

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
AGENDA AND ORDER OF BUSINESS – REGULAR MEETING
Thursday, March 9, 2023**

**Baden High School - Gymnasium
825 Southwood Drive, South San Francisco, California**

The Board of Trustees invites the community to participate in this meeting in-person.

The Board meeting will be streamed live and you can view it by visiting this web page streaming link: <https://www.ssfusd.org/apps/pages/onlineboardmeeting>
(The link will be active shortly before 7:00 p.m. on March 9)

Translation: For in-person attendees, a Spanish language translation will be provided if requested through the Superintendent's office, 650-877-8705, no later than 48 hours prior to the start of the meeting.

Traducción: La oficina de la superintendente, 650-877-8705, les proveerá una traducción en español a los asistentes si la piden 48 horas antes de empezar la reunión.

This meeting will include closed captions which require the Board to provide a break, for the captioner's benefit, after approximately every 90 minutes.

OPEN SESSION - 6:30 p.m.

A. CALL TO ORDER

CLOSED SESSION - 6:30 p.m.

1. To consider the evaluation of performance and discipline/dismissal/release of Certificated personnel in accordance with Government Code Section 54957 (one case).

RECONVENE INTO OPEN SESSION - 7:00 p.m.

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE will be led by SSFHS student Maddie Popielak.

D. LAND ACKNOWLEDGEMENT STATEMENT

We acknowledge that the South San Francisco Unified School District is located on the unceded ancestral homeland of the Ramaytush Ohlone peoples who are the original inhabitants of the San Francisco Peninsula.

We wish to pay our respects by acknowledging the Ancestors, Elders, and relatives of the Ramaytush Community and by affirming their sovereign rights as First Peoples.

E. REPORTING OUT FROM CLOSED SESSION

F. REVIEW OF AGENDA

G. PTA COUNCIL REMARKS

H. STAFF ASSOCIATION REPRESENTATIVES' REMARKS

- South San Francisco Federation of Adult Educators
- South San Francisco Classroom Teachers Association
- California School Employees Association Chapter 197

I. PERSONNEL COMMISSION

J. ITEMS FROM THE BOARD

- Announcements
- Board Calendar
- Board Committee Reports

K. SUPERINTENDENT'S REPORT

- a. Community Conversations Update
- b. Director of Technology
- c. Vaccination Clinic
- d. Youth Art Show
- e. Other

L. STUDENT TRUSTEE REPORTS

1. Tania Torres, Spring Student Trustee and ASB President South San Francisco
2. Katrina Oller, Fall Student Trustee and ASB President El Camino High School.

M. PUBLIC COMMENTS

For Items Not On The Agenda:

Public comment for items not on the agenda should not exceed 30 minutes. Public comments are limited to a maximum of three minutes per individual (per Board Bylaw 9323). In order to accommodate more speakers, the Board President may, at their discretion, limit the individual time per speaker to one or two minutes each if there are more than ten expected speakers.

To comment prior to the meeting:

Public comments may be submitted in advance of the meeting through the following link: <https://bit.ly/boardmeeting392023> beginning at 3:00 p.m. on Monday, March 6, until 3:00 p.m. on Thursday, March 9. These comments will be read by all Board members and posted on the District website's 2022-23 Board meetings at: <https://www.ssfusd.org/apps/pages/meetings>

To comment in-person during the meeting:

Public comments are limited to one to three minutes per individual (per Board Bylaw 9323). Name/address cards are placed in the back of the room to be completed and given to the secretary. The Board President will call upon individuals in random order who have requested to speak. Each person may only speak once, and is required to address the Board from the podium. The meeting is recorded and streamed live. Individuals may address the Board concerning school business not on the agenda, but public comment cannot be acted upon or discussed by the Board unless placed on the agenda at a subsequent meeting, in accordance with the law, the Brown Act. The Board may request staff to respond orally at the meeting or in writing at a future time.

Special Meeting Comments:

In accordance with the law, the Brown Act, during special meetings, public comments are limited to only those items on the agenda.

The meeting is recorded and streamed live. Individuals may address the Board concerning school business not on the agenda, but public comment cannot be acted upon or discussed by the Board unless placed on the agenda at a subsequent meeting, in accordance with the law, the Brown Act. The Board may request staff to respond orally at the meeting or in writing at a future time.

