shall be provided to each volunteer in writing and retained in ~~his/her~~ the employee's personnel file. (Education Code 49414.3)

A school may accept gifts, grants, and donations from any source for the support of the school in carrying out the requirements of Education Code 49414.3, including, but not limited to, the acceptance of the naloxone hydrochloride or another opioid antagonist from a COE, manufacturer, or wholesaler. (Education Code 49414.3)

The Superintendent or designee shall maintain records regarding the acquisition and disposition of naloxone hydrochloride or another opioid antagonist for a period of three years from the date the records were created. (Business and Professions Code 4119.8)

Anti-Seizure Medication

A school nurse or, if a school nurse is not onsite or available, a volunteer designated by the district may administer emergency anti-seizure medication to a student diagnosed with seizures, a seizure disorder, or epilepsy who has been prescribed such medication from the student's health care provider and is suffering from a seizure. (Education Code 49468.2)

Upon receipt of a request from the parent/guardian of a student diagnosed with seizures, a seizure disorder, or epilepsy who has been prescribed emergency anti-seizure medication, the Superintendent or designee may designate one or more volunteer(s) at the student's school to receive initial and annual refresher training regarding the emergency use of anti-seizure medication. (Education Code 49468.2)

In order to solicit volunteers, the district shall distribute a notice at least once, but no more than two times per school year, to all staff that includes the following information: (Education Code 49468.2)

Description

1. A description of the volunteer request stating that the request is for volunteers to be trained to recognize and respond to seizures, including training to administer emergency anti-seizure medication to a student diagnosed with seizures, a seizure disorder, or epilepsy if the student is suffering from a seizure
2. A description of the training that the volunteer will receive
3. The right of an employee to rescind the offer to volunteer
4. A statement that there will be no retaliation against any individual for rescinding the offer to volunteer, including after receiving training

A volunteer may rescind the offer to administer emergency anti-seizure medication at any time, including after receipt of training. (Education Code 49468.2)

If a volunteer rescinds the offer to volunteer or is no longer able to act as a volunteer for any reason, or if the placement of a student changes and the student no longer has access to a trained volunteer, the district may distribute an additional two notices per school year to all staff. (Education Code 49468.2)

Volunteer employees shall receive initial and annual refresher training, based on standards adopted by the SPI, regarding the recognition and response to seizures and the administration of emergency anti-seizure medication. The training shall be provided at no cost to the employee, conducted during regular working hours, and be provided by a school nurse or other qualified person designated by an authorizing physician and surgeon. Written materials provided during the training shall be retained at the school for reference. (Education Code 49468.2)

Before administering emergency anti-seizure medication or therapy prescribed to treat seizures in a student diagnosed with seizures, a seizure disorder, or epilepsy, the district shall obtain from the student's parent/guardian a seizure action plan as specified in Education Code 49468.3. The school or district nurse shall collaborate with the parent/guardian of each student diagnosed with seizures, a seizure disorder, or epilepsy in the development of a plan if the student does not have an individualized education plan or Section 504 plan. (Education Code 49468.3)

If the school obtains written consent from the student's parent/guardian, in accordance with 34 CFR 99.30, the seizure action plan shall be distributed to any school staff or volunteers responsible for the supervision or care of the student. (Education Code 49468.3)

Upon receipt of a request from a parent/guardian of a student diagnosed with seizure, a seizure disorder, or epilepsy, the district shall notify the parent/guardian that the student may qualify for services or accommodations pursuant to Section 504 of the federal Rehabilitation Act of 1973 or an individualized education program and shall assist the parent/guardian with the exploration of that option. (Education Code 49468.2)

Additionally, if there are no volunteers at the student's school, the Superintendent or designee shall notify the student's parent/guardian of the student's right to be assessed for services and accommodations guaranteed under Section 504 of the federal Rehabilitation Act of 1973 and the federal Individuals with Disabilities Education Act, and may ask the parent/guardian to sign such notices. (Education Code 49468.2)

The principal or designee shall notify the school nurse assigned to the school, or if a school nurse is not assigned to the school or district, the Superintendent or designee, if an employee administers an emergency anti-seizure medication. (Education Code 49468.3)

The notification described above and the seizure action plan shall be kept on file in the office of the school nurse or a school administrator, in compliance with all applicable state and federal privacy laws. (Education Code 49468.3)

Description

The district shall provide volunteers defense and indemnification for any and all civil liability, with information stating such being provided to the volunteer in writing and retained in the volunteer's personnel file. (Education Code 49468.5)

Trained volunteers who administer emergency anti-seizure medication or medication prescribed for seizure disorder symptoms to a student diagnosed with seizures, a seizure disorder, or epilepsy who appears to be experiencing a seizure shall not be subject to professional review, be liable in a civil action, or be subject to criminal prosecution for acts or omissions in administering the emergency anti-seizure medication. (Education Code 49468.5)

HANFORD ELEMENTARY SCHOOL DISTRICT
Human Resources Department
AGENDA REQUEST FORM

TO: Joy C. Gabler
FROM: Jaime Martinez
DATE: March 31, 2025
RE: (X) Board Meeting
 () Superintendent's Cabinet
 () Information
 (X) Action

DATE YOU WISH TO HAVE YOUR ITEM CONSIDERED: **April 9, 2025**

ITEM: Consider approval of personnel transactions and related matters.

PURPOSE:

a. Employment

Certificated

- Caileigh Barlow, Special Education Teacher, Probationary, effective 08/7/25
- Paige Clarke, Special Education Teacher, Probationary, effective 08/7/25

Classified

- Juana Martinez Leon, Yard Supervisor – 3.5 hrs., Roosevelt, effective 03/13/25

Classified Temps/Subs

- Anthony Bursiaga, Athletic Coach, effective 03/20/25
- Rachel Copeland, Substitute Special Education Aide, effective 03/24/25
- Aden Duran, Athletic Coach, effective 03/17/25
- Maurice Danielle McFadden, Athletic Coach, effective 03/21/25
- Aaron Sparks, Athletic Coach, effective 03/17/25

More Hours/Days

- Stacy Freitas, from Food Service Utility Worker – 3.5 hrs., Food Services, to Food Service Utility Worker – 5.75 hrs., Food Services, effective 03/26/25

Short Term Classified

- Ava Holmes, Short-Term Yard Supervisor – 2.0 hrs., Monroe, effective 03/17/25-04/11/25

Temporary Out of Class Assignment

- Austin Lourenco, from Delivery Worker: Mail & Materials – 8.0 hrs., DSF-Warehouse, to Warehouse/Reprographics & Mail Technician – 8.0 hrs., DSF-Warehouse, effective 03/12/25-03/28/25

Employment and Certification of Temporary Athletic Team Coaches pursuant to Title 5 CCR 5594

- Anthony Bursiaga, 7th Boys Baseball, Wilson, effective 03/20/25-05/14/25
- Aden Duran, 8th Boys Baseball, Wilson, effective 03/17/25-05/14/25
- Elias Estrada, 4-6th Boys Track, Lincoln, effective 03/10/25-05/03/25
- Stephanie Felix, 7th Girls Softball, Kennedy, effective 03/03/25-04/26/25
- Jason Lynn, 7th Boys Baseball, Kennedy, effective 03/10/25-05/14/25
- Isabelle Madera, 8th Girls Softball, Kennedy, effective 03/03/25-04/26/25
- Maurice Danielle McFadden, 4-6th Girls Track, Lincoln, effective 03/21/25-05/03/25
- Zelante Mims, 4-6th Boys/Girls Track, Hamilton, effective 03/10/25-05/03/25
- Michael Quiñones, 4-6th Girls Track, Washington, effective 03/10/25-05/03/25
- Steven Santiago, 8th Boys Baseball, Kennedy, effective 03/10/25-05/14/25
- Aaron Sparks, 4-6th Girls Track, King, effective 03/17/25-05/03/25

b. Leave of Absence

- Jennifer Fauntleroy, Teacher, Monroe, effective 2025-26 school year, child rearing

c. ResignationsCertificated

- Timerie Correia, Teacher, Hamilton, effective 06/06/25
- Samantha Javaux, Teacher, Lincoln, effective 06/06/25
- Kellie Noji, Teacher, King, effective 06/06/25

Classified

- Vanessa Corona, Yard Supervisor – 2.0 hrs., Monroe, effective 06/06/25
- Marissa Rosas, Library/Media Technician – 8.0 hrs., Roosevelt, effective 06/13/25
- Carrie-Anne Rumpak, Special Education Aide – 5.0 hrs., Roosevelt, effective 06/06/25
- Ariana Trujillo, Educational Tutor, K-8 – 4.5 hrs., King, effective 06/06/25

d. Volunteers**Name**

Dorothy Ellis Metter

School

Jefferson

Celeni Hernandez
Bernadette Fillmore
Linda Hickey
Nickii Soliz
Justin Wilson
Robin Champion
Jhadira Moreno Andrade
Ana Fregoso Garcia
Myra Guzman (HESD EE)
Leslie Knott

Jefferson
King
King/Hamilton
Monroe
Monroe
Roosevelt
Roosevelt
Washington
Washington
Washington

RECOMMENDATION: Approve.

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider approval of the 2025-2026 Local Control Accountability Plan (LCAP) and District budget public hearing date of June 11, 2025 at 5:30pm.

PURPOSE:

The proposed Local Accountability Plan and District budget can be adopted only after public hearings have been held. The LCAP and District Budget must be adopted by June 30, 2025. The District recommends the public hearings be held during the regular meeting on June 11, 2025 allowing for a LCAP and budget adoption on June 25, 2025. A copy of the public notice that will be published has been included for your reference.

The Superintendent hereby notifies members of the public of the opportunity to submit written comments regarding the specific actions and expenditures proposed to be included in the Local Control Accountability Plan (LCAP).

FISCAL IMPACT:

None.

RECOMMENDATIONS:

Approve the public hearing date and time.

PUBLIC NOTICE

2025-2026 Budget Hearing

Public Hearings for the 2025-26 Hanford Elementary School District Local Control Accountability Plan and District Budget will be held by the Trustees of the Hanford Elementary School District on June 11, 2025, at 5:30 p.m. in the District Office Board Room at 714 N. White Street, Hanford, CA 93230.

Any taxpayer directly affected by the Hanford Elementary School District may appear before the Trustees of the Hanford Elementary School District and speak on the proposed budget or any item therein. The proposed budget may be inspected by the public from June 4, 2025, 7:30 a.m. to 4:30 p.m., through June 11, 2025, 7:30 a.m. to 4:30 p.m., in the District Office at 714 N. White Street, Hanford, CA 93230.

Date to Publish: May 28, 2025

Paper to Publish: Hanford Sentinel

Contact: David Endo

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider adoption of Resolution #24-25 Commitment of Fund Balance

PURPOSE:

The Governing Board is the highest level of decision-making authority, and has the authority to commit, assign, or evaluate existing fund balance classifications and identify the intended uses of committed or assigned funds. The District has identified funds that need to be committed for the purposes listed on the resolution.

FISCAL IMPACT:

The commitment of the listed funds restricted the use of the funds for only the purposes listed on the resolution.

RECOMMENDATIONS:

Adopt Resolution #24-25 Commitment of Fund Balance

Robert "Bobby" Garcia ___ Yes ___ No ___ Abstain ___ Absent

President, Board of Trustees

Robert "Bobby" Garcia

Print Name

Secretary/Clerk, Board of Trustees

Lupe Hernandez

Print Name

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider approval of Resolution No. 27-25 RESOLUTION OF THE BOARD OF TRUSTEES OF THE HANFORD ELEMENTARY SCHOOL DISTRICT CERTIFYING TO THE BOARD OF SUPERVISORS OF KINGS COUNTY ALL PROCEEDINGS IN THE NOVEMBER 5, 2024, GENERAL OBLIGATION BOND ELECTION.

PURPOSE:

The District has received the official election results from the Kings County elections official confirming the passage of Measure U. Under State law, the Board must officially enter the results in its minutes, which is accomplished by adoption of this resolution.

FISCAL IMPACT:

There is no fiscal impact.

RECOMMENDATIONS:

Approve Resolution No. 27-25.

RESOLUTION NO. 27-25

RESOLUTION OF THE BOARD OF TRUSTEES OF THE HANFORD ELEMENTARY SCHOOL DISTRICT CERTIFYING TO THE BOARD OF SUPERVISORS OF KINGS COUNTY ALL PROCEEDINGS IN ITS NOVEMBER 5, 2024, GENERAL OBLIGATION BOND ELECTION

WHEREAS, on June 26, 2024, the Board of Trustees (the "Board") of the Hanford Elementary School District (the "District") of Kings County (the "County"), State of California, adopted its Resolution No. 27-24 (the "Resolution") ordering an election for general obligation bonds (the "Bond Election") to be held on November 5, 2024; and

WHEREAS, the Resolution was duly delivered to the Registrar of Voters for the County and the Clerk of the Board of Supervisors of the County (the "Board of Supervisors"); and

WHEREAS, notice of the Bond Election was duly given; and

WHEREAS, on November 5, 2024, the Bond Election was duly held and conducted for the purpose of voting on a measure providing for issuance of bonds of the District in the amount of \$23,000,000 and known as Measure U (the "Bond Measure"); and

WHEREAS, the Board has received the Canvass and Statement of results of the Bond Election from the County ("Certificate of Election Results"); and

WHEREAS, it appears from the Certificate of Election Results that more than 55% of the votes cast on the Bond Measure were in favor of issuing the aforementioned bonds.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE HANFORD ELEMENTARY SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Entry Upon Minutes. In accordance with California Education Code Section 15274, the Board orders that entry be made upon the minutes of this meeting of the Board that the Bond Measure has been approved by more than 55% of the votes cast at the Bond Election.

Section 3. Certification to County Board. That it is hereby certified to the Board of Supervisors that all proceedings of the District in connection with the November 5, 2024, Bond Election have been accomplished according to law.

Section 4. Delivery of This Resolution. In accordance with California Education Code Section 15274, the Board directs its Secretary to deliver a copy of this Resolution to the Superintendent of Schools of the County with a request that the Superintendent of Schools of the County deliver a copy of this Resolution and Certificate of Election Results attached hereto as Exhibit A to the Clerk of the Board of Supervisors.

Section 5. Effective Date. This resolution shall take effect on and after its adoption.

* * * * *

The foregoing Resolution was adopted by the Board of Trustees of the Hanford Elementary School District, being the board authorized by law to make the designations therein contained by the following vote, on April 9, 2025.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

President of the Board of Trustees
Hanford Elementary School District

ATTEST:

Secretary of the Board of Trustees
Hanford Elementary School District

EXHIBIT A
COUNTY CERTIFICATION OF
ELECTION RESULTS

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider approval of Resolution No. 28-25 RESOLUTION OF THE BOARD OF TRUSTEES OF THE HANFORD ELEMENTARY SCHOOL DISTRICT ADOPTING BYLAWS GOVERNING THE MEASURE U CITIZENS' OVERSIGHT COMMITTEE

PURPOSE:

Pursuant to State law, the District is required to establish and appoint a citizens' oversight committee to review bond expenditures for the purpose of ensuring that Measure U funds are spent on voter-approved projects. This resolution approves bylaws that will govern the administration of the committee. Committee members are expected to be appointed by the Board at a public meeting, upon recommendation of the Superintendent, within 60 days.

FISCAL IMPACT:

There is no fiscal impact.

RECOMMENDATIONS:

Approve Resolution No. 28-25.

RESOLUTION NO. 28-25

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
HANFORD ELEMENTARY SCHOOL DISTRICT ADOPTING BYLAWS GOVERNING
THE MEASURE U CITIZENS' OVERSIGHT COMMITTEE**

WHEREAS, Hanford Elementary School District (the "District") was successful at an election conducted on November 5, 2024, in obtaining authorization from at least 55% of District voters to issue up to \$23,000,000 aggregate principal amount of general obligation bonds for the purpose of financing the specific types of school facilities projects set forth in the general obligation bond measure approved by voters ("Measure U"); and

WHEREAS, the Measure U bond election was conducted under the provisions of Proposition 39, known as the Smaller Classes, Safer Schools and Financial Accountability Act, approved by California voters on November 7, 2000 ("Proposition 39"); and

WHEREAS, pursuant to the provisions of Proposition 39, Measure U, and, specifically Section 15278 of the California Education Code, the Board of Trustees of the District is obligated to establish a citizens' oversight committee (the "Committee") to satisfy the accountability requirements of Proposition 39; and

NOW, THEREFORE, THE BOARD OF TRUSTEES THE HANFORD ELEMENTARY SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Committee Established. The Committee is hereby established. The Committee shall be governed and administered pursuant to the requirements of State law and Measure U. The Bylaws in the form attached here as Appendix A, which are hereby approved and adopted for the purpose of establishing the Committee.

Section 3. Effective Date. This resolution shall take effect on and after its adoption.

* * * * *

The foregoing Resolution was adopted by the Board of Trustees of the Hanford Elementary School District, being the Board authorized by law to make the designations therein contained by the following vote, on April 9, 2025.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

President of the Board of Trustees
Hanford Elementary School District

ATTEST:

Secretary of the Board of Trustees
Hanford Elementary School District

**BYLAWS OF THE MEASURE U
CITIZENS' BOND OVERSIGHT COMMITTEE**

**Adopted by the Board of Trustees of the
Hanford Elementary School District on April 9, 2025**

Section 1. Committee Established. The Hanford Elementary School District (the "District") was successful at an election conducted on November 5, 2024 (the "Bond Election") in obtaining authorization on a bond measure from the District's voters to issue up to \$23,000,000 aggregate principal amount of the District's general obligation bonds ("Measure U"). The Bond Election was conducted under Proposition 39, chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Proposition 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish this Citizens' Bond Oversight Committee (the "Committee") in order to satisfy the accountability requirements of Proposition 39. The Board of Trustees (the "Board") of the District hereby establishes the Committee, which shall have the duties and rights set forth in these Bylaws.

Section 2. Purposes. The purposes of the Committee are set forth in Proposition 39, and these Bylaws are specifically made subject to the applicable provisions of Proposition 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the Ralph M. Brown Public Meetings Act of the State of California, Government Code Section 54950 *et seq.* (the "Brown Act") and shall conduct its meetings in accordance with the provisions thereof, and further in accordance with "Roberts Rules of Order."

The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Proposition 39, but without expending bond funds on such support.

The proceeds of general obligation bonds issued pursuant to the authority of the Bond Elections are hereinafter referred to as "bond proceeds." The Committee shall confine its review of District expenditures specifically to expenditures of bond proceeds generated under Measure U. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform only the following duties:

3.1 **Inform the Public.** The Committee shall inform the public about the District's expenditure of bond proceeds. In fulfilling this duty, all official communications of the Committee to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only speak on behalf of the Committee or release information attributed to the Committee that reflects the view of a majority of the Committee. No Committee member shall represent that they are speaking on behalf of the Committee unless authorized to do so by a majority of the Committee.

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to evaluate if (a) bond proceeds were expended only for the purposes set forth in Measure U; and (b) no bond proceeds have been used for teacher or administrative salaries or other operating expenses.

3.3 Annual Report. At least one time annually, commencing with the end of the first fiscal year in which any bond proceeds are expended and continuing through the end of the fiscal year in which bond proceeds have been spent in full, the Committee shall annually prepare and approve, by majority vote, a written report (each, an "Annual Report", the findings of which shall be summarized by the Chair of the Committee to the Board in public session, which annual written report shall include the following:

- (a) A summary of the Committee's proceedings and activities for the preceding year, and
- (b) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution.

Annual reports shall be posted on the District's website in accordance with Sections 7 and 8 hereto.

3.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (a) Approval of contracts.
- (b) Approval of change orders.
- (c) Expenditures of bond funds.
- (d) Handling of all legal matters,
- (e) Identification of projects to be funded with bond proceeds.
- (f) Approval of project prioritization, project plans and schedules.
- (g) Approval of all deferred maintenance plans.
- (h) Approval of the sale of bonds.

3.5 Oversight of Measure U Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

- (a) Projects financed through the State of California, developer fees, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property, without bond proceeds, shall be outside the scope of oversight of the Committee.
- (b) The establishment of priorities and order of construction for bond projects, which shall be made by the Board in its sole discretion.
- (c) The selection of architects, engineers, soils engineers, construction

managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

- (d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.
- (e) The selection of independent audit firm(s), performance and financial audit consultants and such other consultants as are necessary to support the activities of the Committee.
- (f) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Proposition 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3, the Committee may engage in the activities authorized under Education Code Section 15278 subsection (c), including:

- (a) Receive and review copies of the District's annual independent performance audit and annual independent financial audit, required by Article XIII A of the California Constitution.
- (b) Inspect school facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District.
- (c) Review copies of deferred maintenance plans developed by the District.
- (d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven members appointed by the Board. Appointments shall be made upon the recommendation of the Superintendent from a list of candidates submitting written applications, and based on criteria established by Proposition 39, to wit:

- One member shall be the parent or guardian of a child enrolled in the District.
- One member shall be the parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.

- One member shall be active in a business organization representing the business community located in the District.
- One member shall be active in a senior citizens' organization.
- One member shall be active in a bona-fide taxpayers association.
- Two members shall be from the community at-large.

Additional members of the community at-large may be appointed at the Board's sole discretion; however, the Board is only required to appoint seven members meeting the above criteria. Persons identified as alternate members may, but do not need to, be appointed by the Board in its discretion to serve in the event of an unexpected vacancy. However, alternate members are not counted for voting or quorum purposes unless or until they become a regular member of the Committee. The Board will attempt to maintain membership reflecting an odd number of members.

5.2 Qualification Standards.

- (a) To be a qualified person, Committee members must be at least 18 years of age.
- (b) As specifically prohibited by Education Code Section 15282, the Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.
- (c) Preference will be given applicants who reside within District boundaries, however, residency within District boundaries is not a necessary qualification.

5.3 Ethics Rules Applicable to Committee: No Conflicts of Interest. The prohibitions contained in Article 4 (commencing with Section 1090) and Article 4.7 (commencing with Section 1125) of Chapter 1 of Division 4 of Title 1 of the Government Code (the "Conflicts Laws") apply to members of the Committee. As provided therein, members of the Committee shall not be financially interested in District contracts within the meaning of State law or engage in any activity for compensation that is in conflict with such member's duties described herein. The Committee is established to inform the public regarding the expenditure of bond proceeds. Committee members are not public officials of a government agency with decision-making authority within the meaning of the Political Reform Act of 1974, and the Committee is not a decision-making authority. By accepting appointment to the Committee, for the full term of service, each member agrees to serve on a voluntary basis without any form of compensation, to continue to meet the qualifications standards set forth in Section 5.2, and to continue to abide by the prohibitions on conflicts and financial interests set forth herein. Committee members are not "designated employees" of the District.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of three years, commencing on the date of the such Committee member's first Committee meeting. No member may serve more than three consecutive terms. This limitation shall not prevent a former Committee member whose term has expired from serving again following at least a six-month period from such expiration.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District shall notify the public through its customary forums that it is accepting applications for Committee members, which may include posting at school sites, advertising in the local newspapers, and/or posting notice on the District's website or other social media forums, as well as the solicitation of local groups for applications; (b) applications shall be made available at the District office and/or through the District's web site; (c) the Superintendent will review the applications which have been submitted by the stated deadline; and (d) the Superintendent will make recommendations to the Board with respect to appointment. Appointments shall be made by the Board upon approval by majority vote at an open meeting. Appointments shall be recorded in the Board minutes.

5.6 Removal; Vacancy. The Board may remove any Committee member for cause, which includes failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with Section 5.3 hereof. Upon a member's removal, the seat shall be declared vacant. The Board, in accordance with the established appointment process shall make best efforts to fill any vacancies on the Committee within 90 days. Notice of vacancies shall be communicated to the public using its standard noticing methods until such positions are filled. Members whose terms have expired may continue to serve on the Committee until their successor has been appointed. In the event the District is unable to appoint members meeting the criteria listed in Section 5.1, the Committee may proceed with one or more vacancies.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board as an individual or, on behalf of the Committee if said member has been authorized to do so by a majority vote of the Committee; and (c) the Committee shall have the right to request and receive only copies of any public records relating to Measure U funded projects.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall meet at least once a year, or more frequently as the Committee deems it necessary to discharge its duty, but no more frequently than quarterly. At the end of each meeting, the Committee shall identify the next approximate meeting date.

6.2 Location. All meetings shall be held within the District.

6.3 Procedures. All meetings shall be open to the public in accordance with the Brown Act, Robert's Rules of Order, and such additional procedural rules as the Committee may adopt. A majority of the number of Committee members shall constitute a quorum for the transaction of any business.

Section 7. District Support.

7.1 Technical and Administrative Support. As provided by Education Code Section 15280, the District shall provide to the Committee necessary technical and administrative assistance in furtherance of its purposes and to publicize its conclusions. Such support shall include:

- (a) preparation of and posting of public notices and agendas as required by the Brown Act, ensuring that all meetings notices and agendas are provided in the same manner as meetings of the Board;
- (b) provision of a meeting room, including any necessary audio/visual equipment;
- (c) preparation and copies of any documentary meeting materials, such as agendas, minutes and reports;
- (d) providing bond expenditure reports produced by the District for review at each meeting; and
- (d) retention of all Committee records and reports, and
- (e) providing public access to Committee meeting minutes and reports on an Internet website maintained by the District.

7.2 Copies of Bond Audits. Pursuant to Education Code Section 15286, the District shall submit a copy of its annual bond financial audit and performance audit, prepared each fiscal year in which bond proceeds have been expended, to the Committee at the same time such audits are submitted to the Board, and in any event no later than March 31 of each year. In addition, pursuant to Education Code Section 15280(a)(2), if findings, recommendations or concerns are identified in such audits, within three months of receiving the audits, the District shall provide the Committee with responses to such findings.