N. INFORMATION ONLY PRESENTATIONS

(Individual presentations are limited to a maximum of 10 minutes.)

PAGE

1. EDUCATIONAL SERVICES

**a. Teaching and learning presentation:
South San Francisco High School**

Principal Kevin Asbra will share, with the Board, educational priorities and programs at South San Francisco HS.

**b. Performance Management - Next Generation Science
Standards (NGSS)**

1

Director Jason Brockmeyer and staff will review data on the California Science assessments and information on the overall implementation of the NGSS plan at SSFUSD's elementary, middle, and high school grade spans.

O. PRESENTATION WITH POTENTIAL ACTION

PRESENTATION

1. BUSINESS SERVICES

a. Second Interim Financial Report

Assistant Superintendent Ted O will present, to the Board, the 2022-23 Second Interim Financial Report, for the period ending January 31, 2023.

ACTION

1. BUSINESS SERVICES

**a. Approval of the Second Interim Financial Report and
Positive Certification of Financial Condition**

2 - 3

Staff recommends the approval of the 2nd Interim Financial Report and positive certification of financial condition for fiscal Year 2022-23, declaring that the District will be able to meet its financial obligations for the current year and subsequent two fiscal years, as presented to the Board.

- P. CONSENT AGENDA: The following items are submitted for Board approval. One motion will authorize action for those items so designated.**

PAGE

1. ADMINISTRATION

- | | |
|---|---------|
| a. Minutes of the February 9, 2023 regular Board meeting. | 4 - 29 |
| b. Permission for Trustee Richardson to attend the CSBA/ ACSA 2023 Coast2Coast Federal Advocacy Event in Washington, D.C., on April 24-26, 2023. | 30 - 31 |

2. EDUCATIONAL SERVICES

- | | |
|---|---------|
| a. Permission for Parkway Heights MS students to participate in the Nature Bridge Program at the Golden Gate National Recreation area in Sausalito, CA, April 14-16, 2023. | 32 - 33 |
| b. Permission for a Parkway Heights MS staff member to attend the National Mariachi Education Workshop, in Las Vegas, NV on June 26-30, 2023. | 34 - 35 |

3. BUSINESS SERVICES

- | | |
|---|---------|
| a. Fundraising events for the 2022-23 school year. | 36 - 37 |
| b. Professional service agreements under \$25,000 | 38 - 39 |

PAGE

ACTION *(continued)*

1. HUMAN RESOURCES

- a. Acceptance of Agreement with Unrepresented Groups and the Corresponding AB 1200** 40 - 49

Staff recommends the acceptance of the agreement with the District's unrepresented employee groups and pursuant to Government Code Section 3547.5, approval of the corresponding AB 1200 document, as presented to the Board.

2. BUSINESS SERVICES

- b. Adoption of Resolution No. 23-06 Declaring Results and Certifying Proceedings of School Bond Election Held November 8, 2022 and Declaring Official Intent to Reimburse Certain Expenditures from Proceeds of General Obligation Bond Financing** 50 - 54

Staff recommends the adoption of Resolution #23-06: Thereby entering the election results in the minutes and declaring its official intent to reimburse certain expenditures for Projects from the first series of bonds issued under the Measure.

- c. Adoption of Resolution No. 23-07 Authorizing the Issuance and Sale of Not to Exceed \$150,000,000 Aggregate Principal Amount of Bonds of the District, by a Negotiated Sale, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of an Official Statement for the Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions** 55 - 223

Staff recommends the adoption of Resolution #23-07: Authorizing staff to take the necessary steps to complete the financing.

PAGE

d. Approval of a Waiver Request for SSFUSD School Closure 224 - 232

Staff recommends the approval of the J-13A Waiver Request for Allowance of Attendance for SSFUSD school closure due to winter storms on January 5, 2023, as presented to the Board.

e. Approval of Award of Contract for the Replacement of South San Francisco High School's M-Wing Roof 233 - 234

Staff recommends the approval of the award of contract to San Francisco Roofing Services, in the amount of \$81,500, for the SSFHS M-Wing roof replacement, as presented to the Board.

f. Approval of Dates for 2023-24 LCAP and Budget Hearings and Adoptions 235 - 236

Staff recommends approval of the recommended dates for the 2023-24 Local Control Accountability Plan (LCAP) and budget hearings and adoptions, as presented to the Board.