7.3 Staff Support. A member of the District staff shall attend Committee meetings in order to report on the status of projects and the expenditure of bond proceeds.

Section 8. Reports. The Committee must produce at least one Annual Report as referenced in Section 3.3. In addition, the Committee may report to the Board from time to time in order to inform the Board on the activities of the Committee. Any such reports shall be in writing, approved by the majority of the Committee, and shall summarize the proceedings and activities conducted by the Committee. Such reports shall also be made available on the District's internet web site.

Section 9. Officers. The Superintendent or such officer's designee shall call the first meeting to order and facilitate the meeting as its acting Chair until the Chair is appointed at said meeting. At the first meeting, the Committee shall elect by majority vote of its members a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected by vote of a majority of the members of the Committee.

Section 10. Amendment of Bylaws. These Bylaws may be amended at any time and from time to time by the Board. Any amendment to these Bylaws shall be approved by a majority vote of the Board.

Section 11. Termination. The Committee shall automatically terminate and disband concurrently with the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all Measure U funds.

HANFORD ELEMENTARY SCHOOL DISTRICT

AGENDA REQUEST FORM

TO: Joy C. Gabler

FROM: David Endo

DATE: 03/31/2025

FOR: Board Meeting
 Superintendent's Cabinet

FOR: Information
 Action

Date you wish to have your item considered: 04/09/2025

ITEM:

Consider approval of Resolution No. 26-25 AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS, ELECTION OF 2024, SERIES A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,500,000 AND APPROVING RELATED DOCUMENTS AND ACTIONS

PURPOSE:

An election was held in the Hanford Elementary School District (the “District”) on November 5, 2024 for the issuance and sale of general obligation bonds of the District for various purposes in the maximum amount of \$23,000,000 (“Measure U”). The District now desires to issue Series A of bonds under Measure U in an amount not-to-exceed \$7,500,000 (the “Bonds”). The Bonds are being authorized for sale for the purpose of providing funds to finance projects approved by Measure U, and to pay the costs of issuing the Bonds.

(a) Bond Resolution. This Resolution authorizes the issuance of the Bonds, specifies the basic terms, parameters and form of the Bonds, and approves the form of Bond Purchase Agreement (“BPA”) and form of Preliminary Official Statement (“POS”), each described below. In particular, Section 1 of the Resolution establishes the maximum aggregate initial principal amount of the Bonds to be issued (\$7,500,000). Section 4 of the Resolution states the maximum underwriter’s discount (0.50%) with respect to the Bonds, the maximum legal interest rate on the Bonds, and authorizes the Bonds to be sold at a negotiated sale to RBC Capital Markets LLC, as underwriter (the “Underwriter”). The Resolution authorizes the issuance of current interest bonds only; capital appreciation bonds are not authorized. Appendix B to the Resolution sets forth the good faith estimates related to the Bonds, as required by law and provided by the financial advisor to the District.

(b) Form of BPA. Pursuant to the BPA, the Underwriter will agree to buy the Bonds from the District. All the conditions of closing the transaction are set forth in this document, including the documentation to be provided at the closing by various parties.

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

(d) Form of the Continuing Disclosure Certificate. The form of the Continuing Disclosure Certificate can be found as APPENDIX E to the POS. Upon delivery of this certificate, which is required under Federal securities laws, the District must (1) annually file certain information with the Securities Rulemaking Board, consisting generally of the District’s annual financial statements, and (2) report certain listed events that might occur over the term of the Bonds, such as a rating change or a delinquent payment. This reporting obligation exists during the life of the Bonds, and is typically administered by a dissemination agent retained by the District to ensure prompt compliance with this obligation. Because the Bonds will be outstanding for a period of years, this agreement ensures that future investors in the Bonds will always have available information regarding District finances, which can assist investors in making informed investment decisions.

FISCAL IMPACT:

There is no fiscal impact to the General Fund resulting from the issuance of the Bonds, but there will be approximately \$7,500,000 in building project funding.

RECOMMENDATIONS:

Approve Resolution No. 26-25.

**BOARD OF TRUSTEES
HANFORD ELEMENTARY SCHOOL DISTRICT**

RESOLUTION NO. 24-25

**AUTHORIZING THE ISSUANCE AND SALE OF
GENERAL OBLIGATION BONDS, ELECTION OF 2024,
SERIES A, IN AN AGGREGATE PRINCIPAL AMOUNT
NOT TO EXCEED \$7,500,000 AND APPROVING
RELATED DOCUMENTS AND ACTIONS**

WHEREAS, the Hanford Elementary School District (the "District") is a school district located within the County of Kings (the "County"), State of California (the "State"), and is organized and operating pursuant to the Constitution and laws of the State; and

WHEREAS, an election was duly and regularly held in the District on November 5, 2024, in accordance with Section 1(b)(3) of Article XIII A of the California Constitution, for the purpose of submitting Measure U (the "Bond Measure") to the qualified electors of the District, authorizing the issuance of general obligation bonds in the aggregate principal amount of \$23,000,000, and more than the requisite 55% of votes cast were in favor of the Bond Measure; and

WHEREAS, the abbreviated form of the Bond Measure is:

"To repair and upgrade aging elementary and middle school facilities, make health, safety and security improvements, modernize outdated school facilities, and replace temporary portables with permanent classrooms, shall the Hanford Elementary School District measure authorizing \$23,000,000 in bonds, at legal interest rates be adopted, levying on average \$18.12 per \$100,000 assessed value (generating approximately \$1,400,000 annually), while bonds are outstanding, requiring independent audits, citizens' oversight no money for administrators, and all funds for local schools?"; and

WHEREAS, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"), general obligation bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to voters in the Bond Measure; and

WHEREAS, the District wishes at this time to initiate proceedings for the issuance of an initial series of Bonds pursuant to the authorization of the Bond Measure and the Bond Law, in the aggregate principal amount of not to exceed \$7,500,000, issued on a federally tax-exempt or taxable basis, or a combination thereof, to be designated "Hanford Elementary School District General Obligation Bonds, Election of 2024, Series A" (the "Series A Bonds"), as provided in this Resolution for the purpose of providing financing for projects which are authorized under the Bond Measure and the Bond Law; and

WHEREAS, the District intends to sell the Bonds on a negotiated basis directly and on its own behalf in accordance with the Bond Law; and

WHEREAS, in accordance with Government Code Section 5852.1, the Board has obtained and disclosed the information set forth in Appendix B hereto; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Hanford Elementary 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 given them below, unless the context clearly requires some other meaning. Any capitalized terms defined in the recitals or body of this Resolution, and not otherwise defined in this Section, shall have the meaning given such terms in the recitals or body of the Resolution.

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

“Bond Counsel” means (a) the firm of Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax status of securities issued by public entities.

“Bond Law” means Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53506 of said Code, or such other law pursuant to which the Series A Bonds may be issued, as in effect on the date of adoption hereof and as amended hereafter.

“Bond Measure” means Measure U submitted to and approved by more than the requisite 55% of the voters on November 5, 2024, under which the issuance of the Series A Bonds has been authorized.

“Bond Purchase Agreement” means the Bond Purchase Agreement between the District and the Underwriter, under which the Underwriter agrees to purchase the Series A Bonds and pay the purchase price therefor.

“Building Fund” means the fund maintained by the County Treasurer under Section 3.03.

“Closing Date” means the date upon which there is a delivery of the Series A Bonds in exchange for the amount representing the purchase price of the Series A Bonds by the Underwriter.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate to be executed and delivered by a District Representative on the Closing Date.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District and related to the authorization, issuance, sale and delivery of the Series A Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses, filing and recording fees, initial fees and charges of the

Paying Agent and its counsel, fees and charges of Bond Counsel, fees and charges of the Municipal Advisor, fees and disbursements of consultants and professionals, rating agency fees and any other cost, charge or fee in connection with the original issuance and sale of the Series A Bonds.

“County” means the County of Kings, a political subdivision of the State of California, duly organized and existing under the Constitution and laws of the State of California.

“County Treasurer” means the Kings County Treasurer-Tax Collector, or any person at any time performing the duties of the treasurer of the County.

“Debt Service Fund” means the account maintained by the County Treasurer under Section 4.02.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.09.

“Depository System Participant” means any participant in the Depository’s book-entry system.

“District” means the Hanford Elementary School District, a school district organized under the Constitution and laws of the State of California, and any successor thereto.

“District Representative” means the President of the Board, the Secretary to the Board, the Superintendent of the District, the Chief Business Official of the District, including any interim officer, or such officer’s written designee, or any other person authorized by resolution of the Board to act on behalf of the District with respect to this Resolution and the Series A Bonds.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Education Code” means the Education Code of the State of California, as in effect on the Closing Date or as thereafter amended from time to time.

“Federal Securities” means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

“Government Code” means the Government Code of the State of California, as in effect on the Closing Date or as thereafter amended from time to time.

“Interest Payment Dates” means February 1 and August 1 in each year during the term of such Series A Bond, commencing on the date set forth in the Bond Purchase Agreement, provided, however, that such dates are subject to modification as provided in the Bond Purchase Agreement.

“Municipal Advisor” means Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District in connection with the issuance and sale of the Series A Bonds.

“Office” means the office or offices of the Paying Agent for the payment of the Series A Bonds and the administration of its duties hereunder. The Paying Agent may designate and re-designate the Office from time to time by written notice filed with the County and the District.

“Outstanding,” when used as of any particular time with reference to Series A Bonds, means all Series A Bonds except: (a) Series A Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation; (b) Series A Bonds paid or deemed to have been paid within the meaning of Section 9.02; and (c) Series A Bonds in lieu of or in substitution for which other Series A Bonds have been authorized, executed, issued and delivered by the District under this Resolution.

“Owner”, whenever used herein with respect to a Series A Bond, means the person in whose name the ownership of such Series A Bond is registered on the Registration Books.

“Paying Agent” means any bank, trust company, national banking association or other entity appointed as paying agent for the Series A Bonds in the manner provided in Article VI of this Resolution, initially U.S. Bank Trust Company, National Association.

“Record Date” means the 15th day of the month preceding an Interest Payment Date, whether or not such day is a business day.

“Registration Books” means the records maintained by the Paying Agent for the registration of ownership and registration of transfer of the Series A Bonds under Section 2.08.

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

“Securities Depositories” means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Written Request of the District delivered to the Paying Agent.

“Series A Bonds” means the not-to-exceed \$7,500,000 aggregate principal amount of Hanford Elementary School District General Obligation Bonds, Election of 2024, Series A, issued and at any time Outstanding under this Resolution.

“Taxable Series A Bonds” means the Series A Bonds on which the interest is not Federally tax-exempt.

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

“Tax-Exempt Series A Bonds” means the Series A Bonds on which the interest is intended to be excluded from gross income for federal income tax purposes under Section 103 of the Tax Code.

“Underwriter” means RBC Capital Markets, LLC, as original purchaser of the Series A Bonds upon the negotiated sale thereof, as designated pursuant to Section 3.01.

“Written Request” means an instrument in writing signed by a District Representative or by any other officer of the District duly authorized by the District as an authorized signer of the District for said purpose.

SECTION 1.02. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

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

(d) Whenever the term “may” is used herein with respect to an action by one of the parties hereto, such action shall be discretionary and the party who “may” take such action shall be under no obligation to do so.

SECTION 1.03. *Authority for this Resolution; Findings.* This Resolution is entered into under the provisions of the Bond Law. The Board hereby certifies 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 the Series A Bonds 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 the Series A Bonds, together with all other indebtedness of the District, will not exceed any limit prescribed by any laws of the State of California.

ARTICLE II

THE SERIES A BONDS

SECTION 2.01. *Authorization.* The Board hereby authorizes the issuance of the Series A Bonds in an aggregate principal amount not to exceed \$7,500,000 under and subject to the terms of Article XIII A, Section 1 paragraph (b) of the California Constitution, the Bond Law and this Resolution, for the purpose of raising funds for the acquisition or improvement of educational facilities in accordance with the Bond Measure, and to pay Costs of Issuance. This Resolution constitutes a continuing agreement between the District and the Owners of all of the Series A Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal thereof and interest and premium, if any, on all Series A Bonds, subject to the covenants, agreements, provisions and conditions herein contained. The Series A Bonds will be issued as current interest bonds and shall be designated the “Hanford Elementary School District General Obligation Bonds, Election of 2024, Series A” with such additional designations as may be made in the Bond Purchase Agreement.

SECTION 2.02. *Terms of Series A Bonds.*

(a) Terms of Series A Bonds. The Series A Bonds will be issued as fully registered bonds, without coupons, in the denomination of \$5,000 each or any integral multiple thereof, but in an amount not to exceed the aggregate principal amount of Series A Bonds maturing in the year of maturity of the Series A Bond for which the denomination is specified. Series A Bonds will be lettered and numbered as the Paying Agent may prescribe. The Series A Bonds will be dated as of the Closing Date.

Interest on the Series A Bonds is payable semi-annually on each Interest Payment Date. Each Series A Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the first Record Date, in which event it will bear interest from the Closing Date. Notwithstanding the foregoing, if interest on any Series A Bond is in default at the time of authentication thereof, such Series A Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(b) Maturities; Basis of Interest Calculation. The Series A Bonds will mature on August 1 (unless otherwise provided in the Bond Purchase Agreement) in the years and in the amounts, and will bear interest at the rates, as determined upon the sale thereof as provided in the Bond Purchase Agreement; *provided, however*, the maximum interest rate per annum and the final maturity date shall not extend beyond the legal limits set forth in the Bond Law. Interest on the Series A Bonds will be calculated on the basis of a 360-day year comprised of twelve 30-day months. The final maturity of the Series A Bonds shall not exceed the legal limit identified in the Bond Law, and if the final maturity is more than 30 years after the Closing Date, a District Representative is authorized to execute a certification confirming that the useful life of the facilities to be financed with the proceeds of the Series A Bonds which mature more than 30 years after the Closing Date exceeds the final maturity date of said Series A Bonds.

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

(d) Payment. Interest on the Series A Bonds (including the final interest payment upon maturity or redemption) is payable by check, draft or wire of the Paying Agent given to the Owner thereof (which will be DTC so long as the Series A Bonds are held in the book-entry system of DTC) at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; except that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the Series A Bonds, which written request is on file with the Paying Agent as of any Record Date, interest on such Series A Bonds will be paid on the succeeding Interest Payment Date, by wire transfer or otherwise, to such account as will be specified in such written request. Principal of and premium (if any) on the Series A Bonds is payable in lawful money of the United States of America upon presentation and surrender at the Office of the Paying Agent. The provisions of this subsection (d) are subject in all respects to the provisions of Section 2.09 relating to Series A Bonds which are held in the book-entry system of DTC.

(e) Issuance in More Than One Series; Federally Taxable Basis. Each District Representative is hereby authorized to designate that the Series A Bonds may be issued in one or more series, and that a portion of the Series A Bonds may be issued as Taxable Series A Bonds.

(f) Bond Insurance. The Board hereby authorizes a District Representative to apply for and, upon the advice of the Municipal Advisor or Underwriter, to sign a commitment to obtain a municipal bond insurance policy with respect to some or all maturities of the Series A Bonds authorized hereunder. Such commitment, and any other documentation relating to Bond insurance, shall be executed in the name and on behalf of the District by a District Representative.

(g) Provisions of Bond Purchase Agreement to Control. Notwithstanding the foregoing provisions of this Section and the following provisions of Section 2.03, but subject to the provisions of Section 3.01 hereof, any of the terms of the Series A Bonds may be established or modified under the Bond Purchase Agreement. In the event of a conflict or inconsistency between this Resolution and the Bond Purchase Agreement relating to the terms of the Series A Bonds, the provisions of the Bond Purchase Agreement will be controlling.

SECTION 2.03. *Redemption of Series A Bonds.*

(a) Optional Redemption Dates and Prices. The Series A Bonds are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as designated by the District and by lot within a maturity, from any available source of funds, on the dates and at the respective redemption prices as set forth in the Bond Purchase Agreement.

(b) Mandatory Sinking Fund Redemption. If the Bond Purchase Agreement specifies that any one or more maturities of the Series A Bonds are term bonds which are subject to mandatory sinking fund redemption, each such maturity of Series A Bonds shall be subject to such mandatory sinking fund redemption on August 1 (unless otherwise provided in the Bond Purchase Agreement) in each of the years and in the respective principal amounts as set forth in the Bond Purchase Agreement, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If any such term bonds are redeemed under the provisions of the preceding clause (a), the total amount of all future payments under this subsection (b) with respect to such term bonds shall be reduced by the aggregate principal amount of such term bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

(c) Selection of Series A Bonds for Redemption. Whenever less than all of the Outstanding Series A Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Outstanding Series A Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Series A Bond will be deemed to consist of individual bonds of \$5,000 principal amount. The Series A Bonds may all be separately redeemed.

(d) Redemption Procedure. The Paying Agent will cause notice of any redemption to be given, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the respective Owners of any Series A Bonds designated for redemption. Such notice may be a conditional notice of redemption and subject to rescission as set forth in (e) below. Such mailing is not a condition precedent to such redemption and the failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Series A Bonds. In addition, the Paying Agent will give notice of redemption to the Municipal Securities Rulemaking Board and each of the Securities Depositories.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Series A Bonds are to be called for redemption, shall designate the serial numbers of the Series A Bonds to be redeemed by giving the individual number of each Series A Bond or by indicating those Series A Bonds between two stated numbers, both inclusive, or by stating that all of the Series A Bonds of one or more maturities have been called for redemption, and shall require that such Series A Bonds be then surrendered at the Office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Series A Bonds will not accrue from and after the redemption date.

Upon surrender of Series A Bonds redeemed in part only, the District shall execute and the Paying Agent shall authenticate and deliver to the Owner, at the expense of the District, a new Series A Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Series A Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and

premium, if any) on the Series A Bonds so called for redemption have been duly provided, the Series A Bonds called for redemption will cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice. The Paying Agent will cancel all Series A Bonds redeemed under this Section and will furnish a certificate of cancellation to the District.

(e) Right to Rescind Notice of Redemption. The District has the right to rescind any notice of the optional redemption of Series A Bonds under subsection (a) of this Section by written notice to the Paying Agent on or prior to the dated fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Series A Bonds then called for redemption. The District and the Paying Agent shall have no liability to the Series A Bond Owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall give notice of such rescission of redemption in the same manner as the original notice of redemption was given under subsection (d) of this Section.

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

SECTION 2.05. *Execution of Series A Bonds.* The Series A Bonds shall be signed by the manual or facsimile signature of the President, Vice President or Clerk of the Board, and shall be attested by the manual or facsimile signature of a District Representative. Only those Series A Bonds bearing a certificate of authentication and registration in the form set forth in Appendix A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of the Paying Agent shall be conclusive evidence that the Series A 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 A Bonds.* Subject to Section 2.10, any Series A Bond may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by their duly authorized attorney, upon surrender of such Series A Bond for cancellation at the Office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The District may charge a reasonable sum for each new Series A Bond issued upon any transfer.

Whenever any Series A Bond or Bonds is surrendered for transfer, the District shall execute and the Paying Agent shall authenticate and deliver a new Series A Bond or Bonds, for like aggregate principal amount. No transfers of Series A Bonds shall be required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Series A Bonds for redemption or (b) with respect to a Series A Bond which has been selected for redemption.

SECTION 2.07. *Exchange of Series A Bonds.* Series A Bonds may be exchanged at the principal Office of the Paying Agent for a like aggregate principal amount of Series

A Bonds of authorized denominations and of the same maturity. The District may charge a reasonable sum for each new Series A Bond issued upon any exchange (except in the cases of any exchange of temporary Series A Bonds for definitive Series A Bonds). No exchange of Series A Bonds shall be required to be made (a) during the 15 days before the date established by the Paying Agent for selection of Series A Bonds for redemption, or (b) with respect to a Series A Bond after it has been selected for redemption.

SECTION 2.08. *Registration Books.* The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Series A 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 A Bonds as herein before provided.

SECTION 2.09. *Book-Entry System.* Except as provided below, DTC shall be the Owner of all of the Series A Bonds, and the Series A Bonds shall be registered in the name of Cede & Co. as nominee for DTC. The Series A Bonds shall be initially executed and delivered in the form of a single fully registered Series A Bond for each maturity date of the Series A Bonds in the full aggregate principal amount of the Series A Bonds maturing on such date; provided, however, more than one bond for a maturity date may be prepared in the event Bonds with respect to said maturity date bear different rates of interest. The Paying Agent and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Series A 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 have no responsibility or obligation to any Depository System Participant, any person claiming a beneficial ownership interest in the Series A Bonds under or through DTC or a Depository System 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 Depository System Participant or the payment by DTC or any Depository System Participant by DTC or any Depository System Participant of any amount in respect of the principal or interest with respect to the Series A Bonds. The District shall cause to be paid all principal and interest with respect to the Series A Bonds 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 A 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 A Bond. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the District determines that it is in the best interest of the beneficial owners that they be able to obtain Series A Bonds and delivers a written certificate to DTC and the District to that effect, DTC shall notify participants in its book-entry system (the "DTC Participants") of the availability through DTC of Series A Bonds. In such event, the District shall issue, transfer and exchange Series A 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 A 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 A 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 A Bonds evidencing the Series A Bonds to any Depository System Participant having Series A Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Series A Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Series A 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 A Bond and all notices with respect to such Series A Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Series A Bonds.

Section 2.10. *Transfer Under Book-Entry System: Discontinuation of Book-Entry System.* Registered ownership of the Series A Bonds, or any portion thereof, may not be transferred except as follows:

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

(ii) To any substitute depository not objected to by the District or the County, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository, or (2) a determination by the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

ARTICLE III

SALE OF SERIES A BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. *Sale of Series A Bonds; Approval of Sale Documents.*

(a) Negotiated Sale of Series A Bonds. Pursuant to Section 53508.7 of the Bond Law, the Board hereby authorizes the negotiated sale of the Series A Bonds to the Underwriter. The Series A Bonds shall be sold pursuant to the Bond Purchase Agreement in substantially the form on file with the Clerk of the Board with such changes therein, deletions therefrom and modifications thereto as a District Representative may approve, such approval to be conclusively evidenced by the execution and delivery by a District Representative of the Bond Purchase Agreement, provided that:

- (i) the Series A Bonds shall bear a rate of interest and have a final maturity not exceeding the limits contained in the Bond Law;
- (ii) the Series A Bonds shall have a ratio of total debt service to principal of not to exceed four to one; and
- (iii) the Underwriter's discount shall not exceed 0.5% of the principal amount of the Series A Bonds.

The Board hereby authorizes a District Representative to execute and deliver the final form of the Bond Purchase Agreement in the name and on behalf of the District.

In accordance with Section 53508.7 of the Bond Law, the Board has determined to sell the Series A Bonds at negotiated sale for the following reasons: (a) a negotiated sale provides more flexibility to choose the time and date of the sale which is often advantageous in the municipal bond market; (b) the involvement of the Underwriter in preparing documents, rating agency presentations and structuring bonds generally enhances the quality and results of the bond offering; (c) a negotiated sale will permit the financing structure to be adjusted, if necessary; and (d) a negotiated sale provides time for underwriters to educate potential investors about the District and the Series A Bonds with the goal of maximizing investor orders and reducing interest cost on the day of bond pricing.

(b) Official Statement. The Board hereby approves, and hereby deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Series A Bonds in substantially the form on file with the Clerk of the Board. A District Representative is hereby authorized to execute an appropriate certificate stating the Board's determination that the Preliminary Official Statement has been deemed final within the meaning of such Rule. The Board hereby authorizes the distribution of the Preliminary Official Statement and the Official Statement by the Underwriter. A District Representative is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by a District Representative shall be conclusive evidence of their approval of any such changes and additions. The final Official Statement shall be executed in the name and on behalf of the District by a District Representative.

(c) Actions to Close Bond Issuance. Each District Representative and any and all other officers of the District are each authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Series A Bonds, including but not limited to the execution and delivery of a document with respect to the engagement of the Paying Agent appointed hereby, and an agreement facilitating the payment of Costs of Issuance. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any other District Representative.

SECTION 3.02. *Application of Proceeds of Sale of Series A Bonds*. The proceeds of the Series A Bonds shall be paid to the County Treasurer on the Closing Date, and shall be applied as follows:

- (a) The portion of the proceeds representing original issue premium (if any) received by the County Treasurer from the sale of the Series A Bonds will be deposited in the Debt Service Fund.
- (b) All remaining proceeds received by the County Treasurer from the sale of the Series A Bonds will be deposited in the Building Fund.

At the option of the District, a portion of the proceeds of the Series A Bonds, including any original issue premium generated with respect to the Series A Bonds, may be used to pay Costs of Issuance and may be deposited with a fiscal agent selected by the District, as provided in Section 15146(h) of the Education Code, in order to facilitate the payment of Costs of Issuance. A District Representative is authorized to enter into an agreement with such fiscal agent to facilitate such payment. In addition, the Bond Purchase Agreement may provide that the Underwriter is obligated to pay certain Costs of Issuance from its own funds, and a District Representative is authorized to review and consent to a schedule of such costs.

SECTION 3.03. *Building Fund*. The District hereby directs the County Treasurer to establish, hold and maintain a fund designated as the "Hanford Elementary School District, Election of 2024, Series A Building Fund," into which the proceeds from the sale of the Series A Bonds shall be deposited, to the extent required under Section 3.02(b). The County Treasurer shall maintain separate accounting for the proceeds of the Series A Bonds, including all earnings received from the investment thereof. Amounts credited to the Building Fund for the Series A Bonds shall be expended by the District solely for the financing of projects for which the Series A Bond proceeds are authorized to be expended under the Bond Measure (which includes related Costs of Issuance). All interest and other gain arising from the investment of proceeds of the Series A Bonds shall be retained in the Building Fund and used for the purposes thereof. At the Written Request of the District filed with the County Treasurer, any amounts remaining on deposit in the Building Fund and not needed for the purposes thereof shall be withdrawn from the Building Fund and transferred to the Debt Service Fund, to be applied to pay the principal of and interest on the Series A Bonds.

If excess amounts remain on deposit in the Debt Service Fund after payment in full of the Series A Bonds, any such excess amounts shall be transferred to the general

fund of the District, to be applied for the purposes for which the Series A Bonds have been authorized or otherwise in accordance with the Bond Law.

SECTION 3.04. *Estimated Financing Costs.* The firm of Isom Advisors, a Division of Urban Futures, Inc., has been engaged to serve the District as Municipal Advisor, and the firm of Jones Hall, A Professional Law Corporation, has been engaged to serve the District as bond counsel and disclosure counsel, in connection with the Bond Measure and the issuance and sale of the Series A Bonds. The Underwriter has been engaged, as set forth in Section 3.01, to serve as the underwriter in connection with the issuance and sale of the Series A Bonds. The estimated costs of issuance associated with the issuance of the Series A Bonds are set forth in Appendix B.

ARTICLE IV

SECURITY FOR THE SERIES A BONDS; DEBT SERVICE FUND

SECTION 4.01. *Security for the Series A Bonds.* The Series A Bonds are general obligations of the District. The Board has the power to direct the County to levy *ad valorem* taxes upon all property within the District that is subject to taxation by the District, without limitation as to rate or amount, for the payment of the Series A Bonds and the interest and redemption premium (if any) thereon. The District hereby formally directs the County to levy 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 A Bonds are Outstanding in an amount not less than sufficient to pay the principal of and interest on the Series A Bonds when due, including the principal of any Series A Bonds upon the mandatory sinking fund redemption thereof under Section 2.03(b), which moneys when collected will be paid to the County Treasurer and placed in the Debt Service Fund.

The Board further requests the County to establish an annual reserve for the purpose of avoiding fluctuating tax levies, as permitted under Section 15250 of the Education Code. The Board hereby authorizes the Assistant Superintendent, Business Operations, to coordinate with the County Auditor-Controller concerning the rate of taxes to be levied.

The principal of and interest and redemption premium (if any) on Series A Bonds do not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents or employees thereof. Neither the County, the State of California, any of its political subdivisions nor any of the officers, agents or employees thereof are liable on the Series A Bonds. In no event are the principal of and interest and redemption premium (if any) on Series A Bonds payable out of any funds or properties of the District other than *ad valorem* taxes levied on taxable property in the District. The Series A Bonds, including the interest thereon, are payable solely from taxes levied under Sections 15250 and 15252 of the Education Code. The District acknowledges that pursuant to Government Code Section 53515, the Series A Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the voter-approved *ad valorem* taxes for the Series A Bonds.

The District hereby pledges all revenues from the property taxes collected from the levy by the County for the payment of the Series A Bonds and the amounts in the Debt Service Fund (the “Pledged Revenues”) to the payment of the principal of and interest on the Series A Bonds. It is the intention of the District that (i) for purposes of 11 U.S.C. §902(2)(E), the Pledged Revenues constitute “taxes specifically levied to finance one or more projects or systems” of the District and are not “general property, sales or income taxes . . . levied to finance the general purposes of” the District, and (ii) the pledge of the Pledged Revenues constitutes a pledge of “special revenues” for purposes of 11 U.S.C. §§901 et seq., and that a petition filed by the District under 11 U.S.C. §§901 et seq., will not operate as a stay under 11 U.S.C. §362 of the application of such Pledged Revenues to payment when due of principal of and interest on the Series A Bonds. The District will not take any action inconsistent with its agreement and statement of intention hereunder and will not deny that the pledge of the Pledged Revenues constitutes a pledge of special revenues for purposes of 11 U.S.C. §§901 et seq.

SECTION 4.02. *Establishment of Debt Service Fund.* The District hereby directs the County Treasurer to establish, hold and maintain a fund designated as the “Hanford Elementary School District Election of 2024, Series A Debt Service Fund,” which the County Treasurer shall hold as a separate account, distinct from all other funds of the County and the District. All taxes levied by the County, at the request of the District, for the payment of the principal of and interest and premium (if any) on the Series A Bonds shall be deposited in the Debt Service Fund by the County promptly upon apportionment of said levy.

The Debt Service Fund is hereby pledged for the payment of the principal of and interest on the Series A Bonds when and as the same become due, including the principal of any term Series A Bonds required to be paid upon the mandatory sinking fund redemption thereof. Amounts in the Debt Service Fund shall be transferred by the County Treasurer to the Paying Agent to the extent required to pay the principal of and interest and redemption premium (if any) on the Series A Bonds when due.

SECTION 4.03. *Disbursements from Debt Service Fund.* The County shall administer the Debt Service Fund and make disbursements therefrom in the manner set forth in this Section. The County Treasurer shall transfer amounts on deposit in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Series A Bonds when due and payable, to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the principal of and interest on the Series A Bonds. DTC will thereupon make payments of principal and interest on the Series A Bonds to DTC Participants, who will thereupon make payments of principal and interest to the beneficial owners of the Series A Bonds. Any moneys remaining in the Debt Service Fund after the Series A Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District, as provided in Section 15234 of the Education Code.

SECTION 4.04. *Pledge of Taxes.* The District hereby pledges all revenues from the property taxes collected from the levy by the Board of Supervisors of the County for the District’s payment of the Series A Bonds and amounts on deposit in the Debt Service Fund to the District’s payment of the principal or redemption price of and interest on the Series A Bonds. This pledge shall be valid and binding from the date hereof for the benefit of the owners of the Series A Bonds and successors thereto. The property taxes and amounts held in the Debt Service Fund shall be immediately subject to this pledge, and the pledge shall constitute a lien and security interest which shall immediately attach to the property

taxes and amounts held in the interest and sinking fund to secure the District's payment of the Series A Bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. This pledge constitutes an agreement between the District and owners of the Series A Bonds to provide security for the Series A Bonds in addition to any statutory lien that may exist. The District hereby represents and warrants that proceeds the Series A Bonds will be expended solely for the purpose of financing the projects specified in the Bond Measure.

SECTION 4.05. *Investments.* All moneys held in any of the funds or accounts established with the County Treasurer hereunder shall be invested in accordance with the investment policies of the County, as such policies exist at the time of investment. Obligations purchased as an investment of moneys in any fund or account will be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof.

The District covenants that all investments of amounts deposited in any fund or account created by or under this Resolution, or otherwise containing proceeds of the Series A Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section, the term "Fair Market Value" shall mean, with respect to any investment, the price at which a willing buyer would purchase such 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 Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax 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 Tax Code, or (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.

ARTICLE V

OTHER COVENANTS OF THE DISTRICT

SECTION 5.01. *Punctual Payment.* The Board hereby directs the County to levy *ad valorem* taxes, as provided in Section 15250 of the Education Code, so as to enable the District to punctually pay, or cause to be paid, the principal of and interest on the Series A Bonds, in conformity with the terms of the Series A Bonds and of this Resolution. In no event is the District obligated to pay principal of and interest and redemption premium, if any, on the Series A Bonds out of any funds or properties of the District other than *ad valorem* taxes levied upon all taxable property in the District; provided, however, nothing herein prevents the District from making advances of its own moneys howsoever derived to any of the uses or purposes permitted by law.

SECTION 5.02. *Books and Accounts; Financial Statements.* The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District in which complete and correct entries are made of all transactions relating to the expenditure of the proceeds of the Series A Bonds. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Paying Agent and the Owners of not less than 10% in aggregate principal amount of the Series A Bonds then Outstanding, or their representatives authorized in writing.

SECTION 5.03. *Protection of Security and Rights of Series A Bond Owners.* The District will preserve and protect the security of the Series A Bonds and the rights of the Series A Bond Owners, and will warrant and defend their rights against all claims and demands of all persons. Following the issuance of the Series A Bonds by the District, the Series A Bonds shall be incontestable by the District.

SECTION 5.04. *Tax Covenants.*

(a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Tax-Exempt Series A Bonds are not so used as to cause the Tax-Exempt Series A Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax 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 Tax-Exempt Series A Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The District shall not take, or permit or suffer to be taken by the Paying Agent or the County or otherwise, any action with respect to the proceeds of the Tax-Exempt Series A Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Tax-Exempt Series A Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Tax Code.

(d) Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Tax-Exempt Series A Bonds from the gross income of the Owners of the Tax-Exempt Series A Bonds to the same extent as

such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date.

(e) Exemption from Rebate Requirement. The District is a governmental unit with the power to impose taxes of general applicability which, when collected, may be used for general purposes of the District; the Series A Bonds are not private activity bonds within the meaning of section 141 of the Tax Code; and 95% of the net sale proceeds of the Series A Bonds are to be used for local governmental activities of the District. The aggregate face amount (or, issue prices, in the case of issues with a net original issue discount or net original issue premium in excess of 2% of the principal amount of the issue, excluding original issue premium used for reasonable underwriter's compensation) of all tax-exempt obligations (other than private activity bonds as defined in section 141 of the Tax Code) issued by the District, including all subordinate entities of the District and all entities which may issue obligations on behalf of the District, during the calendar year during which the Series A Bonds are being issued, is not reasonably expected to exceed \$15,000,000, of which no more than \$5,000,000 is for other than the construction of public school facilities, excluding, however, that portion of current refunding obligations having a principal amount not in excess of the principal amount of the refunded obligation. By reason of the statements set forth in this subparagraph, the District will not rebate excess investment earnings, if any, to the federal government.

(f) Small Issuer Exemption from Bank Nondeductibility Restriction. The District hereby designates the Series A Bonds as "qualified tax-exempt obligations" for purposes of paragraph (3) of section 265(b) of the Tax 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 Tax Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in section 141 of the Tax Code, except certain qualified 501(c)(3) bonds as defined in section 145 of the Tax 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), including the Series A Bonds, has been or will be issued by the District, including all subordinate entities of the District, during the calendar year in which the Series A Bonds are issued. If the District determines prior to the sale of the Series A Bonds that obligations which exceed \$10,000,000 aggregate principal amount will be issued in the calendar year in which the Series A Bonds are issued, a District Representative shall provide in the Bond Purchase Agreement that the Series A Bonds are not bank qualified.

SECTION 5.05. *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, which shall be executed by a District Representative and delivered on the Closing Date. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Certificate does not constitute a default by the District hereunder or under the Series A Bonds; however, any Participating Underwriter (as that term is defined in the Continuing Disclosure Certificate) or any holder or beneficial owner of the Series A Bonds may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

SECTION 5.06. *CDIAC Annual Reporting.* The District hereby covenants and agrees that it will comply with the provisions of California Government Code Section 8855 subdivision (k) with respect to annual reporting to the California Debt and Investment Advisory Commission. Said reporting will occur at the times and include the types of

information as set forth therein. Notwithstanding any other provision of this Resolution, failure of the District to comply with said reporting does not constitute a default by the District hereunder or under the Series A Bonds.

SECTION 5.07. *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 Series A Bonds of the rights and benefits provided in this Resolution.

ARTICLE VI

THE PAYING AGENT

SECTION 6.01. *Appointment of Paying Agent.* U.S. Bank Trust Company, National Association, is hereby appointed to act as the initial Paying Agent for the Series A Bonds and, in such capacity, shall also act as registration agent and authentication agent for the Series A 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 with respect to the Series A Bonds, 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 the District by executing and delivering to the District an agreement to that effect, which a District Representative is hereby authorized and directed to execute.

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, if not the County Treasurer shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$100,000,000, 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, under law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 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 Series A Bond Owners 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 will become effective upon acceptance of appointment by the successor Paying Agent.

Any bank, national association, federal savings association, or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national association, federal savings association, or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national association, federal savings association, or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided

such bank, federal savings association, or trust company shall be eligible as described in this Section 6.01 shall be the successor to such Paying Agent, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 6.02. *Paying Agent May Hold Series A Bonds.* The Paying Agent may become the owner of any of the Series A 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 A Bonds shall constitute 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 A Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent is not 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.

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 has 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 is not 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 Paying Agent.* 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, which 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 is specifically prescribed in this Resolution) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

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

ARTICLE VII

REMEDIES OF SERIES A BOND OWNERS

SECTION 7.01. *Remedies of Series A Bond Owners.* Any Series A Bond Owner has the right, for the equal benefit and protection of all Series A Bond Owners 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 A 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 Series A Bond Owners' rights; or
- (c) upon the happening and continuation of any default by the District hereunder or under the Series A Bonds, 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 7.02. *Remedies Not Exclusive.* No remedy herein conferred upon the Owners of Series A Bonds is exclusive of any other remedy. Each and every remedy is cumulative and may be exercised in addition to every other remedy given hereunder or thereafter conferred on the Series A Bond Owners.

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

A waiver of any default by any Series A Bond Owner 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 A 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 Series A Bond Owners by this Article VII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Series A Bonds.

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

ARTICLE VIII

AMENDMENT OF THIS RESOLUTION

SECTION 8.01. *Amendments Effective Without Consent of the Owners.* The Board may amend this Resolution from time to time, without the consent of the Owners of the Series A Bonds, for any one or more of the following purposes:

- (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 confirm, as further assurance, any pledge under, and to subject 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;
- (c) To cure any ambiguity, supply any omission, substitute any party, or cure or correct any defect or inconsistent provision in this Resolution, in a manner which does not materially adversely affect the interests of the Series A Bond Owners in the opinion of Bond Counsel filed with the District; or
- (d) To make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Tax-Exempt Series A Bonds.

SECTION 8.02. *Amendments Effective With Consent of the Owners.* The Board may amend this Resolution from time to time for any purpose not set forth in Section 8.01, with the written consent of the Owners of a majority in aggregate principal amount of the Series A Bonds which are Outstanding at the time such consent is given.

Without the written consent of all the Owners of such Series A Bonds, no such modification or amendment shall permit (a) a change in the terms of maturity of the principal of any Outstanding Series A Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, (b) a reduction

of the percentage of Series A Bonds the consent of the Owners of which is required to effect any such modification or amendment, (c) a change in any of the provisions in Section 7.01 relating to Events of Default, or (d) a reduction in the amount of moneys pledged for the repayment of the Series A Bonds. No right or obligation of the Paying Agent may be changed or modified without its written consent.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. *Benefits of Resolution Limited to Parties.* Nothing in this Resolution, expressed or implied, gives any person other than the District, the County, the Paying Agent or the Owners of the Series A Bonds, any right, remedy, claim under or by reason of this Resolution. The covenants, stipulations, promises or agreements in this Resolution are for the sole and exclusive benefit of the Owners of the Series A Bonds.

SECTION 9.02. *Defeasance of Series A Bonds.*

(a) Discharge of Resolution. Any or all of the Series A 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 such Series A Bonds, as and when the same become due and payable;
- (ii) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 9.02(c) hereof) to pay or redeem such Series A Bonds; or
- (iii) by delivering such Series A Bonds to the Paying Agent for cancellation by it.

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

(b) Discharge of Liability on Series A 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) hereof) to pay or redeem any Outstanding Series A Bond (whether upon or prior to its maturity or the redemption date of such Series A Bond), provided that, if such Series A Bond is to be redeemed prior to maturity, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent has been made for the giving of such notice, then all liability of the District in respect of such Series A 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 Series A Bond by the District, and the District shall remain liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) shall apply in all events.

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

(c) Deposit of Money or Securities with Paying Agent. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent, or an escrow agent selected by the District, money or securities in the necessary amount to pay or redeem any Series A 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 under 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 A Bonds and all unpaid interest thereon to maturity, except that, in the case of Series A Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent or a fiscal agent designated by the District has 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 A 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 Series A Bonds to be paid or redeemed, as such principal or redemption price and interest become due, provided that, in the case of Series A Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption has been given as provided in Section 2.03 or provision satisfactory to the Paying Agent or a fiscal agent designated by the District has been made for the giving of such notice.

(d) Payment of Series A Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent or other escrow agent in trust for the payment of the principal or redemption price of, or interest on, any Series A Bonds and remaining unclaimed for two years after the principal of all of the Series A 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 two years after the date of deposit of such moneys if deposited after said date when all of the Series A Bonds became due and payable, shall, upon request of the District, be repaid to the District free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the District as aforesaid, the Paying Agent may (at the cost of the District) first mail to the Owners of all Series A Bonds which have not been paid at the addresses shown on the Registration Books a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Series A 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. Thereafter, amounts due the Owners for payment of any amounts due on the Series A Bonds shall be deemed to be paid by the District from moneys remitted to it by the Paying Agent under this subsection (d).

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

Except as otherwise herein expressly provided, the fact and date of the execution by any Series A Bond Owner or their 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 them 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 A Bonds and the amount, maturity, number and date of holding the same shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Series A Bond shall bind all future Owners of such Series A 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 Board member, officer, agent or employee of the District shall be individually or personally liable for the payment of the principal of or interest on the Series A Bonds; but nothing herein contained shall relieve any such Board member, officer, agent or employee from the performance of any official duty provided by law.

SECTION 9.05. *Limited Duties of County; Indemnification.* The County (including its officers, agents and employees) shall undertake only those duties of the County under this Resolution which are specifically set forth in this Resolution and in applicable provisions of the Bond Law and the Education Code, and even during the continuance of an event of default with respect to the Series A Bonds, no implied covenants or obligations shall be read into this Resolution against the County (including its officers, agents and employees).

The District further agrees to indemnify, defend and save the County (including its officers, agents and employees) harmless against any and all liabilities, costs, expenses, damages and claims 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.

SECTION 9.06. *Destruction of Canceled Series A Bonds.* Whenever in this Resolution provision is made for the surrender to the District of any Series A Bonds which have been paid or canceled under 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 A 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 A Bonds therein referred to.

SECTION 9.07. *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 A 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 Board, in trust, for the benefit of the Series A Bond Owners.

SECTION 9.08. *Payment on Business Days.* Whenever in this Resolution any amount is required to be paid on a day which is not a business day, such payment shall be required to be made on the business day immediately following such day, provided that interest shall not accrue from and after such day.

SECTION 9.09. *Effective Date of Resolution.* This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

The foregoing Resolution was adopted by the Board of Trustees of the Hanford Elementary School District of Kings County, being the Board authorized by law to make the designations therein contained by the following vote, on April 9, 2025.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

President of the Board of Trustees
Hanford Elementary School District

ATTEST:

Secretary to the Board of Trustees
Hanford Elementary School District

[INCLUDED IN FORM ONLY – NOT FOR EXECUTION]

APPENDIX A

FORM OF SERIES A BOND

REGISTERED BOND NO. _____

*****\$** _____ *******

HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
GENERAL OBLIGATION BONDS, ELECTION OF 2024, SERIES A

**INTEREST RATE
PER ANNUM:**

MATURITY DATE:

DATED DATE:

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** _____ **DOLLARS*****

The Hanford Elementary School District (the “District”), located in the County of Kings (the “County”), for value received, hereby promises to pay to the Registered Owner named above, or registered assigns, the principal amount on the Maturity Date, each as stated above, and interest thereon, calculated on the basis of a 360-day year comprised of twelve 30-day months, until the principal amount is paid or provided for, at the interest rate stated above, such interest to be paid on February 1 and August 1 of each year, commencing August 1, 2025 (the “Interest Payment Dates”).

This Bond is one of a duly authorized issue of Bonds of the District designated as “Hanford Elementary School District General Obligation Bonds, Election of 2024, Series A” (the “Bonds”), in an aggregate principal amount of \$_____, 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 under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California (the “Bond Law”), and under and subject to a resolution of the Board of Trustees of the District adopted on April 9, 2025 (the “Bond Resolution”), authorizing the issuance of the Bonds. The issuance of the Bonds has been authorized by the requisite 55% vote of the electors of the District cast at a bond election held on November 5, 2024, upon the question of issuing bonds in the amount of \$7,500,000.

All capitalized terms herein and not otherwise defined have the meaning given them in the Bond Resolution. Reference is hereby made to the Bond Resolution (copies of which are on file at the office of the Paying Agent) and the Bond Law 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 Bond Resolution the Owner of this Bond, by acceptance hereof, assents and agrees.

This Bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof, unless (a) it is authenticated as of a business day following the 15th day of the month immediately preceding any Interest Payment Date (each, a "Record Date") and on or before such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) it is authenticated prior to July 15, 2025, in which event it shall bear interest from the Dated Date referred to above. Principal hereof is payable at the corporate trust office of the paying agent for the Bonds (the "Paying Agent"), initially U.S. Bank Trust Company, National Association. Interest hereon (including the final interest payment upon maturity or redemption) is payable by check or draft of the Paying Agent to the Owner at the Owner's address as it appears on the registration books maintained by the Paying Agent as of Record Date, or at such other address as the Owner may have filed with the Paying Agent for that purpose.

The principal of and interest and redemption premium, if any, on this Bond does not constitute a debt of the County, the State of California, or any of its political subdivisions other than the District, or any of the officers, agents and employees thereof, and neither the County, the State of California, any of its political subdivisions, nor any of the officers, agents and employees thereof shall be liable hereon. In no event shall the principal of and interest and redemption premium, if any, on this Bond be payable out of any funds or properties of the District other than *ad valorem* taxes levied upon all taxable property in the District.

The Bonds of this issue are issuable only as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. Any tax or governmental charges shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 20__ are subject to redemption prior to maturity as a whole, or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, at the option of the District, from any available source of funds, on August 1, 20__ and on any date thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, together with interest thereon to the date fixed for redemption, without premium.

[*If applicable:*] The Bonds maturing on August 1, 20__ (the "Term Bonds") are also subject to mandatory sinking fund redemption on or before August 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to 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 under 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, or on such other basis as designated pursuant to written notice filed by the District with the Paying Agent.

Sinking Fund
Redemption Date
(August 1)

Principal
Amount To Be
Redeemed

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

Notice of redemption shall be posted to a national information service that disseminates securities redemption notices and to the District and the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least 20 days, but not more than 60 days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so given shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Neither the District nor the Paying Agent will be required: (a) to issue or transfer any Bond during a period beginning with the opening of business on the 15th calendar day next preceding either any Interest Payment Date or any date of selection of any Bond to be redeemed and ending with the close of business on the Interest Payment Date or a day on which the applicable notice of redemption is given, or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

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

It is certified, recited and declared that all acts and conditions required by the Constitution and laws of the State of California to exist, to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and

CERTIFICATE OF AUTHENTICATION

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

Authentication Date:

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Paying Agent

Authorized Signatory

FORM OF ASSIGNMENT

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

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

the within Bond and do(es) hereby irrevocably constitute and appoint _____
_____, attorney, to transfer the same on the registration books of the Bond
Registrar, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an
eligible guarantor institution.

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

APPENDIX B

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE*

1. True Interest Cost of the Series A Bonds: 4.656114%
2. Finance charge of the Series A Bonds, being the sum of all fees and charges paid to third parties, consisting of costs of issuing the Series A Bonds in the amount of approximately \$150,000.00, plus \$32,233.67, for municipal bond insurance premium, plus estimated underwriter's compensation of \$37,500.
3. Proceeds of the Series A Bonds expected to be received by the District, net of proceeds for Costs of Issuance in (2) above to be paid from principal, capitalized interest and reserves (if any) from the principal amount of the Series A Bonds: \$7,500,000.
4. Total Payment Amount for the Series A Bonds, being the sum of all debt service to be paid on the Series A Bonds to final maturity: \$16,116,833.33.

**All amounts and percentages are estimates and are made in good faith by the District based on information available as of the date of adoption of this Resolution. Estimates include certain assumptions regarding interest rates available in the bond market and assume the issuance of Series A Bonds in a principal amount of \$7,500,000.*

\$ _____
HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
General Obligation Bonds,
Election of 2024, Series A

BOND PURCHASE AGREEMENT

_____, 2025

Board of Trustees
Hanford Elementary School District
714 N. White Street
Hanford, California 93230

Ladies and Gentlemen:

RBC Capital Markets, LLC, as underwriter (the "Underwriter"), acting on its own behalf and not as fiduciary or agent for the hereinafter defined District, offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the Hanford Elementary School District (the "District"), which, upon acceptance hereof by the District, will be binding upon the District and the Underwriter. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to the Underwriter at its office prior to 11:59 p.m., Pacific Time, on the date hereof.

1. **Purchase and Sale of the Bonds.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriter for such purpose, all of the above-captioned bonds (the "Bonds"). The Underwriter shall purchase the Bonds at a price of \$_____ (representing the principal amount of the Bonds of \$_____, plus [net] original issue premium of \$_____, less Underwriter's discount of \$_____).

The District acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the District and the Underwriter and that the Underwriter has financial and other interests that differ from those of the District, (ii) in connection with this transaction, the Underwriter is acting solely as a principal and is not acting as an agent, a municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), financial advisor or fiduciary to the District or any other person or entity, (iii) the Underwriter and has not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter, or any affiliate of the Underwriter, has provided other services or is currently providing other services to the District on other matters), (iv) the only obligations the Underwriter has to the District with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement, and (iv) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The District confirms that it has previously provided the

Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”).

2. **The Bonds.** The Bonds are issued under the provisions of a resolution adopted by the Board of Trustees of the District on April 9, 2025 (the “Bond Resolution”) and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 (the “Bond Law”), for the purpose of financing educational projects approved by voters at an election held on November 5, 2024, and as more particularly described in the Bond Resolution and the Preliminary Official Statement (as defined herein).

The Bonds shall be dated as of the Closing Date (defined below), and shall accrue interest at the rates, and shall mature in the years shown on Appendix A hereto, which is incorporated herein by this reference.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Bond Resolution. The Bonds shall be in book-entry form, shall bear CUSIP numbers, shall be in fully registered form initially, registered in the name of Cede & Co., as nominee of the Depository Trust Company (“DTC”).