REVIEW OF FUTURE AGENDA ITEMS AND MEETINGS *(subject to change)*

Board meetings are being held in the Baden HS gym, unless otherwise noted.

March 23, 2023

- Teaching and learning presentation - Martin ES
- Presentation on Performance Management - English Learners
- Presentation on Nutrition Services Department
- Resolution for Child Abuse Prevention Awareness Month (April)
- Resolution for Autism Awareness Month (April)
- Approval of LCFF supplemental funded positions
- Resolutions for retirees

April 13, 2023

- Teaching and learning presentation - Spruce ES
- Presentation on Performance Management - College and Career Readiness
- Presentation on the SSF Education Foundation
- Williams report for 3rd quarter ending 3/31/23
- Resolution for Earth Day (April 22)

- Approval of Skyline Middle College MOU for 2023-24
- Resolutions for retirees
- Resolution for Day of the Teacher (5/10)
- Resolution for Classified School Employee Week (5/14-5/20)

April 27, 2023

- Teaching and learning presentation - Monte Verde ES
- Presentation on TOSAs
- Approval of designated representatives to CIF (California Interscholastic Federation)
- Approval for 5th graders to attend SMCOE Outdoor Education
- Resolution honoring Asian Pacific American Heritage Month (May)

May 8, 2023 - Board study session *(Board room)*

- Equity Network 2.0 discussion session #1

May 11, 2023

- Recognition for outgoing Student Trustee Torres
- Teaching and learning presentation - ECHS
- Presentation on Boys and Girls Club
- Approval of the Board meeting calendar for the 2023-24 school year
- Approval of Graduates - Baden HS, ECHS, SSFHS, and Adult Ed.
- Resolution for Fund 11 & Fund 14 account balances
- Approval of All City agreement for crossing guards for 2023-24

May 25, 2023

- Teaching and learning presentation - Alternative Education
- Presentation on Curriculum/S&S
- Presentation on the Facilities Department
- Approval of the Children's Center Program annual self-evaluation reports
- Approval of SPSAs
- Approval for destruction of Disposable Class 3 records
- Information on May revision of the Governor's 2023-24 budget
- Resolution in support of LGBTQ+ Pride Month (June)

June 3, 2023 – Special Meeting/Board Workshop *(District Office)*

- Board self-evaluation

June 8, 2023

- Presentation on 2023-24 LCAP draft plan
- Presentation on 2023-24 Preliminary Budget
- Approval of School Services 2023-24 contract
- Public Hearing 2023-24 LCAP draft plan
- Public Hearing 2023-24 Preliminary Budget

- Approval of Local Indicators
- Approval of SMCOE Induction Program agreement for 2023-24
- Approval of Literably contract for 2023-24
- Approval of Board of Trustees Compensation increase for 2023-24
- Resolution on Budgetary increases and year end transfers

June 14, 2023 – Board study session (*Board room*)

- Equity Network 2.0 discussion session #2

June 22, 2023

- Presentation on Daybreak Mental Health and approval of MOU
- Presentation on YSB Counseling and Safe School Advocates Services
- Presentation on the Facilities Department
- Approval of SMCOE Outdoor Education dates for 2023-24
- Approval of Children's Center 2023-24 CCTR childcare contract
- Approval of Children's Center 2023-24 CSPP childcare contract
- Approval of Health Connected MOU for 2023-24
- Approval of Paper Education Company agreement for 2023-24
- Approval to increase facility use fees for 2023-24
- Approval to increase District rental/leasing rates for 2023-24
- Approval of Commercial Food Items and Food Supplies Award for 2023-24
- Adoption of 2023-24 LCAP
- Adoption of 2023-24 Preliminary Budget
- Resolution on Education Protection Account Funds

SUMMARY OF BOARD DIRECTIVES

GOOD AND WELFARE

- Comments from Board Members and Superintendent

ADJOURNMENT

Pursuant to Government Code 54954.2, Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, should contact Nalani Allen-Cantley, Senior Executive Assistant to the Superintendent, at least three working days prior to the meeting at (650) 877-8705. Notification in advance of this meeting will enable the District to make reasonable arrangements to ensure accessibility.