3. **Redemption.** The Bonds shall be subject to redemption as provided in the Bond Resolution and as set forth on Appendix A herein.

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

5. **Public Offering of the Bonds.** The Underwriter agrees to make a bona fide public offering of the Bonds initially at the initial public offering prices or yields to be set forth on the inside cover page(s) of the Official Statement and Appendix A hereto. Subsequent to the initial public offering the Underwriter shall offer the Bonds in accordance with the requirements of Section 11. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

6. **Review of Official Statement.** The Underwriter hereby represents that it has received and reviewed a Preliminary Official Statement with respect to the Bonds, dated _____, 2025 (the “Preliminary Official Statement”). The District represents that the Preliminary Official Statement was “deemed final” as of the date thereof, for purposes of complying with Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission Rule (the “SEC”), except for either revisions or additions to the offering price(s), interest rate(s), yield(s), Underwriter's discount, aggregate principal amount, principal amount per maturity, delivery date, rating(s), redemption provisions and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule. The District hereby ratifies, confirms and approves of the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement.

The Underwriter agrees that prior to the time the final Official Statement (as defined herein) relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. The Preliminary Official Statement and the Official Statement may be delivered in

printed and/or electronic form to the extent permitted by applicable rules of the MSRB and as may be agreed to by the District and the Underwriter. The District confirms that it does not object to distribution of the Preliminary Official Statement or the Official Statement in electronic form. A copy of the Preliminary Official Statement shall be sent to a potential purchaser by first-class mail or electronically (or by other equally prompt means) not later than the first business day following the date upon which each such request is received. References herein to the Preliminary Official Statement and the final Official Statement include the cover page, inside cover page(s) and all appendices, exhibits, maps, reports, and statements included therein or attached thereto.

7. **Closing.** At 9:00 a.m., Pacific Time, on _____, 2025, or at such other time or on such other date as shall have been mutually agreed upon by the District and the Underwriter (such payment and delivery herein called the “Closing,” and the date thereof the “Closing Date”), the District will deliver to the Underwriter, through the facilities of DTC utilizing DTC’s FAST delivery system, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and at the offices of Jones Hall, A Professional Law Corporation, in San Francisco, California (“Bond Counsel”), the other documents hereinafter mentioned, and the Underwriter will accept such delivery and pay the purchase price thereof set forth in Section 1 in immediately available funds by check, draft or wire transfer to or upon the order of the District.

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, and will be on the Closing Date, a school district duly organized and validly existing under the laws of the State of California (the “State”), with the power to issue the Bonds pursuant to the Bond Law, to adopt the Bond Resolution and to enter into this Purchase Agreement and the Continuing Disclosure Certificate (as defined in paragraph (i) below).
- (b) Due Authorization. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to enter into this Purchase Agreement and the Continuing Disclosure Certificate, to adopt the Bond Resolution, to perform its obligations under each such document or instrument, and to carry out and effectuate the transactions contemplated by this Purchase Agreement, the Continuing Disclosure Certificate and the Bond Resolution; (iii) the execution and delivery or adoption of, and the performance by the District of the obligations contained in the Bonds, the Bond Resolution, the Continuing Disclosure Certificate and this Purchase Agreement have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Agreement and the Continuing Disclosure Certificate constitute valid and legally binding obligations of the District; and (v) the District has duly authorized the consummation by it of all transactions contemplated by the Bond Resolution, this Purchase Agreement and the Official Statement.
- (c) Consents. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the consummation of the other transactions effected or contemplated herein or hereby. The District gives no

representation or warranty with regard to compliance with Blue Sky or similar securities requirements.

- (d) Internal Revenue Code. The District has complied with the Internal Revenue Code of 1986, as amended, with respect to the Bonds, and the District shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income on the Bonds for federal income tax purposes, or the exemption from any applicable State tax of the interest on the Bonds.
- (e) No Conflicts; No Default. To the best knowledge of the District, the issuance of the Bonds, and the execution, delivery and performance of this Purchase Agreement, the Bond Resolution, the Continuing Disclosure Certificate and the Bonds, and the compliance with the provisions hereof and thereof, do not conflict with or constitute on the part of the District a violation of or material default under the Constitution of the State 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 material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is a party or by which it is bound or to which it is subject. The adoption of the Bond Resolution and compliance with the provisions on the District's part contained herein and therein, will not conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District is or to which any of its property or assets are otherwise subject nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Bond Resolution.
- (f) Litigation. As of the time of acceptance hereof no action, suit, proceeding, hearing or investigation is pending or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or of the title of the officials of the District to such offices; or (ii) seeking to restrain or enjoin the sale, issuance or delivery of the Bonds, the application of the proceeds of the sale of the Bonds (other than as described in the Preliminary Official Statement and Official Statement), or the collection or the levy of any taxes contemplated by the Bond Resolution and available to pay debt service on the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, this Purchase Agreement, the Continuing Disclosure Certificate or the Bond Resolution or contesting the powers of the District or the Bond Resolution or this Purchase Agreement; (iii) which affects the completeness or accuracy of the Preliminary Official Statement or the Official Statement; 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 Purchase Agreement or the Bond Resolution, (b) declare this 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 Bonds from gross income for federal income tax purposes and the exemption of interest paid on the Bonds from State personal income taxation.

- (g) No Other Debt. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the District will not have issued or caused to be issued any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Official Statement.
- (h) Certificates. Except as specifically provided, any certificates signed by any officer of the District and delivered to the Underwriter shall be deemed a representation and warranty by the District to the Underwriter, but not by the person signing the same, as to the statements made therein.
- (i) Continuing Disclosure. The District shall undertake, pursuant to the Bond Resolution, the Continuing Disclosure Certificate with respect to the Bonds in substantially the form attached as Appendix E of the Preliminary Official Statement (the "Continuing Disclosure Certificate") and the Rule, to provide certain annual financial information and notices of the occurrence of certain events described therein. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Based on a review of its previous undertakings, except as disclosed in the Preliminary Official Statement and the final Official Statement, the District has not, in the previous five years failed to comply in all material respects with its prior undertakings pursuant to the Rule.
- (j) Preliminary Official Statement and Official Statement Accurate and Complete. The Preliminary Official Statement, as of its date, did not and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the date hereof and on the Closing Date, the final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The District makes no representation or warranty as to the information contained in or omitted from the Preliminary Official Statement or the final Official Statement in reliance upon and in conformity with information furnished in writing to the District by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.
- (k) Financial Information. The financial statements of, and other financial information regarding the District contained in the Official Statement fairly present the financial position of the District as of the dates and for the periods therein set forth, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, (ii) the unaudited financial statements (if any) have been prepared on a basis substantially consistent with the audited financial statements included in the Official Statement and reflect all adjustments necessary to that affect, and (iii) the other financial information has been determined on a

basis substantially consistent with that of the District's audited financial statements included in the Official Statement.

- (l) No Financial Advisory Relationship. The District has had no financial advisory relationship with the Underwriter with respect to the Bonds, nor with any investment firm controlling, controlled by or under common control with the Underwriter.
- (m) Underwriter Not Acting as Fiduciary. Inasmuch as this purchase and sale represents a negotiated transaction, the District understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the District, but rather is acting solely in its capacity as Underwriter, for its own account.

9. **Underwriter Representations, Warranties and Agreements.** The Underwriter represents, warrants to and agrees with the District that, as of the date hereof and as of the Closing Date:

- (a) As of the date hereof and as of the Closing Date, it is and will be duly authorized to execute this Purchase Agreement and to take any action under this Purchase Agreement required to be taken by it.
- (b) The execution and delivery hereof and the consummation of the transactions contemplated hereby does not and will not violate any of the prohibitions set forth in Rule G-37 promulgated by the MSRB;
- (c) All reports required to be submitted to the MSRB pursuant to Rule G-37 with respect to the transaction contemplated hereby have been or will be submitted to the MSRB; and
- (c) It has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm, or person (including, but not limited to the District's municipal advisor, or any officer, agent or employee thereof), other than a bona fide officer, agent or employee working for the Underwriter or counsel to the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Agreement.

10. **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, and at the expense of, the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;
- (b) Official Statement. The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the 7th business day following the date this Purchase Agreement is signed and in any event in sufficient time to

accompany customer confirmation requesting payment, 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 (the "Official Statement") (i) in "designated electronic format" as defined in Rule G-32 of the Municipal Securities Rulemaking Board, and (ii) in printed format in such reasonable quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB. The District hereby authorizes the Underwriter to use and distribute the Official Statement in connection with the offering and sale of the Bonds;

- (c) Subsequent Events; Amendments to Official Statement. If, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds (determined pursuant to Section 17), an event occurs which would cause the information contained in a final Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading, the District will notify the Underwriter, and, if in the opinion of the District or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the District will forthwith prepare and furnish to the Underwriter (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 prospective purchasers, not misleading. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the District will furnish such information with respect to itself as the Underwriter may from time to time reasonably request;
- (d) Levy of Tax. The District hereby agrees to take any and all actions as may be required by Kings County (the "County") or otherwise necessary in order to arrange for the levy and collection of *ad valorem* taxes and payment of the Bonds. In particular, the District hereby agrees to provide to the Treasurer-Tax Collector for the County, which is the county with jurisdiction over the District, a copy of the Bond Resolution, a copy of Appendix A hereto, and the full debt service schedule for the Bonds, in accordance with California Education Code Sections 15250 et seq., California Government Code Section 53559 and policies and procedures of the County.
- (e) Application of Proceeds. The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Bond Resolution and as described in the Official Statement; and
- (f) Filings. The District authorizes the Underwriter to file, to the extent required by the applicable rules promulgated by the SEC or the MSRB, and the Underwriter agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including the MSRB's Electronic Municipal Market

Access system); or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filing referred to above). If an amended Official Statement is prepared in accordance with Section 10(c) of this Purchase Agreement during the “Primary Offering Disclosure Period” (as defined herein), and if required by an applicable SEC rule or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The “Primary Offering Disclosure Period” is used as defined in MSRB Rule G-32 and shall end on the twenty-fifth day after the Closing Date.

11. Establishment of Issue Price.

- (a) Actions to Establish Price. The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as 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 Bonds. As applicable, all actions to be taken by the District under this Section 11 to establish the issue price of the Bonds may be taken on behalf of the District by the District’s municipal advisor and any notice or report to be provided to the District may be provided to the District’s municipal advisor.
- (b) 10% Test. Except for the maturities (if any) identified in Appendix A for which the Hold-The-Offering-Price Rule described in (c) below shall apply, the District will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.
- (c) Hold-The-Offering-Price Rule. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Appendix A, except as otherwise set forth therein. Appendix A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as

the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

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

(d) Selling Group or Third-Party Distribution Agreements. The Underwriter confirms that:

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

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

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

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

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to

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

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

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

- (i) “public” means any person other than an underwriter or a related party,
- (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 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships

(including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

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

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

- (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 Purchase Agreement;
- (b) Obligations Performed. At the time of the Closing, (i) the Official Statement, this Purchase Agreement, the Continuing Disclosure Certificate and the Bond Resolution shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by us; (ii) all actions under the Bond Law which, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; and (iii) the District shall perform or have performed all of its obligations required under or specified in the Bond Resolution, this 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 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 8(f) hereof or contesting in any way the completeness or accuracy of the Official Statement;
- (d) Marketability. The market price or marketability or the ability of the Underwriter to enforce contracts for the sale of the Bonds, at the initial offering price, shall not have been materially adversely affected, in the judgment of the Underwriter, 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 (by press release, other form of notice or otherwise), or of the Treasury Department of the

United States or the Internal Revenue Service or any member of the Congress or the State legislature or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States or of the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) press release, official statement or other form of notice issued or made:

- (i) by or on behalf of the United States Treasury Department or by or on behalf of the Internal Revenue Service or other governmental agency, with the purpose or effect, directly or indirectly, of causing inclusion in gross income for purposes of federal income taxation or State income taxation of the interest received by the owners of the Bonds; or
 - (ii) by or on behalf of the SEC, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended or that the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;
- (2) legislation enacted by the State legislature 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 Bonds in the hands of the holders thereof;
 - (3) the declaration of war or engagement in or material escalation of major military hostilities by the United States or the occurrence or material escalation of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;
 - (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 or fixing of minimum or maximum prices for trading or maximum ranges for prices on any national security exchange, whether by virtue of a determination of that exchange or by order of the SEC or any other governmental authority having jurisdiction or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;
 - (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 Bonds, or obligations of the general character of the Bonds, or securities generally, or the

material increase of any such restrictions now in force including those relating to the extension of credit by or the charge to the net capital requirements of the Underwriter;

- (6) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the SEC, or any other governmental agency issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;
- (7) the suspension, withdrawal, suspension or downgrading or negative change in credit status, or notice of potential withdrawal, suspension or downgrading or negative change in credit status, of any underlying rating of the District's outstanding indebtedness by a national rating agency;
- (8) any event occurring, or information becoming known which 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;
- (9) any fact or event shall exist or have existed that, in the Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement;
- (10) any state Blue Sky or securities commission, or other governmental agency or body, shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;
- (11) any amendment shall have been made to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon) or the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds;
- (12) any proceeding shall have been commenced or be threatened in writing by the SEC against the District;
- (13) the occurrence, since the date hereof, of any materially adverse change in the affairs or financial condition of the District;
- (14) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

- (15) 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, the Underwriter shall receive copies of the following documents, in each case dated as of the Closing Date and satisfactory in form and substance to the Underwriter:
- (1) Bond Opinion and Reliance Letter An approving opinion of Bond Counsel, as to the validity of the Bonds and, if applicable, the tax-exempt status of the Bonds, dated the date of the Closing, addressed to the District and in substantially the form attached as Appendix D to the Official Statement, and one or more reliance letters from Bond Counsel, addressed to the Underwriter, to the effect that the Underwriter may rely upon such approving opinion;
 - (2) Supplemental Opinion. A supplemental opinion of Bond Counsel in form and substance satisfactory to the Underwriter, dated the Closing Date and addressed to the Underwriter, to the effect that:
 - (i) the description of the Bonds and the security for the Bonds and statements in the Official Statements on the cover page thereof and under the captions "INTRODUCTION," "THE BONDS," "SECURITY FOR THE BONDS", "TAX MATTERS" and "CONTINUING DISCLOSURE" to the extent they purport to summarize certain provisions of the Bond Resolution, the Continuing Disclosure Certificate, California law or federal law, fairly and accurately summarize the matters purported to be summarized therein; provided that Bond Counsel need not express any opinion with respect to any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, or information relating to DTC or its book-entry only system included therein, or with respect to Appendices A, B, C, F, and G to the Official Statement;
 - (ii) assuming due authorization, execution and delivery by the parties to this Purchase Agreement other than the District, this Purchase Agreement, the Continuing Disclosure Certificate and the approval of the Official Statement have been duly authorized, executed and delivered by the respective parties thereto and constitute legal, valid and binding agreements of the District and are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought and by the limitations on legal remedies against public agencies in the State of California; and

- (iii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Bond Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.
- (3) Disclosure Counsel Letter. A letter of Jones Hall, A Professional Law Corporation, Disclosure Counsel, dated the Closing Date and addressed to the District, to the effect that, without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the District, the Underwriter and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need be expressed as to any financial or statistical data, or information concerning DTC and the book-entry only system, contained in the Official Statement);
- (4) Certificates of the District. A certificate or certificates signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Agreement, the Continuing Disclosure Certificate and the approval of the Official Statement, (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 Bond Resolution, the Continuing Disclosure Certificate and this Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (iv) such official has reviewed the Preliminary Official Statement and the final Official Statement and on such basis certifies that the Preliminary Official Statement did not as of its date, and the final Official Statement does not as of its date and as of the Closing Date, contain any untrue statement of a material fact, nor omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (v) the Bonds being delivered on the Closing Date to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the Bond Resolution, (vi) no further consent is required for inclusion of the audit included as an appendix to the Official Statement, (vii) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to his or her knowledge, threatened against the District contesting in any way the completeness or accuracy of the Official Statement, the issuance of the Bonds by the District or the due adoption of the Bond Resolution; and (viii) no event concerning the District has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement thereto, but should have been

disclosed in order to make statements in the Official Statement in light of the circumstances under which they were made not misleading, (vii) no further consent is required for inclusion of the audited financial statements of the District in the Preliminary Official Statement and the Official Statement and (viii) the Bond Resolution was duly adopted and has not been modified, amended, rescinded or revoked and is in full force and effect on the Closing Date;

- (5) Tax Certificate. A non-arbitrage certificate of the District with respect to the Bonds, as appropriate, in form satisfactory to Bond Counsel;
- (6) Bond Resolution. A fully executed copy of the Bond Resolution;
- (7) Official Statement. A certificate of the appropriate officials of the District evidencing their determinations respecting the Preliminary Official Statement in accordance with the Rule;
- (8) Continuing Disclosure Certificate. The Continuing Disclosure Certificate, duly executed by the District;
- (9) Paying Agent Certificate. A written certificate of U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"), executed by a duly authorized representative of the Paying Agent, dated the Closing Date, to the effect that the Paying Agent is validly existing under the laws of the State, and has full power to enter into, accept and perform its duties under the Bond Resolution, together with a paying agent agreement entered into between the District and the Paying Agent;
- (10) Tax Rate and Bonding Capacity Certificates. Certificates signed by a District official confirming that the District is in compliance with applicable tax rate and bonding capacity limitations;
- (11) Underwriter Certificates. The following certificates from the Underwriter to the District:
 - (i) the receipt of the Underwriter, in form satisfactory to the District and signed by an authorized officer of the Underwriter, accepting delivery of the Bonds to the Underwriter and receipt of all documents required by the Underwriter, and the satisfaction or waiver of all conditions and terms of this Purchase Agreement by the Districts,
 - (ii) the certification of the Underwriter regarding the prices at which the Bonds have been reoffered to the public, in form satisfactory to Bond Counsel, as described in Section 11 of this Purchase Agreement
- (12) Rating. Evidence that the Bonds have been assigned the rating set forth on the cover page of the Official Statement, and that such rating has not been withdrawn or downgraded; and

- (13) Underwriter's Counsel Opinion. An opinion of _____, as counsel to the Underwriter, dated the date of the Closing Date and addressed to the Underwriter, in form and substance acceptable to the Underwriter; and
- (14) Other Documents. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance (i) by the District with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, (iii) the truth and accuracy, as of the time of Closing, of the Official Statement and (iv) the due performance or satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the District.
- (f) Termination. Notwithstanding anything to the contrary herein contained, if for any reason whatsoever the Bonds shall not have been delivered by the District to the Underwriter prior to the close of business, Pacific Time, on the Closing Date, then the obligation to purchase Bonds hereunder shall terminate and be of no further force or effect.

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

13. **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 the opinions and certificates being delivered at the Closing by persons and entities other than the District.

14. **Costs and Expenses.** The District shall pay or cause to be paid the expenses incident to the performance of the obligations of the District hereunder from bond proceeds, which shall be deposited with a costs of issuance custodian identified by the District to the Underwriter, including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of all documentation relating to the issuance of the Bonds and the cost of preparing, printing, issuing and delivering the definitive Bonds, (b) the fees and disbursements of any legal counsel, accountants, advisors, rating agencies, (including all necessary travel expenses of any District personnel), paying agents, or other experts or consultants retained by the District, including Bond Counsel and Disclosure Counsel, and (c) the cost of printing of the Preliminary Official Statement and any supplements and amendments thereto and the cost of printing of the Official Statement, including the requisite number of copies thereof for distribution by the Underwriter. In the event that the District's expenses incident to the issuance of the Bonds exceed proceeds available for such purpose, the District shall pay such amount from any other lawfully available source.

On the Closing Date, the Underwriter will wire \$_____ of the purchase price of the Bonds directly to a costs of issuance custodian identified by the District. The Underwriter shall

pay, and the District shall be under no obligation to pay, all expenses incurred by it in connection with the public offering and distribution of the Bonds, including but not limited to the fees of counsel to the Underwriter, CUSIP fees and California Debt Advisory and Investment Commission fees.

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

15. **Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Superintendent (or Superintendent's designee), at the address set forth on page 1 hereof, or if to the Underwriter as follows:

RBC Capital Markets, LLC
Two Embarcadero Center, Suite 1200
San Francisco, CA 94111
Attention: Katherine Jacobson, Managing Director

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

17. **Determination of End of the Underwriting Period.** For purposes of this Purchase Agreement, the "end of the underwriting period" for the Bonds is used as defined in the Rule, and shall occur on the later of (a) the day of the Closing, or (b) the date on which the Underwriter no longer retains an unsold balance of the Bonds. Unless otherwise advised in writing by the Underwriter on or prior to the Closing Date, or otherwise agreed to by the District, the District may assume that the "end of the underwriting period" is the Closing Date.

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

19. **Nonassignment.** Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of the other party hereto.

20. **Entire Agreement.** This Purchase Agreement, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto (including their permitted successors and assigns, respectively).

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

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

Very truly yours,

RBC CAPITAL MARKETS, LLC

By: _____
Managing Director

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

HANFORD ELEMENTARY SCHOOL DISTRICT

By: _____
Chief Business Official

Time of Execution: _____ p.m. Pacific Time

APPENDIX A

Maturity Schedule

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price	10% Test Used	Hold the Offering Price Used
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Redemption Provisions

Optional Redemption. The Bonds maturing on or before August 1, 20__, are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 20__, are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20__, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Whenever less than all of the outstanding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent or as otherwise directed by the District. For the purpose of selection for optional redemption, Bonds will be deemed to consist of \$5,000 portions (principal amount), and any such portion may be separately redeemed. The Bonds may all be separately redeemed.

Mandatory Sinking Fund Redemption. The Bonds maturing on August 1, 20__ (the “**Term Bonds**”), are subject to mandatory sinking fund redemption on August 1 of each year, in accordance with the schedule set forth below. The Term Bonds so called for mandatory sinking fund redemption will be redeemed in the sinking fund payments amounts and on the dates set forth below, without premium, together with interest accrued thereon to the date fixed for redemption.

\$_____ **Principal Amount Term Bonds Maturing August 1, 20__**

Redemption Date (August 1)	Sinking Fund Redemption
-------------------------------	----------------------------

If any Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

APPENDIX B

FORM OF ISSUE PRICE CERTIFICATE

\$ _____
HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
General Obligation Bonds,
Election of 2024, Series A

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of RBC Capital Markets, LLC (“RBC”), hereby certifies based upon information available to it 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 of the Bonds was sold to the Public is the respective price listed in Schedule A.

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

(a) RBC offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement dated _____, 2025, between the Hanford Elementary School District (the “District”) and the Underwriter, RBC has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any 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 third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) “General Rule Maturities” means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) “Hold-the-Offering-Price Maturities” means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) “Holding Period” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which RBC has sold at least 10% of such Hold-the-Offering-

Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) “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.

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

(h) “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 _____, 2025.

(i) “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 third-party 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. 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 Certificate of Arbitrage and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

RBC CAPITAL MARKETS, LLC,
as Underwriter

By: _____
Managing Director

NEW ISSUE - FULL BOOK-ENTRY
BANK QUALIFIED

RATING: S&P: "___"
See "RATING" herein.

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. The Bonds are "qualified tax-exempt obligations" within the meaning of section 265(b)(3) of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

\$7,500,000*
HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
General Obligation Bonds,
Election of 2024, Series A
(Bank Qualified)

Dated: Date of Delivery

Due: August 1, as shown on inside front cover

Authority and Purpose. The above-captioned General Obligation Bonds, Election of 2024, Series A (the "Bonds") are being issued by the Hanford Elementary School District (the "District") pursuant to certain provisions of the California Government Code and a resolution of the Board of Trustees of the District adopted on April 9, 2025. The Bonds were authorized at an election of the registered voters of the District held on November 5, 2024, which authorized the issuance of \$23,000,000 principal amount of general obligation bonds for the purpose of financing the renovation, construction and improvement of school facilities. The Bonds are the first series of bonds to be issued under the 2024 Authorization (as defined herein). See "THE BONDS – Authority for Issuance" and "- Purpose of Issue" herein.

Security. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by Kings County (the "County"). The County is empowered and obligated to annually levy *ad valorem* property taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates). The District has other series of general obligation bonds outstanding. See "SECURITY FOR THE BONDS."

Book-Entry Only. 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 of The Depository Trust Company ("DTC"), New York, New York. Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS" and APPENDIX F.

Payments. The Bonds are dated the date of delivery set forth below and accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing August 1, 2025. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, the designated paying agent, registrar and transfer agent, to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS - Description of the Bonds."

Redemption.* The Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Redemption."

Bond Insurance. The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds, and will decide prior to the sale of the Bonds whether to purchase such insurance.

MATURITY SCHEDULE
(See inside cover)

Cover Page. This cover page contains certain information for general reference only. It is not a summary of all provisions of the Bonds. Prospective investors 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 accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the District. _____, _____, _____ is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC, on or about June 5, 2025.*



The date of this Official Statement is _____, 2025.

*Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

MATURITY SCHEDULE*

HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
General Obligation Bonds,
Election of 2024, Series A
(Bank Qualified)

Base CUSIP†: _____

\$ _____ Serial Bonds

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
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\$ _____ % Term Bonds maturing August 1, 20__; Yield: __%; Price: __;
CUSIP†: __

**Preliminary; subject to change.*

†CUSIP Global Services, and a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by FactSet Research Systems Inc. Neither the District nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.

HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)

BOARD OF TRUSTEES

Robert "Bobby" Garcia, *President*
Jeff Garner, *Vice President*
Lupe Hernandez, *Clerk*
Tim Revious, *Member*
Greg Strickland, *Member*

DISTRICT ADMINISTRATION

Joy Gabler, *Superintendent*
David Endo, *Chief Business Official*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

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

BOND AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT

U.S. Bank Trust Company, National Association,
Denver, Colorado

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

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

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

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

Estimates and Forecasts. 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 or any other entity described or referenced herein, 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. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the District or any other entity described or referenced herein since the date hereof.

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 pursuant to 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.

Stabilization of and Changes to Offering Prices. The Underwriter may over allot or take other steps that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

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

No Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, 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.

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 County, the other parties described in this Official Statement, or the condition of the property within the District since the date of this Official Statement.

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

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\$7,500,000*
HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
General Obligation Bonds,
Election of 2024, Series A
(Bank Qualified)

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the general obligation bonds captioned above (the “**Bonds**”) by Hanford Elementary School District (the “**District**”).

INTRODUCTION

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

The District. The District, located in Kings County (the “**County**”), in the State of California (the “**State**”), encompasses an area of approximately 13 square miles in the City of Hanford. The District serves students from transitional kindergarten through grade eight, and operates nine elementary schools and two junior high schools. Enrollment in the District is approximately ____ students in fiscal year 2024-25.

For more information regarding the District and its finances, see APPENDIX A and APPENDIX B attached hereto. See APPENDIX C hereto for demographic and other statistical information regarding the City of Hanford and the County.

Purpose of Issue. The net proceeds of the Bonds will be used to finance construction of and improvements to facilities of the District, as approved by voters in the District at an election held on November 5, 2024 (the “**Bond Election**”). See “THE BONDS - Purpose of Issue” herein.

Authority for Issuance of the Bonds. Issuance of the Bonds was approved by more than the requisite 55% of the voters of the District voting at the Bond Election to authorize \$23,000,000 of general obligation bonds, and will be issued pursuant to certain provisions of the California Government Code and a resolution adopted by the Board of Trustees of the District on April 9, 2025 (the “**Bond Resolution**”). See “THE BONDS – Authority for Issuance” herein.

Description of the Bonds. The Bonds will be issued as current interest bonds, will be dated their date of delivery (the “**Dated Date**”) and will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple thereof. The Bonds will mature on August 1 in the years indicated on the inside cover page hereof. The Bonds will accrue interest from the Dated Date, which is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2025. See “THE BONDS – Description of the Bonds” herein.

^{*} Preliminary; subject to change.

Payment and Registration of the Bonds. The Bonds will be issued in fully registered form only, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to actual purchasers of the Bonds (the “Beneficial Owners”) in the denominations set forth on the cover page hereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through participants in DTC’s book-entry only system (“DTC Participants”) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See APPENDIX F.

If the book-entry-only system described below is no longer used with respect to the Bonds, the Bonds will be registered in accordance with the Bond Resolution. See “THE BONDS - Registration, Transfer and Exchange of Bonds” herein.

Security and Sources of Payment for the Bonds. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property located in the District and collected by the County. The County is empowered and obligated to annually levy *ad valorem* property taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except with respect to certain personal property which is taxable at limited rates). See “SECURITY FOR THE BONDS.”

Following the issuance of the Bonds, there will be \$15,500,000* unissued authorization remaining under the 2024 Authorization (as defined herein). See “FINANCIAL INFORMATION - Existing Debt Obligations” in APPENDIX A.

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

Legal Matters. Issuance of the Bonds is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, will serve as Disclosure Counsel to the District. _____, _____, _____ is serving as counsel to the Underwriter. Payment of the fees of Bond Counsel, Disclosure Counsel, and Underwriter’s counsel is contingent upon issuance of the Bonds.

Bond Insurance. The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds and, if a commitment is issued to insure the Bonds, will determine prior to the sale of the Bonds whether to obtain such insurance. See “BOND INSURANCE.”

Tax Matters; Bank Qualified. In the opinion of Bond Counsel, interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. The District has designated the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986. Such section provides an exception to the prohibition against the ability of a “financial institution” (as defined in the Internal Revenue Code of 1986) to deduct its interest expense allocable to tax-exempt interest. See “TAX MATTERS” and Appendix D hereto for the form of Bond Counsel’s opinion to be delivered concurrently with the Bonds.

* Preliminary; subject to change.

Continuing Disclosure. The District has covenanted and agreed that it will comply with and carry out all of the provisions of a continuing disclosure certificate (the “**Continuing Disclosure Certificate**”), the form of which is attached as APPENDIX E. See “CONTINUING DISCLOSURE” for additional information.

Cyber Risks. The District, like other governmental and business entities, faces significant risks relating to the use and application of computer software and hardware for educational, operational and management purposes. The District collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, vendors and contractors. As the custodian of such information, the District may face cybersecurity threats, attacks or incidents from time to time. No assurance can be given that future cyber threats or attacks against the District or third-party entities or service providers will not directly or indirectly impact the District or the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the District’s continuing disclosure undertakings, described in more detail herein. See APPENDIX A “FINANCIAL INFORMATION – Disclaimer Regarding Cyber Risks.”

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement are available from the District, which may impose a charge for copying, mailing and handling.

THE BONDS

Authority for Issuance

The Bonds will be issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 thereof, and the Bond Resolution. The District received authorization by more than the requisite 55% of District voters at the Bond Election to issue general obligation bonds in a principal amount of \$23,000,000 (the “**2024 Authorization**”).

The Bonds are the first series of bonds issued pursuant to the 2024 Authorization. Following the issuance of the Bonds, there will be \$15,500,000* unissued authorization remaining under the 2024 Authorization.

Purpose of Issue

Proceeds of the Bonds will be used for the purposes specified in the ballot measure approved by voters in the District on November 5, 2024, the abbreviated text of which appeared on the ballot as follows:

“To repair and upgrade aging elementary and middle school facilities, make health, safety and security improvements, modernize outdated school facilities, and replace temporary portables with permanent classrooms, shall the Hanford Elementary School District measure authorizing \$23,000,000 in bonds, at legal interest rates be adopted, levying on average \$18.12 per \$100,000 assessed value (generating approximately \$1,400,000 annually), while bonds are outstanding, requiring independent audits, citizens’ oversight no money for administrators, and all funds for local schools?”

In addition to the abbreviated statement of the ballot measure, as part of the sample ballot materials, in accordance with the requirements of California law, District voters were presented with the full text of the ballot measure, which, among other items, included a project list identifying to District voters the types of projects eligible for funding from proceeds of bonds approved at the Bond Election (the “**Project List**”). The District makes no representation as to the specific application of the proceeds of the Bonds, the completion of any projects listed on the Project List, or whether bonds authorized by the 2024 Authorization will provide sufficient funds to complete any particular project listed in the Project List.

Description of the Bonds

The Bonds are being issued as current interest bonds. The Bonds mature in the years and in the amounts set forth on the inside cover page hereof. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. See “Book-Entry Only System” and APPENDIX F.

The Bonds shall be issued in the denominations of \$5,000 principal amount each or any integral multiple thereof. Interest on the Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2025 (each, an “**Interest Payment Date**”). Each Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication

* Preliminary; subject to change.

thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to July 15, 2025, in which event it will bear interest from the date of delivery of the Bonds identified on the cover page hereof. Notwithstanding the foregoing, if interest on any Bond is in default at the time of authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Bonds will be paid by U.S. Bank Trust Company, National Association, as the designated paying agent, registrar and transfer agent (the “**Paying Agent**”) to DTC for subsequent disbursement to DTC Participants who will remit such payments to the Beneficial Owners of the Bonds.

Book-Entry Only System

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 of DTC. Purchasers of the Bonds will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

As long as DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or any other action premised on such notice. See APPENDIX F.

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

Redemption*

Optional Redemption. The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to maturity. The Bonds maturing on or after August 1, 20__ are subject to redemption prior to maturity, at the option of the District, in whole or in part among maturities on such basis as shall be designated by the District and by lot within a maturity, from any available source of funds, on August 1, 20__, or on any date thereafter, at a price equal to 100% of the principal amount thereof, without premium, together with accrued interest thereon to the redemption date.

Whenever less than all of the outstanding Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent or as otherwise directed by the District. For the purpose of selection for optional redemption, Bonds will be deemed to consist of \$5,000 portions (principal amount), and any such portion may be separately redeemed. The Bonds may all be separately redeemed.

** Preliminary; subject to change.*

Mandatory Sinking Fund Redemption. The Bonds maturing on August 1, 20__ (the “**Term Bonds**”), are subject to mandatory sinking fund redemption on August 1 of each year in accordance with the schedule set forth below. The Term Bonds so called for mandatory sinking fund redemption will be redeemed in the sinking fund payments amounts and on the dates set forth below, without premium, together with interest accrued thereon to the date fixed for redemption.

Term Bonds Maturing August 1, 20__

Redemption Date (August 1)	Sinking Fund Redemption
-------------------------------	----------------------------

If any Term Bonds are redeemed pursuant to optional redemption, the total amount of all future sinking fund payments with respect to such Term Bonds shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such payments on a pro rata basis in integral multiples of \$5,000 principal amount (or on such other basis as the District may determine) as set forth in written notice given by the District to the Paying Agent.

Notice of Redemption

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the District to be mailed, first class, postage prepaid, at least 20 but not more than 60 days prior to the date fixed for redemption, to the owners of the Bonds designated for redemption. 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, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable. Such notice may be a conditional notice of redemption and subject to rescission as set forth below.

Neither the failure to receive or failure to send any notice of redemption nor any defect in any such redemption notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds.

Partial Redemption of Bonds

Upon surrender of Bonds redeemed in part only, the District will execute and the Paying Agent will authenticate and deliver to the owner, at the expense of the District, a new Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

Effect of Redemption

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Bond Resolution, other than the right to receive payment of the

redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Right to Rescind Notice of Redemption

The District has the right to rescind any notice of the optional redemption of Bonds by written notice to the Paying Agent on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption. The District and the Paying Agent have no liability to the Bond owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Bond Resolution.

Registration, Transfer and Exchange of Bonds

If the book-entry system is discontinued, the District shall cause the Paying Agent to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds.

If the book-entry system is discontinued, the person in whose name a Bond is registered on the Bond registration books shall be regarded as the absolute owner of that Bond. Payment of the principal of and interest on any Bond shall be made only to or upon the order of that person; neither the District, the County nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in the Bond Resolution.

Bonds may be exchanged at the principal corporate trust office of the Paying Agent in Denver, Colorado for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. Any Bond may, in accordance with its terms, but only if (i) the District determines to no longer maintain the book-entry only status of the Bonds, (ii) DTC determines to discontinue providing such services and no successor securities depository is named or (iii) DTC requests the District to deliver Bond certificates to particular DTC Participants, be transferred, upon the books required to be kept pursuant to the provisions of the Bond Resolution, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

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

Defeasance and Discharge of Bonds

The Bonds may be paid by the District, in whole or in part, in any one or more of the following ways:

- (a) by paying or causing to be paid the principal or redemption price of and interest on such Bonds, as and when the same become due and payable;
- (b) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Bond Resolution) to pay or redeem such Bonds; or

- (c) by delivering such Bonds to the Paying Agent for cancellation by it.

Whenever in the Bond Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may be held by the Paying Agent or by any other fiduciary. Such money or securities may include money or securities held by the Paying Agent in the funds and accounts established under the Bond Resolution and will 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 is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is 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 is given as provided in the Bond Resolution or provision satisfactory to the Paying Agent is made for the giving of such notice.

Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as described above) to pay or redeem any outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), then all liability of the County and the District in respect of such Bond will cease and be completely discharged, except only that thereafter the owner thereof will be entitled only to payment of the principal of and interest on such Bond by the District, and the District will remain liable for such payment, but only out of such money or securities deposited with the Paying Agent for such payment.

“Federal Securities,” as defined in the Bond Resolution, means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

DEBT SERVICE SCHEDULES

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

Hanford Elementary School District General Obligation Bonds, Election of 2024, Series A Debt Service Schedule

Bond Year Ending (August 1)	Principal	Interest	Total Annual Debt Service
TOTAL			

Combined General Obligation Bonds. The following table shows the combined annual debt service schedule with respect to all outstanding general obligation bonds of the District secured by *ad valorem* property taxes, assuming no optional redemptions. See APPENDIX A – “FINANCIAL INFORMATION – Existing Debt Obligations” for additional information.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Combined General Obligation Bond Debt Service Schedule**

Period Ending Aug. 1	Election of 2016, Series A	Election of 2016, Series B	Election of 2016, Series C	The Bonds	Total
2025	\$408,100.00	\$290,556.26	\$346,618.76		
2026	419,500.00	290,556.26	372,218.76		
2027	434,250.00	290,556.26	391,618.76		
2028	448,000.00	290,556.26	415,018.76		
2029	465,750.00	290,556.26	432,218.76		
2030	477,250.00	360,556.26	388,418.76		
2031	492,750.00	372,056.26	401,018.76		
2032	511,300.00	382,806.26	417,818.76		
2033	524,100.00	397,806.26	428,618.76		
2034	540,975.00	411,806.26	443,618.76		
2035	557,068.76	422,606.26	462,618.76		
2036	576,993.76	432,956.26	480,418.76		
2037	598,393.76	447,856.26	492,018.76		
2038	621,206.26	456,918.76	507,618.76		
2039	642,368.76	470,512.50	527,018.76		
2040	662,350.00	482,918.76	545,018.76		
2041	686,150.00	499,650.00	561,618.76		
2042	712,950.00	505,537.50	584,862.50		
2043	733,175.00	525,918.76	602,275.00		
2044	757,000.00	545,287.50	618,975.00		
2045	789,500.00	552,175.00	644,962.50		
2046	813,750.00	572,750.00	--		
2047	--	1,431,225.00	--		
2048	--	1,473,500.00	--		
TOTAL	\$12,872,881.30	\$12,197,625.16	\$10,064,593.92		

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds are as follows:

Sources of Funds

Principal Amount of Bonds

[Net] Original Issue [Premium]/[Discount]

Total Sources

Uses of Funds

Building Fund

Debt Service Fund

Costs of Issuance⁽¹⁾

Total Uses

(1) All estimated costs of issuance including, but not limited to, Underwriter's discount, printing costs, and fees of Bond Counsel, Disclosure Counsel, the Municipal Advisor, the Paying Agent, the Policy premium (if any) and the rating agency.

SECURITY FOR THE BONDS

Ad Valorem Taxes

Bonds Payable from Ad Valorem Property Taxes. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* property taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates).

Other Debt Payable from Ad Valorem Property Taxes. In addition to the Bonds, there is other debt issued by the District and other entities with jurisdiction in the District, which is payable from *ad valorem* property taxes levied on all property in the District. See “PROPERTY TAXATION – Tax Rates” and “- Direct and Overlapping Debt” below.

Levy, Collection and Pledge of Taxes. The County will levy and collect such *ad valorem* property taxes in such amounts and at such times as is necessary to ensure the timely payment of debt service. Such taxes, when collected, will be deposited into a debt service fund for the Bonds, which is held by the County and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due.

District property taxes are assessed and collected by the County in the same manner and at the same time, and in the same installments as other *ad valorem* taxes on real property, and will have the same priority, become delinquent at the same times and in the same proportionate amounts, and bear the same proportionate penalties and interest after delinquency, as do the other *ad valorem* taxes on real property.

Statutory Lien on Ad Valorem Tax Revenues. Under California law, voter-approved general obligation bonds which are secured by *ad valorem* property tax collections, including 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 attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is 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 further act.

Annual Tax Rates. The amount of the annual *ad valorem* property tax levied by the County to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds. 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.

Natural Disasters. Economic and other factors beyond the District’s control, such as economic recession, deflation of property values, pandemics, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire, drought, climate change or other natural disaster, could cause a reduction in the assessed value within the District and necessitate a corresponding increase in the annual tax rate. See “PROPERTY TAXATION – Assessed Valuations – Factors Relating to Increases/Decreases in Assessed Value.”

Building Fund

Proceeds from the sale of the Bonds, to the extent of the principal amount thereof, will be paid to the County to the credit of the fund created and established in the Bond Resolution and known as the “Election of 2024, Series A Building Fund” (the “**Building Fund**”), which will be accounted for as separate and distinct from all other District and County funds. The proceeds will be used solely for the purposes for which the Bonds are being issued and for payment of permissible costs of issuance. Any excess proceeds of the Bonds not needed for the authorized purposes for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of principal of and interest on the Bonds. If, after payment in full of the Bonds, there remains excess proceeds, any such excess amounts shall be transferred to the general fund of the District. Interest earnings on the investment of monies held in the Building Fund will be retained in the Building Fund.

Debt Service Fund

Amounts to pay debt service on the Bonds will be held in the fund created and established in the Bond Resolution and known as the “Election of 2024, Series A Debt Service Fund” (the “**Debt Service Fund**”) for the Bonds, which will be established as a separate fund to be maintained distinct from all other funds of the District and the County. All taxes levied by the County for the payment of the principal of and interest on the Bonds will be deposited in the Debt Service Fund by the County promptly upon the receipt. The Debt Service Fund is pledged for the payment of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The County will transfer amounts in the Debt Service Fund to the Paying Agent to the extent necessary to pay the principal of and interest on the Bonds as the same becomes due and payable.

If, after payment in full of the Bonds, any amounts remain on deposit in the Debt Service Fund, the County shall transfer such amounts to the District’s general fund, to be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law.

Not a County Obligation

The Bonds are payable solely from the proceeds of an *ad valorem* property tax levied and collected by the County, for the payment of principal and interest on the Bonds. Although the County is obligated to collect the *ad valorem* property tax for the payment of the Bonds, the Bonds are not a debt of the County.

PROPERTY TAXATION

Property Tax Collection Procedures

In California, property subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The “secured roll” is that part of the assessment roll containing state assessed public utilities’ property and real property, the taxes on which create a lien on such property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county in which the property is located.

Property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. However, Senate Bill 813 (enacted by Statutes of 1983, Chapter 498) (“**SB 813**”), provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB 813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A 10% penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder’s office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes for the amount of taxes which are delinquent.

Taxation of State-Assessed Utility Property

The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization (“**SBE**”) and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as “unitary

property”, a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuation

The assessed valuation of property in the District is established by the assessor of the County, except for public utility property which is assessed by the SBE, as described above. Assessed valuations are reported at 100% of the “full value” of the property, as defined in Article XIII A of the California Constitution. For a discussion of how properties currently are assessed, see APPENDIX A under the heading “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS.”

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

Assessed Valuation History. The table below shows a history of the District’s assessed valuation.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Assessed Valuation
Fiscal Years 2015-16 through 2024-25**

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2015-16	\$2,315,118,919	\$738,913	\$112,625,848	\$2,428,483,680	--%
2016-17	2,430,625,907	738,913	121,101,149	2,552,465,969	5.1
2017-18	2,574,757,015	870,436	120,828,301	2,696,455,752	5.6
2018-19	2,671,091,173	870,436	128,362,384	2,800,323,993	3.9
2019-20	2,806,199,666	870,436	147,424,013	2,954,494,115	5.5
2020-21	2,935,816,343	870,436	153,070,289	3,089,757,068	4.6
2021-22	[to come]				
2022-23	[to come]				
2023-24	[to come]				
2024-25	[to come]				

Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and disasters such as wildfires, earthquakes, droughts, floods, climate change and pandemics, among others. The District cannot predict or make any representations regarding the effects that natural disasters or other conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

Wildfires. According to the State, fire season is starting earlier and ending later each year, with the increased length of the season corresponding to an increase in the extent of forest fires across the State. In addition to destroying land and structures, there have been human fatalities and negative impacts on air quality throughout the State. Fires in the State and neighboring states have threatened the region's power grids, making some power lines unreliable. The District cannot predict or make any representations regarding the effects that wildfires and related conditions have or may have on the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

On January 7, 2025, the Palisades Fire started in the Pacific Palisades area of Los Angeles County, destroying nearly 7,000 structures and damaging over 1,000 more. Several other fires subsequently broke out in Los Angeles County, destroying and threatening numerous structures, including the Eaton Fire in Altadena, which destroyed more than 9,000 structures and damaged 1,000 more.

Seismic Events. The District is located in a seismically active region. An earthquake of large magnitude could result in extensive damage to property within the District and could adversely affect the assessed valuation of property within the District, or more generally the region's economy.

Drought. The State has experienced drought conditions in recent years, including a period of drought followed by record-level precipitation, which resulted in related severe flooding and mudslides in certain regions. As of March 11, 2025, the U.S. Drought Monitor indicates that the State is classified as experiencing no drought conditions in the northern part of the State, some abnormally dry, moderate and severe drought conditions, with severe and extreme drought conditions on the south and southeast borders, with the County experiencing moderate drought conditions.

During 2021, the Governor of the State proclaimed a drought state of emergency for all counties in the State, culminating with an October 19, 2021, proclamation, urging Californians to step up their water conservation efforts. In January 2022, the State Water Board adopted emergency regulations aimed at saving water and raising drought awareness, with prohibitions focused on reducing outdoor water use, enforceable by local agencies and the State Water Board, generally with warning letters, mandatory water use audits, and fines. In January 2023, the State Water Board adopted its first five-year temporary groundwater recharge permit, in addition to adopting new statewide sanitary sewer orders and appointing eleven members to the Advisory Group on Safe Drinking Water Funding. Local agencies can impose and enforce their own drought conservation rules.

Climate Change. In addition to the events described above, climate change caused by human activities may have adverse effects on the assessed value of property within the District. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, many scientists expect that climate change will intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods, heat waves, and rising sea levels. Projections of the impact of global climate change are complex and depend on a variety of factors outside of the District's control. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on assumptions contained in such studies, but actual events may vary materially. In addition, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the District is unable to forecast with certainty when or if adverse impacts of climate change will occur or the extent of such impacts.

Public Health Emergencies. In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020, the World Health Organization announced the official name for the outbreak of the disease known as COVID-19 (“**COVID-19**”), an upper respiratory tract illness, that spread across the globe. The ultimate impact of COVID-19 on the District’s operations and finances and the economy, real estate market, development within the District and tax collections may not be fully known, and it may be some time before the full adverse impact of the COVID-19 outbreak is known. Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the District’s operations and finances. In addition, the District cannot predict whether future pandemics will occur and whether any such pandemics may impact its finances or operations. As of this date, several vaccines have been provided approval by federal health authorities and are widely available, and both the national emergency and state of emergency have officially ended, and the World Health Organization declared an end to the COVID-19 global health emergency.

Property Tax Base Transfer Ballot Measure. On November 3, 2020, State voters approved a constitutional amendment entitled Property Tax Transfers, Exemptions and Revenue for Wildfire Agencies and Counties Amendment (“**Proposition 19**”), which will: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The District cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the District.

Assessed Valuation by Jurisdiction. The table below shows the assessed valuation by jurisdiction of properties within the District.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Assessed Valuation by Jurisdiction
Fiscal Year 2024-25**

[to come]

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table shows the land use of property in the District, as measured by assessed valuation and the number of parcels for fiscal year 2024-25. As shown, the majority of the District’s assessed valuation is represented by _____ property.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Local Secured Property Assessed Valuation and Parcels by Land Use
Fiscal Year 2024-25**

[to come]

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

Assessed Valuation of Single-Family Residential Parcels. The following table shows a breakdown of the assessed valuations of improved single-family residential parcels in the District for fiscal year 2024-25, including the median and average assessed value of single-family parcels in the District.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Per Parcel Assessed Valuation of Single Family Homes
Fiscal Year 2024-25**

[to come]

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

Reassessments and Appeals of Assessed Value

There are general means by which assessed values can be reassessed or appealed that could adversely impact property tax revenues within the District.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the California Constitution” in APPENDIX A.

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the SBE, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values, adjusted for inflation, when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

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

Proposition 8 reductions may also be unilaterally applied by the County Assessor. The District cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers or by reductions initiated by the County Assessor. Any reduction in aggregate District assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding general obligation bonds, if any) may be paid.

Tax Rates

Below are historical typical tax rates in a typical tax rate area (Tax Rate Area 2-006) within the District for fiscal years 2020-21 through 2024-25.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Typical Total Tax Rates per \$100 of Assessed Valuation (TRA 104-010) ⁽¹⁾
Fiscal Years 2020-21 through 2024-25**

	2020-21	2021-22	2022-23	2023-24	2024-25
General Tax Rate					
Hanford School District	[to come]	[to come]	[to come]	[to come]	[to come]
Hanford High School District					
College of Sequoias Hanford Campus I.D. #1					
Total Tax Rate					

(1) 2024-25 assessed valuation of TRA 2-006 is \$ _____ which is _____% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

Tax Levies and Delinquencies

Because the County does not participate in the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), secured property taxes actually collected are allocated to political subdivisions for which the County acts as tax-levying or tax-collecting agency, including the District, when the secured property taxes are actually collected. Therefore, the District’s secured tax revenues reflect actual delinquencies.

The table below shows the secured tax charge and delinquency rate for the five most recent fiscal years.

HANFORD ELEMENTARY SCHOOL DISTRICT Fiscal Years 2014-15 through 2023-24 Secured Tax Charges and Delinquency Rates

Fiscal Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent June 30	Percent Delinquent June 30
2019-20	\$1,200,305.30	\$16,826.78	1.40%
2020-21	[to come]		
2021-22	[to come]		
2022-23	[to come]		
2023-24	[to come]		

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

Top 20 Property Owners

The following table shows the 20 largest taxpayers in the District as determined by their secured assessed valuations in fiscal year 2024-25. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below. A large concentration of ownership in a single individual or entity results in a greater amount of tax collections which are dependent upon that property owner’s ability or willingness to pay property taxes.

**HANFORD ELEMENTARY SCHOOL DISTRICT
Top 20 Secured Property Taxpayers
Fiscal Year 2024-25**

[to come]

(1) 2024-25 local secured assessed valuation: \$_____.
Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the “**Debt Report**”) prepared by California Municipal Statistics, Inc. for debt issued as of _____, 2025. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

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

HANFORD ELEMENTARY SCHOOL DISTRICT Statement of Direct and Overlapping Bonded Debt (Debt Issued as of _____, 2025)

[to come]

(1) Excludes the Bonds offered for sale hereunder.