The agenda is available for review at the District's website: www.ssfusd.org (Click on *Board, Meetings*).

A recording is made of the Open Session of each meeting. Telephone--(650) 877-8705, Fax--(650) 588-8113 or e-mail: ncantley@ssfusd.org

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Memorandum

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Keith B. Irish, Assistant Superintendent, Educational Services and Categorical Programs

DATE: March 9, 2023

RE: Performance Management - Next Generation Science Standards (NGSS)

BACKGROUND:

Performance Management (PM) is an integrated, systematic approach that contains three parts: Strategic planning-LCAP, collaborative learning and accountability. PM leverages data in a timely manner, which allows for a deeper analysis of performance by drilling down to root causes (asking a lot of 'why' questions). This then helps us in determining specific actions that can be taken to improve what occurs in a classroom and improve the overall performance at a school/department. Then, there is a plan to relentlessly follow up and monitor progress to determine if growth is occurring.

The purpose of Performance Management is to provide level, overall performance to determine if we are making progress towards defined metrics/targets. The EDS department will provide data on California Science assessments and information on the overall implementation of the NGSS plan at the elementary, middle, and high school grade spans.

FISCAL IMPLICATIONS:

None at this time.

RECOMMENDATION:

For Information/Discussion only.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent – Business Services

DATE: March 9, 2023

RE: Approval of the 2022-23 Second Interim Financial Report

BACKGROUND:

The Education Code requires school districts to submit interim financial reports twice a year. The 2nd Interim Financial Report reflects transactions as of January 31, 2023, and must be adopted by the Governing Board by March 15, 2023.

As part of the 2nd Interim Financial Report, each school district must certify that its financial status is positive, qualified, or negative. Each of these terms is defined below:

- A positive certification means that the district will meet its financial obligations for the current fiscal year and subsequent two years.
- A qualified certification means that the district may not meet its financial obligations for the current fiscal year or two subsequent years.
- A negative certification means that the district will be unable to meet its financial obligations for the remainder of the fiscal year or for the subsequent fiscal year.

The South San Francisco Unified School District is submitting a **positive certification** for the 2022-23 2nd Interim Financial Report.

The complete 2022-23 2nd Interim Financial Report is available on the South San Francisco Unified School District website under Business Services, Financial Reporting.

FISCAL IMPLICATIONS:

N/A

RECOMMENDATION:

It is recommended the South San Francisco Unified School District Board of Trustees approve the positive certification for the 2022-23 Second Interim Financial Report as presented.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
Minutes of the Board of Trustees' Meeting of February 9, 2023

This meeting included closed captions which required the Board to provide a break, for the captioner's benefit, after approximately every 90 minutes.

OPEN SESSION - 6:30 p.m.

A. CALL TO ORDER

CLOSED SESSION - 6:30 p.m.

1. To consider the evaluation of performance and discipline/dismissal/release of Certificated personnel in accordance with Government Code Section 54957 (one case).

RECONVENE INTO OPEN SESSION - 7:02 p.m.

B. ROLL CALL

Board Members:	Ms. Amanda Anthony - Present Dr. Chialin Hsieh - Present Ms. Daina Lujan - Present Mrs. Patricia Murray - Present Mrs. Mina Richardson - Present Ms. Tania Torres, Student Board Member - Present
----------------	--

Cabinet Members:	Dr. Shawnterra Moore, Superintendent - Present Mr. Keith Irish, Assistant Superintendent, Educational Services and Categorical Programs - Present Mr. Ted O, Assistant Superintendent, Business Services - Present Dr. Jay Spaulding, Assistant Superintendent, Human Resources and Student Services - Present
------------------	---

- C. PLEDGE OF ALLEGIANCE** - was led by Sunshine Garden ES 5th grade student Fiona South. Principal Leticia Gonzalez said Fiona is an exceptional student, wonderful role model, and caring friend. She is an active learner and a wonderful support system for her peers when they need extra help staying on task or learning a new concept. Fiona loves dancing, performing, and Tae Kwon Do.

D. LAND ACKNOWLEDGEMENT STATEMENT

We acknowledge that the South San Francisco Unified School District is located on the unceded ancestral homeland of the Ramaytush Ohlone peoples who are the original inhabitants of the San Francisco Peninsula.

We wish to pay our respects by acknowledging the Ancestors, Elders, and relatives of the Ramaytush Community and by affirming their sovereign rights as First Peoples.

E. REPORTING OUT FROM CLOSED SESSION - Nothing to Report

F. REVIEW OF AGENDA - No changes.

G. PTA COUNCIL REMARKS - President John Sanna thanked Trustee Mina Richardson and Assistant Superintendent Ted O for attending the Tuesday night PTA Council meeting and also Trustee Patricia Murray for sharing information. He spoke about the continuing concern of parents regarding either District or City child care and hopes something can be worked out to appease their parent base. He noted that the District-sponsored Daybreak Mental Health webinar had a lot of positive feedback. Attendance was great and he has reached out to Dr. Jay Spaulding about possibly having a second one before the end of the school year. Mr. Sanna reported that plans are rapidly moving forward for the STEM Science Fairs at the Title 1 schools. At the last meeting, it was decided that any funds or supplies left over, would be given to non-Tile 1 schools. Regarding communications, he said it is still difficult for PTAs to get their messages out "...based on the fact that they only have access to their membership database. And having to depend on other methods are very important to them." He and Senior Executive Assistant Nalani Allen-Cantley have exchanged emails regarding notifications to the Board of school events and she talked about wanting to make sure the District PTA websites include information. Mr. Sanna said, "But it's very, very hard to do that because we depend on administrators and staff at the school or the District itself, and PTA is not the highest priority as far as putting information up on a website when you've got so many other things you need to do. If we had the ability to better communicate our events...everyone would know what all of our schools are doing all the time. Many of the schools take it upon themselves to do their own Facebook pages, their own Instagram accounts...other websites to communicate. But the PTAs are an integral part of each of these schools that they represent. And it would be nice to have that additional partnership a little more cemented so we do have a way to reach all of our population, not just the PTA membership."

Trustee Amanda Anthony asked for clarification on the child care and whether it is more before or after school. Mr. Sanna replied it is for both. He said after school is very important since most parents cannot take time off, in the afternoon, to pick up their kids and get them to their own child care. City services through Park and

Recreation are now on some campuses, but “...each of them have their own difficulties, their own issues with hiring, their own insurance, certification needs and space. And with more and more of our parents needing the child care, the need for facilities and services are way up there. I mean, there are parents who have been on waiting lists for as much as a year to a year and a half.”

H. STAFF ASSOCIATION REPRESENTATIVES’ REMARKS

South San Francisco Federation of Adult Educators - President Elizabeth Bales-Stutes asked the Board to vote to approve their tentative agreement later in the meeting. “We have three objectives this year: to secure annual pay increases for this year and next year, to gain more paid prep time, and to make improvements to our salary schedule. This tentative agreement has met all three of our goals. We are so pleased to have reached such a great resolution with the District. Thank you to Principal Prasad and to Dr. Spaulding for partnering with us in this collaborative negotiation process.” She acknowledged the work of CTA and CSEA members whose bargaining power, solidarity, and support helped AFT reach their goal.

Ms. Bales-Stutes read the following letter from Ms. Castaglio, an Adult Ed. teacher, in support of AFT negotiations. The Board had already seen it, but she wanted it included in the public record of this meeting.

“Good afternoon,

I have been an educator for 20 years and a teacher here in this district for nearly seven. I'd like to take this opportunity to share with you the work that we all do at the SSF Adult Ed. campus. Every single day in our classrooms, we provide a safe, kind, loving, supportive and compassionate environment for our students. Our students walk into our classroom sometimes lost, confused, tired, often victims of assault and crime, or fleeing a corrupt country and government. And then they arrive in the U.S., in our community and in our classrooms. And it's in our classrooms where they can sit down and take the weight of the world off their shoulders. We provide that for our students. We provide that space for them. Not only do we provide a safe space for these wonderful people, but we teach them. We teach them a language necessary to survive and hopefully thrive in this country. We teach them in the beautiful English language and how to use it in their lives. We teach them so they can be better members of our society, better members of this community, and to better serve their own families and children along with future generations that may continue living in our country. We do work that usually goes unnoticed and we thank you for noticing us. We thank you for valuing the great work that we do. We know there's always more we can do in our efforts to secure a better future for ourselves as

teachers so that we can work toward a better future for our students. We will continue to speak out, and these are my words now, today, we will continue to speak out for ourselves and our learners. You'll be hearing from us again."