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

Source: *California Municipal Statistics, Inc.*

BOND INSURANCE

The District has applied for bond insurance to guarantee the scheduled payment of principal of and interest on the Bonds and, if a commitment is issued to insure the Bonds, will determine prior to the sale of the Bonds whether to obtain such insurance.

TAX MATTERS

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. The Bonds are "qualified tax-exempt obligations" within the meaning of section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), such that, in the case of certain financial institutions (within the meaning of section 265(b)(5) of the Tax Code), a deduction for federal income tax purposes is allowed for 80% of that portion of such financial institution's interest expense allocable to interest payable on the Bonds.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds, or may cause the Bonds to not be "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Tax Code.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. De minimis original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original

offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

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

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

Form of Opinion. A copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix D.

CERTAIN LEGAL MATTERS

Legality for Investment

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

Absence of Material Litigation

No Litigation Regarding Bonds or Existence of District. No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened that (i) questions the political existence of the District, (ii) contests the District's ability to receive *ad valorem* property taxes or to collect other revenues or (iii) contests the District's ability to issue and sell the Bonds.

Claims and Lawsuits Against Public School Districts Generally. The District is routinely subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District. The District may be or may become a party to lawsuits and claims which are unrelated to the Bonds or actions taken with respect to the Bonds and which have arisen in the normal course of operating the District, including with respect to fees it has received or expects to receive from developers or AB 218. The District maintains certain insurance policies which provide coverage under certain circumstances and with respect to certain types of incidents. The District cannot predict what types of claims may arise in the future, including but not limited to claims relating to health issues and pandemics, or claims that may be made available by future legislation.

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel to the District, Isom Advisors, a Division of Urban Futures, Inc., as municipal advisor to the District, and _____, as counsel to the Underwriter, are contingent upon issuance of the Bonds.

CONTINUING DISCLOSURE

The District will execute the Continuing Disclosure Certificate in connection with the issuance of the Bonds, and covenant therein, for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District (an “**Annual Report**”) to the Municipal Securities Rulemaking Board Electronic Municipal Market Access website (“**EMMA**”) not later than nine months after the end of the District’s fiscal year, commencing March 31, 2026, with the report for the 2024-25 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. Such notices will be filed by the District on EMMA. The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached as APPENDIX E. These covenants have been made in order to assist the Underwriter of the Bonds in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “**Rule**”).

In the previous five-years, _____. In order to assist it in complying with its undertakings pursuant to the Rule, including the undertaking to be entered into with respect to the Bonds, the District has engaged Isom Advisors, a Division of Urban Futures, Inc., to serve as its dissemination agent.

Neither the County nor any other entity other than the District shall have any obligation or incur any liability with respect to the performance of the District’s duties regarding continuing disclosure. The County has not reviewed, nor is it responsible for, the content of this Official Statement.

RATING

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“**S&P**”) has assigned a rating of “___” to the Bonds. The District has provided certain additional information and materials to S&P (some of which has been determined not to be material to making an investment decision in the Bonds and does not appear in this Official Statement). Such rating reflects only the views of S&P and explanations of the significance of such rating may be obtained only from S&P. There is no assurance that any credit rating given to the Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by S&P if, in S&P’s judgment, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

The District has covenanted in the Continuing Disclosure Certificate to file notices of any ratings changes on the Bonds on EMMA. See “APPENDIX E - FORM OF CONTINUING DISCLOSURE CERTIFICATE” attached hereto. Notwithstanding such covenant, information relating to ratings changes on the Bonds may be publicly available from the rating agency prior to such information being provided to the District and prior to the date the District is obligated to file a notice of rating change on EMMA. Purchasers of the Bonds are directed to S&P and its website and official media outlets for the most current ratings changes with respect to the Bonds after the initial issuance of the Bonds.

UNDERWRITING

The Bonds are being purchased by RBC Capital Markets, LLC (the “**Underwriter**”). The Underwriter has agreed to purchase the Bonds at a price of \$_____ which is equal to the aggregate principal amount of the Bonds of \$_____, [plus][less] [net] original issue [premium][discount] of \$_____ less an Underwriter’s discount of \$_____.

The bond purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased, and provides that the Underwriter’s obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel.

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

The discussions herein about the Bond Resolution and the Continuing Disclosure Certificate are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and for full and complete statements of such provisions reference is made to such documents. Copies of these documents mentioned are available from the District and, following delivery of the Bonds, will be on file at the office of the Paying Agent in Denver, Colorado.

References are also made herein to certain documents and reports relating to the District; such references are brief summaries and do not purport to be complete or definitive. Copies of such documents are available upon written request to the District.

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

EXECUTION

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

HANFORD ELEMENTARY SCHOOL DISTRICT

By: _____
Superintendent

APPENDIX A

GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

The information in this and other sections concerning the District's operations and operating budget is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the District. The Bonds are payable from the proceeds of an ad valorem property tax required to be levied by the County in an amount sufficient for the payment thereof. See "SECURITY FOR THE BONDS" in the forepart of the Official Statement.

GENERAL INFORMATION

The District, located in Kings County (the "**County**"), encompasses an area of approximately 13 square miles in the City of Hanford, and the State of California (the "**State**"). The District serves students from transitional kindergarten through eight and currently operates eight elementary schools, one K-8 magnet school, two junior high schools, and one community day school. Enrollment is approximately 5,463 students in the 2024-25 school year.

For more information regarding the District and its finances see APPENDIX B attached hereto. See also APPENDIX C hereto for demographic and other statistical information regarding the City of Hanford and the County.

District Governance and Administration

The District is governed by a five-member Board of Trustees (the "**Board**"), each member of which is elected to a four-year term. Elections for positions to the Board are held every two years, alternating between two and three available positions. Current members of the Board, together with their office and the date their term expires, are listed below.

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Robert "Bobby" Garcia	President	December 2026
Jeff Garner	Vice President	December 2026
Lupe Hernandez	Clerk	December 2026
Greg Strickland	Trustee	December 2028
Tim Revious	Trustee	December 2028

Administrative Personnel. The Superintendent of the District, appointed by the Board, is responsible for management of the day-to-day operations and supervises the work of other District administrators. Joy Gabler currently serves as the Superintendent of the District and David Endo serves as Chief Business Official.

Recent Enrollment Trends

The following table shows a recent history and budgeted enrollment for the District.

ANNUAL ENROLLMENT
Fiscal Years 2017-18 through 2024-25
Hanford Elementary School District

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>% Change</u>
2017-18	5,973	--%
2018-19	6,034	1.0
2019-20	5,928	(1.8)
2020-21	5,690	(4.0)
2021-22	5,546	(2.5)
2022-23	5,525	(0.4)
2023-24	5,568	0.8
2024-25 ⁽¹⁾	5,463	(1.9)

⁽¹⁾ Second interim projection.

Source: California Department of Education; Hanford Elementary School District.

Employee Relations

The District has 286.0 full-time equivalent (“**FTE**”) certificated, 253.5 FTE classified employees, and 90.6 FTE management employees. Two unions represent the District employees as shown in the table below.

<u>Employee Group</u>	<u>Bargaining Group</u>	<u>Contract Expiration Date</u>
Certificated	Hanford Elementary Teachers Association	June 30, 2025
Classified	California School Employees’ Association	June 30, 2026

Source: Hanford Elementary School District.

FINANCIAL INFORMATION

Education Funding Generally

School districts in the State receive operating income primarily from two sources: the State funded portion which is derived from the State's general fund, and a locally funded portion, being the district's share of the one percent general *ad valorem* tax levy authorized by the California Constitution. As a result, decreases or deferrals in education funding by the State could significantly impact a school district's revenues and operations.

The fiscal year 2013-14 State budget package replaced the previous K-12 finance system with a new formula known as the Local Control Funding Formula (the "**LCFF**"). Under the LCFF, school districts receive funding based on the demographic profile of the students they serve and gain greater flexibility to use these funds to improve outcomes of students. The LCFF creates funding targets based on student characteristics. For school districts and charter schools, the LCFF funding targets consist of grade span-specific base grants plus supplemental and concentration grants that reflect student demographic factors. The LCFF includes the following components:

- A base grant for each local education agency per unit of average daily attendance ("**ADA**"), which varies with respect to different grade spans and are adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.
- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 65% (which was increased from 50% as part of the State's trailer bill to the 2021-22 State Budget - Assembly Bill 130) of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.
- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

The LCFF was implemented for fiscal year 2013-14 and was phased in gradually. Beginning in fiscal year 2013-14, an annual transition adjustment was required to be calculated for each school district, equal to each district's proportionate share of the appropriations included in the State budget (based on the percentage of each district's students who are low-income, English learners, and foster youth ("**Targeted Students**")), to close the gap between the prior-year funding level and the target allocation at full implementation of LCFF. In each year, districts had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap.

In 2021, legislation was passed that requires school districts operating a kindergarten program to also provide a transitional kindergarten ("**TK**") program for all 4-year-old children by fiscal year 2025-26.

Funding levels used in the LCFF entitlement calculations for fiscal year 2024-25 are set forth in the following table.

**Fiscal Year 2024-25 Base Grant Funding* Under LCFF
by Grade Span**

Entitlement Factor	TK/K-3	4-6	7-8	9-12
A. 2023-24 Base Grant per ADA	\$9,919	\$10,069	\$10,367	\$12,015
B. 2024-25 COLA for LCFF (A x 1.07%)	\$106	\$108	\$111	\$129
C. 2024-25 Base Grant per ADA before Grade Span Adjustments (A+B)	\$10,025	\$10,177	\$10,478	\$12,144
D. Grade Span Adjustments (TK-3: C x 10.4%; 9-12: C x 2.6%)	\$1,043	n/a	n/a	\$316
E. 2024-25 Base Grant/Adjusted Base Grant per ADA (C + D)	\$11,068	\$10,177	\$10,478	\$12,460

*Add-ons to the Base Grant, as may be applicable, are: (1) Supplemental Grant: For the supplemental grant funding entitlement, for each grade span, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times Unduplicated Pupil Percentage, times 20%, (2) Concentration Grant: For the concentration grant funding entitlement, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times portion of Unduplicated Pupil Percentage that exceeds 55%, times 65%, and (3) Transitional Kindergarten Add-On: For the TK add-on funding, the amount is the rate of \$3,077 times the school district's current year TK ADA.

Source: California Department of Education.

The LCFF includes an accountability component. Districts are required to increase or improve services for English language learners, low income, and foster youth students in proportion to supplemental and concentration grant funding received. All school districts, county offices of education, and charter schools are required to develop and adopt local control and accountability plans, which identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement, and school climate.

County superintendents review and provide support to the districts under their jurisdiction, and the Superintendent of Public Instruction performs a corresponding role for county offices of education. In addition, the State Budget for fiscal year 2013-14 created the California Collaborative for Education Excellence to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. Under the LCFF and related legislation, the State will continue to measure student achievement through statewide assessments, produce an Academic Performance Index for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system. When a school district's share of local property taxes exceeds its funding entitlement under LCFF, it is deemed a Basic Aid District and is entitled to keep its local property taxes in lieu of lower funding per ADA available under LCFF. The District is not a Basic Aid District.

District 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. District accounting is organized on the basis of funds, with each

group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30. For more information on the District's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

District 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. 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 Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting, (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iv) required supplementary information.

Financial Statements

General. The District's general fund finances the legally authorized activities of the District for which restricted funds are not provided. General fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The District's audited financial statements for fiscal year 2023-24 were prepared by Eide Bailly LLP, Fresno, California, and are attached to the Official Statement as APPENDIX B. Audited financial statements for the District for prior fiscal years are on file with the District and available for public inspection at the Office of the Chief Business Official. The District has not requested, and the auditor has not provided, any review or update of such financial statements in connection with inclusion in this Official Statement.

General Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows the audited income and expense statements for the District for the fiscal years 2019-20 through 2023-24.

**GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2019-20 through 2023-24 (Audited)
Hanford Elementary School District ⁽¹⁾**

	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23	Audited 2023-24
<u>Revenues</u>					
LCFF	\$62,313,571	\$61,825,548	\$66,109,651	\$73,858,478	\$77,657,638
Federal revenues	3,175,672	9,809,937	10,558,614	9,199,120	13,659,462
Other state revenues	7,314,260	11,314,074	14,880,251	28,852,394	9,304,502
Other local revenues	3,593,479	3,110,414	1,396,630	3,684,843	9,709,352
Total Revenues	76,396,982	86,059,973	92,945,146	115,594,835	110,330,954
<u>Expenditures</u>					
Instruction	39,330,836	42,288,788	45,987,509	45,796,124	52,058,464
Instruction-related services:					
Supervision of instruction	3,149,416	2,251,233	3,247,413	3,844,338	4,064,026
Library, media and technology	1,329,774	2,364,041	1,899,025	1,884,601	2,044,234
School site administration	5,649,072	5,601,418	6,093,931	6,344,295	6,876,006
Pupil services:					
Home-to-school transportation	1,465,223	3,410,937	1,706,380	1,809,455	5,006,432
Food services	28,689	120,446	202,015	232,442	242,175
All other pupil services	5,966,926	5,855,896	8,360,442	9,036,922	9,716,882
General administration services:					
Data processing	1,206,682	1,398,384	1,003,932	1,067,299	1,109,434
Other general administration	3,265,501	3,118,703	3,479,710	3,692,148	4,066,395
Plant services	7,308,927	7,869,362	8,330,168	9,610,207	10,491,471
Ancillary services	2,147,799	1,674,831	2,015,724	2,607,536	3,471,531
Community services	--	--	--		
Other outgo	1,525,349	1,354,737	1,188,671	1,411,029	2,593,228
Facility acquisition and construction	1,245,908	835,023	2,914,093	1,314,356	2,629,537
Debt service-Principal	--	--	--	174,722	160,759
Debt service-Interest and other	--	--	--	1,154	392
Total Expenditures	73,620,102	78,143,799	86,429,013	88,826,628	104,530,966
Excess of Revenues Over/(Under) Expend.	2,776,880	7,916,174	6,516,133	26,768,207	5,799,988
<u>Other Financing Sources (Uses)</u>					
Operating transfers in	199,179	--	1,100,000	1,699	--
Operating transfers out		(1,000,000)	(66)	(3,000,000)	--
Other sources-capital leases	--	618,288	--	--	--
Other sources-financed purchases	--	--	1,854,863	770,904	825,969
Other sources-SBITAs	--	--	--	14,752	--
Other uses	--	--	--	--	--
Total Other Financing Source(Uses)	199,179	(381,712)	2,954,797	(2,212,672)	825,969
Net change in fund balance	2,976,059	7,534,462	9,470,930	24,555,535	6,625,957
Fund Balance, July 1	18,407,177	21,383,236	28,917,698	38,342,758*	62,898,293
Fund Balance, June 30	\$21,383,236	\$28,917,698	\$38,388,628	62,898,293	69,524,250

(1) Totals may not foot due to rounding.

(2) As of July 1, 2022, the District adopted GASB Statement No. 96, which requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. Beginning net position and fund balance were restated to retroactively adopt the provision of GASB Statement No. 96.

Source: Audited financial statements of the District.

District Budget and Interim Financial Reporting

Budgeting and Interim Reporting 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 Kings County Superintendent of Schools (the "**County Superintendent**").

The County Superintendent must review and approve or disapprove the budget no later than August 15. The County Superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Trustees and identify technical corrections necessary to bring the budget into compliance with the established standards. If the budget is disapproved, it is returned to the District with recommendations for revision. The District is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than September 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

Subsequent to approval, the County Superintendent will monitor each district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current or subsequent year financial obligations. If the County Superintendent determines that a district cannot meet its current or subsequent year obligations, the County Superintendent will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) after also consulting with the district's board, develop and impose revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. 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.

A State law adopted in 1991 ("**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, each school district is required to file 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 two fiscal years. 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 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 is deemed unable to meet its financial obligations for the remainder of the current fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years.

Under California law, any school district and office of education that has 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 anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the district, unless the applicable county superintendent of schools determines that the district's repayment of indebtedness is probable.

District's Budget and Interim Certification History. During the past five years, each of the District's adopted budgets have been approved by the County Superintendent and the District has received positive certifications on all of its interim reports.

District's General Fund. The following table shows the general fund figures for fiscal year 2024-25 (adopted budget and second interim projections).

**HANFORD ELEMENTARY SCHOOL DISTRICT
Revenues, Expenditures, and Changes in General Fund Balance
Fiscal Year 2024-25 (Adopted Budget and Second Interim Projections)**

	Adopted Budget 2024-25	Second Interim 2024-25
Revenues		
Total LCFF Sources	\$76,490,447	\$76,931,896
Federal Revenues	7,124,235	7,821,684
Other state revenues	16,041,604	16,952,112
Other local revenues	5,305,638	6,236,923
Total Revenues	104,961,924	107,942,615
Expenditures		
Certificated Salaries	40,358,054	40,283,284
Classified Salaries	16,710,414	16,708,817
Employee Benefits	27,229,194	27,893,912
Books and Supplies	5,729,577	6,332,804
Services and Other Operating Expenditures	7,858,949	8,143,539
Capital Outlay	4,369,733	5,609,098
Other Outgo (excluding transfers of indirect costs)	3,208,463	3,756,332
Other Outgo	(100,000)	(100,000)
Total Expenditures	105,364,384	108,627,785
Excess of Revenues Over/(Under) Expenditures	(402,460)	(685,170)
Other Financing Sources (Uses)		
Operating transfers in	--	800,000
Operating transfers out	294,096	301,759
Other sources	(605,711)	605,711
Contributions	--	--
Total Other Financing Sources (Uses)	311,615	1,103,952
Net change in fund balance	(90,845)	418,781
Fund Balance, July 1	54,620,284	54,620,284
Fund Balance, June 30 ⁽¹⁾	\$54,529,439	\$55,039,066

(1) Fund balances do not reflect all funds included in the District's general fund in the audited financial statements shown above.

Source: Hanford Elementary School District.

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 3% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future.

Under State law, there are certain restrictions on the amounts that can be held in reserve by school districts under certain circumstances. This reserve cap requirement does not apply to small school districts (ADA of fewer than 2,501 students) or school districts funded as Basic Aid school districts. When applicable, the reserve cap requires that a school district's adopted or revised budget not contain a combined assigned or unassigned ending general fund balance of more than 10% of those funds. The applicability of the reserve cap is based on the balance in the

State's Public School System Stabilization Account and is triggered in any fiscal year in which when the balance is equal to or exceeds 3% of the combined total of general fund revenues appropriated for school districts. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the requirements for up to two consecutive fiscal years within a three-year period, if the school district provides documentation indicating that extraordinary fiscal circumstances, including, but not limited to, multi-year infrastructure or technology projects, substantiate the need for a combined assigned or unassigned ending general fund balance that is in excess of the reserve cap. The reserve cap has not been triggered for fiscal year 2024-25.

Attendance - LCFF Funding

Funding Trends under LCFF. As described herein, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent LCFF funding per ADA for the District for fiscal years 2019-20 through 2024-25.

**HANFORD ELEMENTARY SCHOOL DISTRICT
ADA and LCFF Funding
Fiscal Years 2019-20 through 2024-25**

Fiscal Year	ADA	LCFF Funding Per ADA
2019-20	5,742	\$10,853
2020-21	5,742	10,768
2021-22	5,005	13,209
2022-23	5,169	14,290
2023-24	5,280	14,708
2024-25 ⁽¹⁾	5,280	14,570

(1) Budgeted.

Source: California Department of Education for fiscal years 2019-20 through 2022-23; Hanford Elementary School District for fiscal years 2023-24 through 2024-25.

District's Unduplicated Student Count. Under LCFF, school districts are entitled to supplemental funding based on the unduplicated count of targeted students. The District's percentage of unduplicated students is approximately 80.30% for purposes of calculating supplemental and concentration grant funding under LCFF.

Revenue Sources

The District categorizes its general fund revenues into four sources, being LCFF, Federal Revenues, Other State Revenues and Local Revenues. Each of these revenue sources is described below.

LCFF Sources. District funding is provided by a mix of (1) local property taxes and (2) State apportionments of funding under the LCFF. Generally, the State apportionments will amount to the difference between the District's LCFF funding entitlement and its local property tax revenues.

Beginning in 1978-79, Proposition 13 and its implementing legislation provided for each county to levy (except for levies to support prior voter-approved indebtedness) and collect all

property taxes, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes a district received, the less State equalization aid it is entitled to.

Under LCFF, a school district whose property tax revenues exceed its funding under the LCFF is entitled to keep its local property tax revenues which exceed its LCFF funding, maintaining its status as a Basic Aid District, now referred to as a "Community Supported District." For school districts that were Basic Aid prior to implementation of the LCFF, such districts are entitled to retain their status as Community Supported and keep their full local property tax revenue entitlement, provided that the per-pupil funding targets under LCFF, including economic recovery targets, are met or exceeded by local property tax revenues. The threshold for Community Supported status under the LCFF, however, is higher than under the prior funding formula, resulting in some districts falling out of Community Supported status as the result of the implementation of the LCFF. The District is a Community Supported District. Accountability measures contained in the LCFF must be implemented by all districts, including Community Supported Districts.

Federal Revenues. The federal government provides funding for several District programs, including special education programs, programs under Every Student Succeeds Act, the Individuals with Disabilities Education Act, and specialized programs such as Drug Free Schools.

In January, 2025, the federal government indicated that it was considering the reduction of federal funding to a number of programs, including programs that impact education programs. The District is unable to predict whether federal government's review of spending may eventually impact its receipt of federal funding, and whether any such impact would have a material effect on the finances or operations of the District.

Other State Revenues. As discussed above, the District receives State apportionment of basic and equalization aid in an amount equal to the difference between the District's LCFF funding entitlement and its property tax revenues. In addition to such apportionment revenue, the District receives other State revenues.

The District receives State aid from 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. Moreover, State Proposition 20 approved in March 2000 requires that 50% of the increase in Lottery revenues over 1997-98 levels must be restricted to use on instruction material. For additional discussion of State aid to school districts, see "- Education Funding Generally."

Other Local Revenues. In addition to property taxes, the District receives additional local revenues from items such as interest earnings, leases and rentals.

District Retirement Systems

Qualified employees of the District are covered under multiple-employer defined benefit pension plans maintained by agencies of the State. Certificated employees are members of the State Teachers' Retirement System ("**STRS**") and classified employees are members of the Public Employees' Retirement System ("**PERS**"). Both STRS and PERS are operated on a Statewide basis. *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 participate in STRS, a cost-sharing, multiple-employer contributory public employee retirement system. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. The plan is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. The benefit provisions and contribution amounts are established by State laws, as amended from time to time.

Prior to fiscal year 2014-15, contribution rates were constant and not subject to annual variations. K-14 school districts were required by statute to contribute 8.25% of eligible salary expenditures, and participants contributed 8% of their respective salaries. In September 2013, however, STRS projected that the plan would be depleted in 31 years if existing contribution rates continued and other actuarial assumptions were realized, largely due to significant investment losses.

Assembly Bill 1469 was adopted as part of the State's fiscal year 2014-15 budget ("**AB 1469**"), aimed at fully funding the unfunded actuarial obligation of STRS with respect to service credited to member of STRS prior to July 1, 2014, within 32 years, by increasing contribution rates of members, K-14 school district employers, and the State. Under AB 1469, employer contributions were proposed to steadily increase over seven years. However, several modifications to the schedule were undertaken in connection with State budgets. Contribution rates for the past several years are summarized in the following table:

STRS EMPLOYER CONTRIBUTION RATES Effective Dates of July 1, 2020 through July 1, 2024

Effective Date	Employer Contribution Rate
July 1, 2020	16.15%
July 1, 2021	16.92
July 1, 2022	19.10
July 1, 2023	19.10
July 1, 2024	19.10

Source: STRS.

The State also continues to contribute to STRS, and its contribution rate is 8.328% in fiscal year 2024-25.

The District’s recent contributions to STRS including the current budgeted fiscal year are set forth in the following table. These contributions represent 100% of the required contribution for each year.

**STRS CONTRIBUTIONS
Hanford Elementary School District
Fiscal Years 2019-20 through 2024-25**

Fiscal Year	Amount
2019-20	\$5,114,583
2020-21	4,874,047
2021-22	5,674,360
2022-23	6,968,882
2023-24	7,392,297
2024-25 ⁽¹⁾	11,055,275

(1) Second interim projection.
Source: Hanford Elementary School District.

The STRS defined benefit program continues to have an unfunded actuarial liability estimated at approximately \$86.6 billion, based on a market value of assets, as of June 30, 2023, which is the date of the last actuarial valuation.

PERS. All full-time and some part-time classified employees participate in PERS, an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State. PERS provides retirement, disability, and death benefits to plan members and beneficiaries. The District is part of a cost-sharing pool within PERS known as the “Schools Pool.” Benefit provisions are established by State statutes, as legislatively amended. Contributions to PERS are made by employers and employees. Each fiscal year, employers are required to contribute an amount based on an actuarially determined employer rate, and employees make contributions which vary based on their date of hire.

Like the STRS program, PERS has experienced an unfunded liability in recent years. To address this issue, the PERS board has taken a number of actions, including changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates and adopting changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy incrementally lowering its discount rate (its assumed rate of investment return) in years of good investment returns, to help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. SB 90, and Assembly Bill 84/Senate Bill 111 (“**AB 84**”) of June 2020, directed contributions of \$430 million and \$330 million in satisfaction of portions of employer contribution rates in fiscal years 2020-21 and 2021-22, respectively. Recent employer contribution rates are set forth in the following table.

**EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2019-20 through 2024-25**

Fiscal Year	Employer Contribution Rate⁽¹⁾
2019-20	19.721%
2020-21	20.700
2021-22	22.910
2022-23	25.370
2023-24	26.680
2024-25	27.050

(1) Expressed as a percentage of covered payroll.
Source: PERS

The District's employer contributions to PERS for recent fiscal years are set forth in the following table.

**PERS EMPLOYER CONTRIBUTIONS
Hanford Elementary School District
Fiscal Years 2019-20 through 2024-25**

Fiscal Year	Amount
2019-20	\$2,294,845
2020-21	2,303,378
2021-22	2,883,908
2022-23	4,259,140
2023-24	4,226,735
2024-25 ⁽¹⁾	4,127,417

(1) Second interim projection.
Source: Hanford Elementary School District.

PERS continues to have an unfunded liability which, on a market value of assets basis, was approximately \$40.6 billion, based on a market value of assets, as of June 30, 2023, which is the date of the last actuarial valuation.

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 ("PEPRA"), which impacted various aspects of public retirement systems in the State, including the STRS and PERS programs. In general, PEPRA (i) increased the retirement age for public employees depending on job function, (ii) capped the annual pension benefit payouts for public employees hired after January 1, 2013, (iii) required public employees hired after January 1, 2013 to pay at least 50% of the costs of their pension benefits (as described in more detail below), (iv) required final compensation for public employees hired after January 1, 2013 to be determined based on the highest average annual pensionable compensation earned over a period of at least 36 consecutive months, and (v) attempted to address other perceived abuses in the public retirement systems in the State. PEPRA applies to all public employee retirement systems in the State, *except* the retirement systems of the University of California, and charter cities and charter counties whose pension plans are not governed by State law. PEPRA's provisions went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on or after that date; existing employees who are members of employee associations, including

employee associations of the District, have a five-year window to negotiate compliance with PEPRA through collective bargaining.

PERS has predicted that the impact of PEPRA on employees and employers, including the District and other employers in the PERS system, will vary, based on each employer's current level of benefits. As a result of the implementation of PEPRA, new members must pay at least 50% of the normal costs of the plan, which can fluctuate from year to year. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in a lower retirement benefit for employees than they currently earn.

With respect to the STRS pension program, employees hired after January 1, 2013 will pay the greater of either (1) fifty percent of the normal cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by then-current members (i.e., employees in the STRS plan as of January 1, 2013). The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Employers will pay at least the normal cost rate, after subtracting the member's contribution.

The District is unable to predict the amount of future contributions it will have to make to PERS and STRS as a result of the implementation of PEPRA, and as a result of negotiations with its employee associations, or, notwithstanding the adoption of PEPRA, resulting from any legislative changes regarding the PERS and STRS employer contributions that may be adopted in the future.

Additional Information - STRS and PERS. Additional information regarding the District's retirement programs is available in Note 13 to the District's audited financial statements attached hereto as APPENDIX B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811.

More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Other Post-Employment Retirement Benefits

The Plan Generally. The District's governing board administers the Postemployment Benefits Plan (the "**Plan**"). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions ("**OPEB**") for eligible retirees and their spouses. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. At June 30, 2023, the valuation date, there were 36 inactive employees or beneficiaries receiving benefits and 508 active employees.

Benefits Provided. The Plan provides medical and dental benefits to eligible retirees and their spouses. Classified: Age 55 and 13 years of consecutive service. Benefits for retirements prior to July 1, 2007 extend for a maximum of five years and do not include District-paid dental

premiums. Certificated: Age 55 and 13 years of service, including five years immediately before retirement. Management/Confidential/Professional: Age 55 and 10 years of service (13 years for those hired on or after January 1, 2013). Benefits end at the earlier of 10 years or age 65, which is age 65 in all cases due to the age 55 requirement. Certificated retirees are subject to a maximum dollar contribution ("**cap**") for District-paid benefits. The cap is equal to the sum of the composite premiums for medical, prescription drug, and dental coverages for active employees, and is \$1,389.00 per month for fiscal year 2023-24. Classified retirees are eligible to receive District-paid medical, prescription drug and dental coverages, and the cap for these retirees is \$1,151.76 per month for fiscal year 2023-24. Management, Confidential, and Professional Specialist retirees are subject to a cap of \$1,403.96 per month for fiscal year 2023-24

Contributions. The benefit payment requirements of the Plan members and the District are established and may be amended by the District, the Hanford Elementary Teachers Association ("**HETA**"), the local California Service Employees Association ("**CSEA**"), and unrepresented groups. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District, HETA, CSEA, and the unrepresented groups. For the measurement period of June 30, 2023, the District paid \$501,105 to the plan which includes \$465,714 of pay-as-you-go contributions made from sources outside of trust, plus an implicit subsidy amount of \$35,301.

Actuarial Assumptions. The District's total OPEB liability of \$13,732,710 was measured as of June 30, 2023, and the total OPEB liability was determined by an actuarial valuation as of the same date. The District's total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified: inflation 2.50%, salary increases 3.00% average, discount rate 3.86%, healthcare cost trend rates 6.00% for 2023, 6.00% for 2023, 5.50% for 2024, 5.25% for 2025-2029, 5.00% for 2030-2039, 4.75% for 2040-2049, 4.50% for 2050-2069, and 4.00% for 2070 and later years, Medicare ages 4.50% for 2023-2029 and 4.00% for 2030 and later years. The discount rate was based on the Bond Buyer 20-bond General Obligation Index. Mortality Rates for active employees were based on CalSTRS Experience Analysis (2015-2018). Preretirement Mortality Rates were based on CalPERS Experience Study (2000-2019). Mortality Rates for retired members and beneficiaries were based on CalSTRS Experience Analysis (2015-2018). Post-retirement Mortality Rates for Healthy Recipients were based on CalPERS Experience Study (2000-2019).

The actuarial assumptions used in the June 30, 2023 valuation were based on an actuarial experience study for the period July 1, 2021 to June 30, 2023.

Changes in the Total OPEB Liability. The changes in OPEB liability of the District as of June 30, 2024, is shown in the following table:

**CHANGES IN OPEB LIABILITY
Hanford Elementary School District**

Balance at June 30, 2022	\$14,255,470
Service Cost	807,370
Interest	546,659
Difference between expected and actual experience	1,493,328
Changes of assumptions or other inputs	(2,869,102)
Benefit payments	<u>(501,015)</u>
Net Change in Total OPEB liability	<u>(522,760)</u>
 Balance at June 30, 2023	 <u>\$13,732,710</u>

Source: Hanford Elementary School District.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB. For the year ended June 30, 2024, the District recognized OPEB expense of \$1,182,796.

For additional information about the District’s other postemployments benefits, including actuarial assumptions and investments, see Note 10 of the District’s audited financial statements for fiscal year ended June 30, 2024, attached to the Official Statement as APPENDIX B.

Insurance – Joint Powers Authorities

The District is a member of the Northern California Regional Excess Liability Fund (“**NorCal ReLiEF**”), the Self-Insured Schools of California (“**SISC III**”), the Kings County Self-Insured Schools (“**KCSIS**”), and the Kings Schools Transportation Authority (“**KSTA**”) joint powers authorities (“**JPs**”). The District pays an annual premium to each entity for its health, workers’ compensation, and property liability coverage. The relationships between the District, the pools, and the JPAs are such that they are not component units of the District for financial reporting purposes.

During the year ended June 30, 2024, the District made payment of \$455,819 to NorCal ReLiEF for property and liability insurance, a payment of \$8,417,201 to SISC III for health insurance, a payment of \$945,294 to KCSIS for workers’ compensation insurance, and a payment of \$780,414 to KSTA for student transportation services.

For more information regarding the District’s participation in joint powers authorities, see Notes 12 and 15 of APPENDIX B to the Official Statement.

Disclaimer Regarding Cyber Risks

The District, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the District may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the District’s systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or

information. No assurance can be given that the District’s current efforts to manage cyber threats and security will, in all cases, be successful.

The District relies on other entities and service providers in the course of operating the District, including the County with respect to the levy and collection of *ad valorem* property taxes, as well as other trustees, fiscal agents and dissemination agents. No assurance can be given that future cyber threats and attacks against other third-party entities or service providers will not impact the District and the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

Existing Debt Obligations

General Obligation Bonds. The District has one series of refunding general obligation bonds currently outstanding, as summarized in the following table. See also “DEBT SERVICE SCHEDULES” in the body of this Official Statement for the annual debt service requirements of the District’s outstanding bonds.

**GENERAL OBLIGATION BONDS
Hanford Elementary School District**

<u>Issue Date</u>	<u>Series</u>	<u>Outstanding April 1, 2025</u>
06/14/2017	Election of 2016, Series A	\$ _____
03/27/2019	Election of 2016, Series B	_____
10/07/2020	Election of 2016, Series C	_____
Total		\$ _____

Source: District’s Audit; the Municipal Advisor.

Financed Purchase Agreements.

Loan 003-22-ECG. During the fiscal year ending on June 30, 2024, the District entered into a financed purchase agreement with the California Energy Commission for an energy efficiency project not to exceed \$2,202,584. As of June 30, 2024, the District has submitted invoices for reimbursement of \$1,596,874. Principal payments are due and payable in semiannual installments beginning on or before December 22 of the fiscal year following the year in which the project is completed and continuing thereafter on each June 22 and December 22 until said principal shall be paid in full. As of June 30, 2024, the project was in progress and the estimated date of completion is October 31, 2024.

Loan 006-20-ECG. During the 2020-21 fiscal year, the District entered into an arrangement with the California Energy Commission for an energy efficiency project not to exceed \$2,473,151. The District has received all reimbursement requests up to the threshold amount and is no longer submitting for reimbursements.

Principal payments on the purchase agreement are payable semiannually on December 22 and June 22 of each year commencing December 22, 2022. The project has been completed as of June 30, 2023.

The remaining principal payment requirements for the purchase agreement as of June 30, 2024, are as follows:

**Hanford Elementary School District
Schedule of Lease Payments**

Fiscal Year	Principal
2025	\$137,397
2026	137,397
2027	137,397
2028	137,397
2029	137,397
2030-2034	686,987
2035-2039	686,987
2040	137,397
Total	\$2,198,356

Source: Hanford Elementary School District.

Compensated Absences. Total unpaid employee compensated absences as of June 30, 2024, amounted to \$495,429. This amount is included as part of long-term liabilities in the government-wide financial statements.

Impact of COVID-19

As described in this Official Statement, while indications are that the COVID-19 pandemic is transitioning to an endemic stage, many variables will continue to contribute to the economic impact of the COVID-19 pandemic and the recovery. The ultimate impact of COVID-19 on the District’s operations and finances is not fully known, and it may be some time before the full impact of the COVID-19 pandemic is known. The Bonds described in this Official Statement are not secured by the District’s funds, but rather are voter-approved general obligations of the District payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the General Fund of the District.

Investment of District Funds

In accordance with California Government Code Sections 53600 *et seq.*, the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the California Government Code. See APPENDIX G to the Official Statement for the County’s current investment policy and recent investment report.

Effect of State Budget on Revenues

Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts generally receive the majority of their operating revenues from various State sources. The primary source of funding for school districts is LCFF funding, which is derived from a combination of State funds and local property taxes (see “– Education Funding Generally” above). State funds typically make up the majority of a district’s LCFF funding. School districts also receive funding from the State for some specialized programs such as special education.

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” below), 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 further 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. See “STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS.”

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

The information in this section concerning the State’s budget or budgets has been compiled from publicly-available information provided by the State or the Legislative Analyst’s Office (the “LAO”). Neither the District, the Underwriter nor the County is responsible for the information provided in this section.

State Funding of Education Generally

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. 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 “FINANCIAL INFORMATION - Education Funding Generally” above). State funds typically make up the majority of a district’s LCFF allocation, although Basic Aid school districts derive the majority of their revenues from local property taxes. School districts also receive substantial funding from the State for various 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” below), the condition of the State economy (which affects total revenue available to the State’s general fund), and the annual State budget process. Decreases in State revenues may significantly affect appropriations made by the legislature to school districts.

The State Budget Process

The State’s fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year. Under State law, the annual proposed State budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the State budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (including for K-14 education) must be approved by a majority vote in each house of the Legislature, unless such appropriations require tax increases, in which case they must be approved by a two-thirds vote of each house of the Legislature and be signed by the Governor. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

Resources Relating to State Budgets

Certain information about the State budgeting process and the State budget is available through several State sources. Convenient sources of information include:

- www.treasurer.ca.gov: The California State Treasurer internet home page, under the link to “Bond Finance” and sub-heading “-Public Finance Division”, includes links to recent State official statements and various State financial documents which includes information regarding State budgets and finances.
- www.dof.ca.gov: The California Department of Finance’s (the “**DOF**”) internet home page, under the link to “California Budget”, includes the text of proposed and adopted State Budgets.
- www.lao.ca.gov: The LAO’s internet home page includes a link to “-The Budget” which includes analyses and commentary on fiscal outlooks.

The above references to internet websites shown are shown for reference and convenience only. The information contained within the websites may include outdated information and has not been reviewed for accuracy by the District or the Underwriter. Such information is not incorporated herein by reference.

The 2024-25 State Budget

The Governor signed the fiscal year 2024-25 State budget on June 29, 2024, which was amended through a series of legislative trailer bills (the “**2024-25 State Budget**”). The 2024-25 State Budget notes that the State has experienced significant revenue volatility and unprecedented revenue growth that was quickly followed by a sharp and deep correction back toward historical trends. The 2024-25 State Budget also notes that the unprecedented Internal Revenue Service tax filing and payment postponement in the year 2023 significantly clouded the State’s revenue forecast, and indicates that, with the revenue picture now clearer, the 2024-25 State Budget takes steps to ensure California is on sound fiscal footing by setting the State on a fiscally responsible long-term path that protects vital programs.

The 2024-25 State Budget includes provisions intended to address a budget deficit of approximately \$46.8 billion while also creating positive fund balance in State’s Special Fund for Economic Uncertainties (the “**SFEU**”) in fiscal years 2024-25 and 2025-26 and maintaining core programs for vulnerable populations. The 2024-25 State Budget includes approximately \$16.0 billion in budgetary reductions, comprising (a) an approximately 7.95% reduction in the State’s operations budget resulting in State general fund savings of approximately \$2.2 billion, (b) a \$1.5 billion permanent reduction in State departments’ budgets for vacant positions, (c) a reduction of approximately \$0.4 billion in State Department of Corrections and Rehabilitation budget in fiscal

year 2024-25 and a total reduction of approximately \$0.7 billion in fiscal years 2022-23 through 2024-25, (d) \$1.1 billion reduction in various affordable housing programs, and (e) \$0.7 billion for various healthcare workforce housing programs.

The 2024-25 State Budget includes a \$13.6 billion increase in revenues by means of additional revenue sources and internal borrowing from special funds, which incorporates suspension of net operating loss deductions for companies with over \$1.0 million in taxable income and limits business tax credits to \$5.0 million in fiscal years 2023-2024 through 2025-2026, and increased managed care organization tax generating \$5.1 billion in fiscal year 2024-25, \$4.6 billion in fiscal year 2025-26, and \$4.0 billion in fiscal year 2026-27. Significantly, the 2024-25 State Budget provides for the withdrawal of approximately \$12.2 billion from the State Rainy Day Fund (the "Rainy Day Fund") over fiscal years 2024-25, and 2025-26 and approximately \$0.9 billion from the State Safety Net Reserve in fiscal year 2024-25.

Additional balancing measures include \$6.0 billion in fund shifts, such as (a) applying a prior CalPERS supplemental pension payment to the State's overall pension liability which reduces the State's required employer contributions in fiscal year 2024-25 by \$1.7 billion, (b) shifts approximately \$1.0 billion in expenditures from the State general fund to the State's greenhouse gas reduction fund for the Formula and Competitive Transit and Intercity Rail Capital Program, and (c) shifts approximately \$3.0 billion in expenditures from the State general fund to the State's greenhouse gas reduction fund for clean energy and other climate programs. The 2024-25 State Budget also delays funding for programs such as the State food assistance program expansion, developmental services, childcare slots and the State's broadband program by a total amount of approximately \$3.1 billion and includes approximately \$2.1 billion in payroll and University of California and California State University compact deferrals. Some of the core programs maintained in the 2024-25 State Budget include funding of the Proposition 98 minimum guarantee at approximately \$115.3 billion for school districts and community colleges, Medi-Cal expansion of health care, multiple programs supporting the expansion of the continuum of behavioral health treatment and infrastructure capacity for providing behavioral health services, State supplemental payment base grants, CalWORKs base grants, in-home supportive services and certain broadband programs.

The 2024-25 State Budget projects total resources available in fiscal year 2023-24 of approximately \$236.5 billion, including revenues and transfers of approximately \$189.4 billion and a prior year balance of approximately \$47.1 billion, and total expenditures in fiscal year 2023-24 of approximately \$223.1 billion. The 2024-25 State Budget projects total resources available for fiscal year 2024-25 of approximately \$225.6 billion, inclusive of revenues and transfers of approximately \$212.1 billion and a prior year balance of approximately \$13.4 billion. The 2024-25 State Budget projects total expenditures in fiscal year 2024-25 of approximately \$211.5 billion, inclusive of non-Proposition 98 expenditures of approximately \$128.9 billion and Proposition 98 expenditures of approximately \$82.6 billion. The 2024-25 State Budget projects total reserve balances of \$22.2 billion at the end of fiscal year 2024-25. This includes \$17.6 billion in the State Rainy Day Fund, \$3.5 billion in the State's SFEU, and \$1.1 billion in the Proposition 98 Rainy Day Fund. The 2024-25 State Budget includes total funding of \$133.8 billion for all K-12 education programs, including \$81.5 billion from the State's general fund and \$52.3 billion from other funds. The 2024-25 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2024-25 State Budget include:

Proposition 98 Minimum Guarantee. The 2024-25 State Budget suspends the Proposition 98 minimum guarantee in fiscal year 2023-24 and projects the Proposition 98 minimum guarantee to be in Test 1 in fiscal year 2024-25. In Test 1 years, the Proposition 98 minimum guarantee is equal to the percentage of State general fund appropriated for K-14 schools in the fiscal year 1986-87. Suspending the Proposition 98 minimum guarantee is projected to create a maintenance factor obligation of approximately \$8.3 billion in fiscal year 2023-24 and is projected to result in a \$4.1 billion maintenance factor payment in fiscal year 2024-25, which will be paid in addition to the Proposition 98 minimum guarantee level in fiscal year 2024-25. The 2024-25 State Budget reflects Proposition 98 funding levels of \$103.7 billion in fiscal year 2022-23, \$98.5 billion in fiscal year 2023-24, and \$115.3 billion in fiscal year 2024-25. Such funding represents approximately 39.2% of the State's general fund revenues, plus local property tax revenues and a \$4.1 billion maintenance factor payment. To accommodate enrollment increases related to the expansion of transitional kindergarten, the 2024-25 State Budget increased the funding level from approximately 38.6% to approximately 39.2% to increase the percentage of State general fund revenues due to the minimum guarantee.

Proposition 98 Rainy Day Fund. The 2024-25 State Budget includes a withdrawal of the entire \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24 and a discretionary payment of approximately \$1.1 billion in fiscal year 2024-25, leaving a projected balance of \$1.1 billion at the end of fiscal year 2024-25. Because there is no ending balance at the end of the 2023-24 fiscal year and a balance of \$1.1 billion at the end of the 2024-25 fiscal year, school district reserve caps would not be triggered in fiscal year 2024-25 and are not projected to be triggered in fiscal year 2025-26.

Local Control Funding Formula. The 2024-25 State Budget includes LCFF cost-of-living adjustment of 1.07%. The cost-of-living adjustment, when combined with population growth adjustments, increases discretionary funding for local agencies by approximately \$983 million. To fully fund the LCFF, the 2024-25 State Budget withdraws approximately \$5.3 billion from the Proposition 98 Rainy Day Fund to support LCFF costs in fiscal year 2023-24 and uses available reappropriation and reversion funding of \$253.9 million to support ongoing LCFF costs in fiscal year 2024-25.

Deferrals. The 2024-25 State Budget reflects LCFF apportionment deferrals from fiscal year 2023-24 to fiscal year 2024-25 of approximately \$3.6 billion and from fiscal year 2024-25 to fiscal year 2025-26 of approximately \$246 million. Additionally, the 2024-25 State Budget reflects approximately \$2.3 billion in categorical program deferrals from fiscal year 2022-23 to fiscal year 2023-24, with the deferred categorical amount being repaid using Proposition 98 Rainy Day Fund resources.

Learning Recovery Emergency Block Grant. The 2024-25 State Budget focuses the use of allocated but unexpended Learning Recovery Emergency Block Grant funds on actions to address the needs of students most impacted by learning loss, based on an assessment of needs, and incorporates the use of these funds into the existing Local Control and Accountability Plan development process.

Employee Protections. To ensure stable employment for school staff, the 2024-25 State Budget includes a suspension of the August 15, 2024, layoff window for certificated and classified staff.

Instructional Continuity and Attendance Program. The 2024-25 State Budget includes statutory changes to allow local educational agencies to provide attendance recovery

opportunities to students to make up lost instructional time, thereby offsetting student absences, and mitigating learning loss, as well as related fiscal impacts to local educational agencies. Beginning in fiscal year 2024-25, the 2024-25 State Budget allows local educational agencies to add up to 10 days of attendance recovery time per pupil to the attendance data submitted to the California Department of Education for funding purposes. Beginning July 1, 2025, the 2024-25 State Budget requires local educational agencies to include an instructional continuity plan in their School Safety Plan as a component of their emergency funding application (J-13A waiver). The plan must include procedures for student engagement within 5 days of an emergency and a plan to provide hybrid or remote learning opportunities to students within 10 instructional days. The 2024-25 State Budget also includes a \$4.0 million in one-time Proposition 98 general fund resources to research and develop new models of hybrid and remote learning to support students' attendance, including developing and disseminating guidance and resources for local educational agencies to develop their own hybrid and remote learning programs to enable instructional continuity.

Teacher Professional Development and Preparation. To expand the state's educator training infrastructure, the 2024-25 State Budget (a) provides \$25 million of one-time Proposition 98 general fund resources to support necessary costs, including training for educators to administer literacy screenings to meet the requirement to screen students in kindergarten through second grade for risk of reading difficulties, including dyslexia, by the 2025-26 school year; and (b) provides \$20.0 million in one-time Proposition 98 general fund resources for a county office of education to work with the University of California Subject Matter Projects, as well as other well-qualified governmental or non-profit providers, to develop and provide training aligned with the new California Mathematics Framework for mathematics coaches and leaders who in turn can provide training and support to mathematics teachers to deliver high-quality instruction.

State Preschool Program. The 2024-25 State Budget provides approximately \$53.7 billion of State's general fund resources to support reimbursement rate increases previously supported by available one-time federal stimulus funding. The 2024-25 State Budget reflects one-time savings of \$190.7 million general fund and \$522.3 million Proposition 98 general fund. The 2024-25 State Budget authorized State Preschool Program providers to serve two-year-old children, in addition to three and four-year old children, until June 30, 2027. The 2024-25 State Budget maintains that the State Preschool Program continue to require providers to reserve 5% of funded enrollment for children with disabilities. However, the 2024-25 State Budget suspends provisions to increase this requirement to 7.5% in fiscal year 2025-26 and 10% in fiscal year 2026-27.

Transitional Kindergarten. The 2024-25 State Budget provides approximately \$988.7 million in Proposition 98 general fund resources for the 2023-24 school year to support the second year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and April 2. The 2024-25 State Budget also provides approximately \$390.2 million in Proposition 98 general fund resources to support the second year of adding one additional certificated or classified staff person in each transitional kindergarten classroom. Additionally, the 2024-25 State Budget provides approximately \$1.5 billion in ongoing Proposition 98 general fund resources beginning in fiscal year 2024-25 to support the third year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and June 2. The 2024-25 State Budget also provides approximately \$515.5 million in ongoing Proposition 98 general fund resources to support the third year of adding one additional certificated or classified staff person in each transitional kindergarten classroom.

The 2024-25 State Budget solution-oriented measures that directly impact funding for school districts include forgoing planned investments of (a) \$875.0 million to support the school facility program, (b) \$550.0 million support to the State preschool, transitional kindergarten and full-day kindergarten facilities grant program, and (c) \$500.0 million one-time investment in zero-emission school buses. The 2024-25 State Budget provides approximately \$907.1 million to support arts and music in schools, an additional \$179.4 million in ongoing Proposition 98 general fund resources and an additional \$120.8 million one-time Proposition 98 general fund resources to fully fund the universal school meals program in fiscal years 2023-24 and 2024-25, \$9.0 million in one-time Proposition 98 general fund resources for the classified school employee summer assistance program, \$7.0 million in one-time Proposition 98 general fund resources to support inquiry-based science instruction and assessment through the development of a bank of curriculum-embedded performance tasks, and \$5.0 million each for the State teachers collaborative for holocaust and genocide education and school programs in rural districts.

The 2025-26 State Budget Proposal

The Governor sent the fiscal year 2025-26 budget proposal to the legislature on January 10, 2025 (the “**2025-26 State Budget Proposal**”). The 2025-26 State Budget Proposal presents a balanced budget with what are noted as significant reserves in the coming fiscal year, resulting in an upgrade to the State’s financial forecast in the near term and modest upward revisions in the long term. A stronger-than-anticipated performance of the economy, stock market, and cash receipts, combined with an improved economic outlook, are noted as contributors to an upgraded revenue forecast, with General Fund revenues, before accounting for transfers and tax policy proposals, projected to be higher by approximately \$16.5 billion (2.7%) than was assumed in the 2024-25 State Budget for the three-year budget window of fiscal years 2023-24 through 2025-26.

The 2025-26 State Budget Proposal provides for \$228.9 billion in general fund spending and nearly \$17 billion in combined reserves—including nearly \$11 billion in the State’s Rainy Day Fund and an additional discretionary set-aside of \$4.5 billion in the Special Fund for Economic Uncertainties. Although the proposal is noted as balanced, it anticipates shortfalls in subsequent fiscal years that are driven by expenditures exceeding revenues, noting additional decisions may be necessary at the May Revision to maintain a balanced budget in the coming year, and also on an ongoing basis. Noted risk factors relating to the economy and State revenues include stock market and asset price volatility and declines, particularly those affecting high-income earners - as well as geopolitical instability.

Certain budgeted programs and adjustments for K-12 education set forth in the 2025-26 State Budget Proposal include Proposition 98 funding for K-14 schools set at \$118.9 billion for fiscal year 2025-26, and a LCFF cost-of-living adjustment of 2.43%. The proposal also reflects full implementation of universal transitional kindergarten, increased funding for universal school meals, and implementation of grants that will be fully disbursed in fiscal year 2025-26 to support the community school model to support improved educational outcomes at more than 2,000 public schools.

The 2025-26 State Budget Proposal includes a \$100 million one-time Proposition 98 General Fund for California community colleges to expand Credit for Prior Learning and to begin building the infrastructure for the State’s first “Career Passport.” The Career Passport system will allow students to create formal documentation of their marketable skills and abilities developed through work, classes, apprenticeships, internships or other experiences both inside and outside the classroom, with the intent of scaling the system in future years to be applicable at both the

secondary and higher education levels. The 2025-26 State Budget Proposal also allocates \$500 million in one-time funding for literacy and mathematics coaches in high-poverty schools.

The proposal notes that it is maintaining efficiency reductions included in the 2024-25 State Budget intended to address ongoing statewide General Fund budget pressures, and that California State University should continue planning for a reduction of 7.95% in ongoing General Fund support starting in the 2025-26 fiscal year, with the University of California subject to a similar reduction of 7.95%.

The May Revise will be released by the Governor on or before May 14, 2025 and will update the budget proposal with revised economic and revenue outlooks and other estimates and assumptions, and may contain modifications to or removal of policy initiatives included in the January proposal.

For the full text of the 2025-26 State Budget Proposal, see the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

LAO Analysis of the 2025-26 State Budget Proposal. The LAO released its report on the 2025-26 State Budget Proposal entitled “The 2025-26 Budget: Overview of the Governor’s Budget” on January 13, 2025 (the “**2025-26 State Budget Proposal Analysis**”). In the 2025-26 State Budget Proposal Analysis, the LAO notes that the underlying condition of the Governor’s budget is roughly balanced. However, the LAO (and the 2025-26 State Budget Proposal) anticipates budget deficits in future years and recommends action from the Governor and the State legislature. In addition, while the 2025-26 State Budget Proposal’s upgraded revenue forecast is reasonable considering recent collection trends, the LAO is concerned that these gains are largely tied to gains in the stock market and not to improvements in the State’s broader economy. Furthermore, the 2025-26 State Budget Proposal Analysis recommends that the State legislature continue to develop a plan to address future budget problems as existing underlying budget dynamics (i.e., revenues have not caught up with expenditures, expenditure growth exceeds estimated revenue growth, and the legislature’s use of one-time funds) pose especially challenging trade-offs in addressing future deficits. Finally, the LAO notes that while the Governor’s proposals for rethinking the State’s reserve policies are merited, it believes that further changes are warranted, including, increases to the amount of funds that are saved each year.

The 2025-26 State Budget Proposal Analysis is available on the LAO website at <https://lao.ca.gov/Publications/Report/4951>. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Disclaimer Regarding State Budgets

The execution of State budgets may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2024-25 State Budget or subsequent State budgets, or future changes (if any) in the budget due to shifts in the economy or other factors, will have on

its own finances and operations. However, the Bonds described herein are secured by *ad valorem* property taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

The State has not entered into any contractual commitments with the District, the County, the Underwriter or the owners of the Bonds to provide State Budget information to the District or the owners of the Bonds. Although the sources of information provided herein are known to be reliable, neither the District nor the Underwriter assume any responsibility for the accuracy of the budget information set forth or referred to in this Official Statement or incorporated herein.

Legal Challenges to State Funding of Education

The application of Proposition 98 and other statutory provisions relating to education funding in the State has been the subject of various legal challenges in the past. The District cannot predict if or when there will be changes to education funding or legal challenges which may arise relating thereto, and how such events could impact the District and its finances.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

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. Articles XIII A, XIII B, XIII C, and XIII D of the State Constitution, Propositions 62, 98, 111 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the District to levy taxes and spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the District 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 and all applicable laws.

Constitutionally Required Funding of Education

The State Constitution requires that from all State revenues, there shall be first set apart the moneys to be applied by the State for the support of the public school system and public institutions of higher education. School districts receive a significant portion of their funding from State appropriations. As a result, decreases and increases in State revenues can significantly affect appropriations made by the State Legislature to school districts.

Article XIII A of the California Constitution

Basic Property Tax Levy. On June 6, 1978, California voters approved Proposition 13 (“**Proposition 13**”), which added Article XIII A to the State Constitution (“**Article XIII A**”). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIII A approved by State voters on June 3, 1986) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) (as a result of an amendment to Article XIII A approved by State voters on November 7, 2000) 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. The tax for the payment of the Bonds falls within the exception described in (iii) of the immediately preceding sentence. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment”. This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

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

Both the United States Supreme Court and the California State Supreme Court have upheld the general 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.

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.

Inflationary Adjustment of Assessed Valuation. As described above, the assessed value of a property may be increased at a rate not to exceed 2% per year to account for inflation. On December 27, 2001, the Orange County Superior Court, in *County of Orange v. Orange County Assessment Appeals Board No. 3*, held that where a home’s taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the 2% inflation adjustment provision of Article XIII A, when the assessor tried to “recapture” the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties, including the County, use a similar methodology in raising the taxable values of property beyond 2% in a single year. The SBE has approved this methodology for increasing assessed values. On appeal, the Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year’s assessment. On

May 10, 2004 a petition for review was filed with the California Supreme Court. The petition has been denied by the California Supreme Court. As a result of this litigation, the “recapture” provision described above may continue to be employed in determining the full cash value of property for property tax purposes.

Article XIII B of the California Constitution

Article XIII B (“**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. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year under 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 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. However, in the event that a school district’s revenues exceed its spending limit, the district may in any fiscal year increase its appropriations limit to equal its spending by borrowing appropriations limit from the State.

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 shall be transferred and allocated to the State School Fund under Section 8.5 of Article XVI of the State Constitution.

Unitary Property

Some amount of property tax revenue of the District is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions (“**unitary property**”). Under the State Constitution, such property is assessed by the SBE as part of a “going concern” rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-

wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

Articles XIII C and XIII D of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the California Constitution Articles XIII C and XIII D (respectively, “**Article XIII C**” and “**Article XIII D**”), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4.

On November 2, 2010, Proposition 26 was approved by State voters, which amended Article XIII C 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 XIII D. 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.

Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

While the provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District (thereby causing such local

governments to reduce service levels and possibly adversely affecting the value of property within the District), the District does not believe that Proposition 218 will directly impact the revenues available to pay debt service on the Bonds.

Proposition 98

On November 8, 1988, California 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.

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.

Proposition 111

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:

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.

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.

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.

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.

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 (the "third test"). 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 39

On November 7, 2000, California voters approved an amendment (commonly known as "Proposition 39") to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. Constitutional amendments may be changed only with another statewide vote. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by Proposition 39 are K-12 school districts including the District, community college districts, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1% of the value of property. Prior to the approval of Proposition 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for an elementary school district or high school district), or \$25 (for a community college district), per \$100,000 of taxable property value. 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.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amended 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-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, 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 amended 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.

Proposition 22, a constitutional initiative entitled the "Local Taxpayer, Public Safety, and Transportation Protection Act of 2010," approved on November 2, 2010, superseded many of the provisions of Proposition 1A. This initiative amends the State constitution to prohibit the legislature from diverting or shifting revenues that are dedicated to funding services provided by local government or funds dedicated to transportation improvement projects and services. Under this proposition, the State is not allowed to take revenue derived from locally imposed taxes, such as hotel taxes, parcel taxes, utility taxes and sales taxes, and local public transit and transportation funds. Further, in the event that a local governmental agency sues the State alleging a violation of these provisions and wins, then the State must automatically appropriate the funds needed to pay that local government. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Because Proposition 22 reduces the State’s authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State’s general fund.

Proposition 30 and Proposition 55

The Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as “**Proposition 30**”), temporarily increased the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013, to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax was levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and 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 \$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 \$600,000 but less than \$1,000,000 for joint filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$1,000,000 for joint filers).

The revenues generated from the temporary tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See “Proposition 98” and “Proposition 111” above. From an accounting perspective, the revenues generated from the temporary tax increases will be 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 will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be 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, was a proposed constitutional amendment initiative that was approved on the November 8, 2016, general election ballot 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, instead of the scheduled expiration date of December 31, 2018. Tax revenue received under Proposition 55 is to be allocated 89% to K-12 schools and 11% to community colleges. Proposition 55 did not extend the sales tax increases of Proposition 30.

Proposition 2 (2024)

The Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair and Safety Bond Act of 2024, also known as

“Proposition 2”, was approved by State voters at the November 5, 2024 statewide election, and authorizes the sale and issuance of \$10 billion in State general obligation bonds for the repair, upgrade and construction of facilities at K-12 public schools (including charter schools), community colleges and career technical education programs, including the improvement of health and safety conditions and classroom upgrades.

Proposition 2 includes \$3.3 billion for the construction of new K-12 facilities and an additional \$4 billion for the modernization of existing K-12 facilities. Up to 10% of the allocation for new constructions and modernization will be reserved for school districts with an enrollment of fewer than 2,501 students. Of the \$4 billion assigned for modernization of existing K-12 facilities, up to \$115 million will be allocated for the remediation of lead in water at school facilities. Generally, 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. However, some districts that have lower assessed property values and meet certain other socio-economic criteria will be required to pay as low as 45% and 35% of new construction costs and modernization costs, respectively. In addition, a total of \$1.2 billion will be available for the modernization and new construction of charter school facilities (\$600 million) and technical education facilities (\$600 million). The State will award funds to technical education and charter school through an application process, and charter schools must be deemed financially sound before project approval.

California Senate Bill 222

Senate Bill 222 (“**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, 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 is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the California Constitution and Propositions 98, 111, 22, 26, 30, 39 and 55 were each adopted as measures that qualified for the ballot under the State’s initiative process. From time to time, other initiative measures could be adopted further affecting District revenues or the District’s ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

APPENDIX B

**HANFORD ELEMENTARY SCHOOL DISTRICT
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2023-24**

APPENDIX C

ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF HANFORD AND KINGS COUNTY

The following information concerning the City of Hanford (the “City”) and Kings County (the “County”) and is included only for the purpose of supplying general information regarding the area of the District. The Bonds are not a debt of the City, the County, the State of California (the “State”) or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.

General

The City. Incorporated in 1891, the City is situated in the south central portion of California’s San Joaquin Valley, 28 miles south-southeast of the City of Fresno and 18 miles west of the City of Visalia. The City is 249 feet above sea level and is an important commercial and cultural center in the south central San Joaquin Valley. Hanford is a general law city with Council-Manager form of government and is governed by a five-member City Council elected by district and serve four-year staggered terms.

The County. The County is located in the south central San Joaquin Valley. The County is home to the Lemoore Naval Air Station and three California State Correctional facilities, two in Corcoran and one in Avenal. The County has four incorporated communities: Lemoore, Hanford, Avenal, and Corcoran.

The County, which covers an area of 1,396 square miles in central California, has its County seat in the City of Hanford. The population of the County is an estimated 153,608, located in the four incorporated cities and in unincorporated parts of the County. The major employers of the County are the Avenal State Prison, the Corcoran State Prison and the Lemoore Naval Air Station. Agriculture is the major industry in the County with approximately 761,266 acres out of a total of 893,440 total Kings County acreage, dedicated or available for farming. The Santa Fe Railroad, Southern Pacific Railroad, and San Joaquin Railroad serve the County.

Population

The following table lists population estimates for the City, the County, other major cities in the County, and the State of California as of January 1 each year for the last five calendar years.

KINGS COUNTY Population Estimates Calendar Years 2020 through 2024

	2020	2021	2022	2023	2024
Avenal	12,992	12,751	13,154	13,398	13,981
Corcoran	21,535	20,798	21,991	21,437	21,633
Hanford	59,178	58,706	58,260	59,034	59,286
Lemoore	26,373	27,230	26,968	26,929	26,855
Balance of County	33,111	31,672	31,281	30,831	30,872
Kings County Total	153,189	151,157	151,654	151,629	152,627

Source: State Department of Finance estimates (as of January 1).

Industry and Employment

The District is included in the Hanford-Corcoran Metropolitan Statistical Area (“**MSA**”). The unemployment rate in Kings County was 8.4% in December 2024, up from a revised 7.9% in November 2024, and below the year-ago estimate of 8.9%. This compares with an unadjusted unemployment rate of 5.2% for California and 3.8% for the nation during the same period.

The table below provides information about employment by industry type for the County for calendar years 2019 through 2023.

**HANFORD-CORCORAN MSA
(Kings County)
Annual Average Civilian Labor Force, Employment and Unemployment,
Unemployment by Industry
(March 2023 Benchmark)**

	2019	2020	2021	2022	2023
Civilian Labor Force ⁽¹⁾	57,800	57,000	55,300	56,200	58,200
Employment	53,200	50,300	50,000	52,200	53,500
Unemployment	4,600	6,800	5,400	4,000	4,800
Unemployment Rate	8.0%	11.8%	9.7%	7.1%	8.2%
<u>Wage and Salary Employment: ⁽²⁾</u>					
Agriculture	7,500	7,300	7,300	7,400	7,700
Mining, Logging, and Construction	1,000	1,000	1,000	1,200	1,200
Manufacturing	4,900	4,600	4,500	4,700	4,700
Wholesale Trade	600	600	600	600	600
Retail Trade	4,300	4,100	4,400	4,400	4,400
Trans., Warehousing, Utilities	2,000	1,700	1,600	1,600	1,500
Information	200	200	200	200	200
Financial Activities	900	900	900	900	900
Professional and Business Services	1,200	1,200	1,300	1,700	1,800
Educational and Health Services	6,700	6,400	6,500	6,800	7,600
Leisure and Hospitality	3,600	3,400	3,900	4,200	4,100
Other Services	700	700	700	800	700
Federal Government	1,200	1,300	1,200	1,200	1,100
State Government	5,500	5,400	5,300	5,200	5,400
Local Government	8,400	7,600	7,500	8,000	8,600
Total All Industries ⁽³⁾	48,800	46,300	46,800	48,900	50,400

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: *State of California Employment Development Department.*

Major Employers

The following table lists the twenty-five largest employers within the County as of March 2025, being the most current date for which such information is available. The employers are listed in alphabetical order without regard to the number of employees.

KINGS COUNTY Major Employers (As of March 2025)

Employer	Location	Industry
Badasci & Wood Transport	Lemoore	Trucking
California State Prison	Corcoran	State Govt-Correctional Institutions
California State Prison	Corcoran	Government Offices-State
Central Valley Meat Co Inc	Hanford	Meat Packers (mfrs)
Costco Wholesale	Hanford	Wholesale Clubs
Del Monte Foods Inc	Hanford	Food Products & Manufacturers
JG Boswell Co	Corcoran	Manufacturers
Keller Ford	Hanford	Automobile Dealers-New Cars
Kings County Admin	Hanford	Government Offices-County
Kings County Sheriff's Office	Hanford	Government Offices-County
Lemoore High School	Lemoore	Schools
Lemoore Main Navy Exchange	Lemoore	General Merchandise-Retail
Leprino Foods Co	Lemoore	Cheese Processors (mfrs)
Marquez Brothers Intl Inc	Hanford	Mexican Food Products-Wholesale
Naval Air Station Lemoore	Lemoore	Military Bases
Naval Health Clinic Lemoore	Lemoore	Clinics
Nichols Farms Inc	Hanford	Farms
Olam Spices & Vegetables	Hanford	Food Products & Manufacturers
Pioneer Union Elementary Sch	Hanford	Schools
Shelly Baird School	Hanford	Schools
TC Transcontinental Packaging	Hanford	Packaging Materials-Manufacturers
Walmart Supercenter	Hanford	Department Stores
Warmerdam Packing	Hanford	Fruits & Vegetables-Harvesting
West Hills College Lemoore	Lemoore	Junior-Community College-Tech Institutes
Zepeda's Farm Labor Svc	Corcoran	Labor Contractors

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income and median household effective buying income for the City, the County, the State and the United States for the period 2021 through 2025.

**CITY OF HANFORD, KINGS COUNTY
STATE OF CALIFORNIA and UNITED STATES
EFFECTIVE BUYING INCOME
As of January 1, 2021 through 2025**

<u>Year</u>	<u>Area</u>	<u>Total Effective Buying Income (000's Omitted)</u>	<u>Median Household Effective Buying Income</u>
2021	City of Hanford	\$1,343,079	\$61,189
	Kings County	2,890,249	56,365
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	City of Hanford	\$1,369,769	\$61,478
	Kings County	3,008,224	57,677
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Hanford	\$1,420,551	\$61,351
	Kings County	3,156,416	58,505
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Hanford	\$1,519,471	\$66,136
	Kings County	3,343,794	62,819
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Hanford	\$1,582,688	\$66,259
	Kings County	3,426,196	62,753
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687

Source: Claritas, LLC.

Commercial Activity

Summaries of historic taxable sales within the City, and the County during the past five years for which data are available are shown in the following tables.

During the first three quarters of calendar year 2024, total taxable transactions in the City were reported to be \$1,045,663,648, representing a 10.28% increase over the total taxable transactions of \$948,223,422 that were reported in the City during the first three quarters of calendar year 2023.

CITY OF HANFORD Taxable Transactions (Dollars in Thousands)

Year	Retail Permits on July 1	Retail Stores Taxable Transactions	Total Permits on July 1	Total Outlets Taxable Transactions
2019	882	\$847,688	1,297	\$1,042,710
2020	961	938,969	1,429	1,103,507
2021	912	1,128,477	1,392	1,265,601
2022	945	1,151,268	1,459	1,298,626
2023	910	1,111,671	1,421	1,276,661

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first three quarters of calendar year 2024 in the County were reported to be \$1,890,662,962 a 1.14% decrease from the taxable sales of \$1,912,387,570 reported during the first three quarters of calendar year 2023.

KINGS COUNTY Taxable Transactions (Dollars in Thousands)

Year	Retail Permits on July 1	Retail Stores Taxable Transactions	Total Permits on July 1	Total Outlets Taxable Transactions
2019	1,550	\$1,301,050	2,475	\$1,832,235
2020	1,741	1,467,858	2,781	2,155,652
2021	1,652	1,743,794	2,685	2,467,534
2022	1,703	1,769,714	2,789	2,608,548
2023	1,599	1,693,376	2,663	2,526,007

Source: State Department of Tax and Fee Administration.

Construction Activity

Construction activity in the City and the County for the past five years for which data is available are shown in the following tables.

CITY OF HANFORD Building Permit Valuation For Calendar Years 2019 through 2023 (Dollars in Thousands)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Permit Valuation</u>					
New Single-family	\$59,636.1	\$46,248.1	\$86,405.9	\$87,247.6	\$109,465.0
New Multi-family	1,859.0	0.0	11,455.4	16,133.3	28,418.2
Res. Alterations/Additions	<u>961.3</u>	<u>3,389.1</u>	<u>3,436.5</u>	<u>2,925.8</u>	<u>4,722.6</u>
Total Residential	62,456.4	49,637.2	101,297.8	106,306.7	142,605.8
New Commercial	1,352.9	11,776.4	2,521.1	10,047.2	26,854.6
New Industrial	0.0	2,170.0	0.0	0.0	0.0
New Other	4,771.7	6,190.6	9,002.0	9,286.5	29,570.9
Com Alterations/Additions	<u>5,661.0</u>	<u>5,265.4</u>	<u>7,839.8</u>	<u>4,611.7</u>	<u>3,164.2</u>
Total Nonresidential	11,785.6	25,402.4	19,362.9	23,945.4	59,589.7
<u>New Dwelling Units</u>					
Single Family	211	163	278	249	292
Multiple Family	<u>25</u>	<u>0</u>	<u>92</u>	<u>90</u>	<u>229</u>
TOTAL	236	163	370	339	521

Source: Construction Industry Research Board, Building Permit Summary.

COUNTY OF KINGS Building Permit Valuation For Calendar Years 2019 through 2023 (Dollars in Thousands)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Permit Valuation</u>					
New Single-family	\$108,621.9	\$60,946.9	\$115,038.2	\$118,041.3	\$173,957.4
New Multi-family	1,859.0	3,054.1	11,455.4	17,932.2	29,018.2
Res. Alterations/Additions	<u>8,857.7</u>	<u>9,897.9</u>	<u>7,690.3</u>	<u>8,863.6</u>	<u>9,786.9</u>
Total Residential	119,338.6	73,898.9	134,183.9	144,837.1	212,762.5
New Commercial	17,671.9	24,040.3	25,774.2	20,776.4	31,613.9
New Industrial	0.0	2,570.0	0.0	2,054.4	0.0
New Other	9,181.6	11,845.4	26,196.9	25,065.6	62,448.8
Com Alterations/Additions	<u>16,180.5</u>	<u>12,418.5</u>	<u>42,697.7</u>	<u>16,428.5</u>	<u>7,775.5</u>
Total Nonresidential	43,034.0	50,874.2	94,668.8	64,324.9	101,838.2
<u>New Dwelling Units</u>					
Single Family	445	223	386	378	552
Multiple Family	<u>25</u>	<u>34</u>	<u>92</u>	<u>100</u>	<u>233</u>
TOTAL	470	257	478	478	785

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF JONES HALL]

[Closing Date]

Board of Trustees
Hanford Elementary School District
714 N. White Street
Hanford, California 93230

OPINION: \$_____ Hanford Elementary School District
 General Obligation Bonds, Election of 2024, Series A (Bank Qualified)

Members of the Board of Trustees:

We have acted as bond counsel to the Hanford Elementary School District (the "District") in connection with the issuance by the District of \$_____ principal amount of Hanford Elementary School District (Kings County, California) General Obligation Bonds, Election of 2024, Series A, dated the date hereof (the "Bonds"), under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Trustees of the District (the "Board") on April 9, 2025 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Bond Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly established and validly existing as a school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution.
2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the District, enforceable against the District in accordance with its terms.
3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the Board of Supervisors of the County of Kings is obligated 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, without limitation as to rate or amount.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Tax Code”), and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Tax Code), a deduction is allowed for 80 percent of that portion of such financial institutions’ interest expense allocable to the portion of the Bonds designated as and comprising interest.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Tax Code relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds, and in order for the Bonds to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds, or may cause the Bonds not to be “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Tax Code.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally, and by equitable principles, whether considered at law or in equity.

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,

A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ _____
HANFORD ELEMENTARY SCHOOL DISTRICT
(Kings County, California)
General Obligation Bonds,
Election of 2024, Series A
(Bank Qualified)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “**Disclosure Certificate**”), dated _____, 2025, is executed and delivered by the Hanford Elementary School District (the “**District**”) in connection with the execution and delivery of the above-captioned bonds (the “**Bonds**”). The Bonds are being executed and delivered pursuant to a resolution adopted by the Board of Trustees of the District on April 9, 2025 (the “**Resolution**”). U.S. Bank Trust Company, National Association, is initially acting as paying agent for the Bonds (the “**Paying Agent**”).

The District hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

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

“*Annual Report Date*” means the date not later than nine months after the end of each fiscal year of the District.

“*Dissemination Agent*” means, initially, Isom Advisors, a Division of Urban Futures, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a).

“*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.

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

“*Paying Agent*” means U.S. Bank Trust Company, National Association, or any successor thereto.

“*Participating Underwriter*” means RBC Capital Markets, LLC, the original underwriter of the Bonds required to comply with the Rule in connection with offering 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 the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2026, with the report for the 2024-25 fiscal year, 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; 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 Listed Event under Section 5(b). 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 shall provide (or cause the Dissemination Agent to provide) notice to the MSRB in a timely manner, in an electronic format, as prescribed by the MSRB.

(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) 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 before the Annual Report Date, the following information for the most recently completed fiscal year, or, if available at the time of filing the Annual Report, for the fiscal year in which the Annual Report is filed:

- (i) State funding received by the District;
- (ii) Average daily attendance for the District;
- (iii) Outstanding District indebtedness;
- (iv) Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the current fiscal year;
- (v) Assessed valuation of taxable property within the District for the current fiscal year;
- (vi) Secured *ad valorem* property tax levy collections and delinquencies within the District for the last completed fiscal year, except to the extent the Teeter Plan, if in effect in Kings County, applies to both the 1% general purposes *ad valorem* property tax levy and to the tax levy for general obligation bonds of the District; and
- (vii) The top 20 largest property taxpayers for the District, as shown in the most recent equalized assessment roll.

(c) 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 Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.

- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) 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.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the District.
- (13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with 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 Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. 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 it determines the event's occurrence is material for

purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) 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.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the 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 Listed 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. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc. Any Dissemination Agent may resign by providing 30 days’ written notice to the District and the Paying Agent.

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 Resolution for amendments to the Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

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. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(b).

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

Section 11. Default. 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 Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

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

(a) 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 will 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 Bondholders 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 holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: _____, 2025

HANFORD ELEMENTARY SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC 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.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (in this Appendix, 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, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. 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 Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. 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 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).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that District believes to be reliable, but District takes no responsibility for the accuracy thereof.

APPENDIX G
KINGS COUNTY INVESTMENT POLICY
AND INVESTMENT REPORT