South San Francisco Classroom Teachers Association - Vice President Shali Tapia reported that President Heather Burns returned from the Lindsay Unified School District visit impassioned to share the information she gathered. Ms. Tapia said CTA is thankful that the District has made tentative agreements with their sister unions. "This is another positive reflection of how the District and our bargaining units worked very efficiently this year. SSFCTA is feeling hopeful and re-energized for the future, building a climate of collaboration, hearing voices from all sides of our community and providing our students with strong learning opportunities." She thanked President Chialin Hsieh, Vice President Murray, and Trustee Richardson for attending Saturday's CTA School Board Breakfast. Ms. Tapia said, "Working towards common goals helps create an overall sense of purpose and meaning. We look forward to continuing to work together on many things to come. When all is said and done, we all want the best for our students, we want ideal learning environments and circumstances. We want our students to play an important role in improving and strengthening this society."

California School Employees Association Chapter 197 - President Jolene Malfatti said CSEA reached a tentative agreement and although they did not get all they wanted, it will immensely help their employees with inflation and the high cost of living in the area. She hopes to eventually restore the position of District-wide Campus Security in part because school alarms which sound during the weekends need to be handled by custodial staff. Ms. Malfatti said she was thrilled that CSEA signed a multi-year agreement and thanked the District's bargaining team members for negotiating with them.

- I. **PERSONNEL COMMISSION** - Assistant Superintendent Spaulding reported that the last meeting was held on January 23. During that meeting, they ratified three position announcements and five eligibility lists. The next Commission meeting will take place on February 13, 2023.

J. ITEMS FROM BOARD

Vice President Murray said SSFUSD has been on a journey of change over the past few years doing work based on equity and meeting the needs of all District students. She noted that the District recently partnered with Bay Ed Fund who provided a group of 25 including the Cabinet, two Board members, community members, staff, teachers, parents, and principals an opportunity to visit Lindsay Unified School District which has made a transformational change. She suggested everyone visit their website and watch a video about their school district and the changes they have made. She believes the participants were all inspired to do better for the kids. She cited examples of Lindsay Unified School District's

progress such as improving their 65% graduation rate in the early 2002s to their current 95% rate. 75% of their students attend college and 56% graduate within four years. Vice President Murray said their journey started with the question, "What if we could meet the needs of every student?" "They embarked with a new strategic design, a learner centered performance-based model with students directing their own learning. They refer to their students as learners and the teachers as learning facilitators, the classrooms as learning centers, and the schools as learning environments. So it's all about a culture of academic success." "Everything was about the students and they're not falling through the cracks. They changed the way they grade with a zero indicating the student did not know the subject matter, '1' meant they knew a little, '2' a little more, '3' was proficient, and '4' was mastery, which they aim for. She said," ...we are going to continue with changing the way that we educate kids in this District. And we've been working on it, we're going to continue working on it, but we can't do it alone. So, the parents and the teachers and administrators, everybody has to be in this mode that we want to meet the needs of all of our kids." She asked that everyone who receives a survey to please fill them out since that is the way to make their voices heard. She invited anyone interested to attend a Strategic Plan Town Hall on either March 1, virtually, or March 4, in-person. Information is on the District website.

Trustee Richardson advised that the County Committee on School District Organization is not meeting this month, so she has nothing to report until possibly next month.

K. SUPERINTENDENT'S REPORT

- a. Introduction of new Student Trustee Torres** - Superintendent Shawnterra Moore welcomed the Spring Student Trustee Tania Torres to the Board. Since the fall, she has provided the Board up updates and information related to the student experiences, activities, and events on her campus. While they continue to learn what is happening at the school, they also look forward to hearing her perspective on items which come before the Board.
- b. Advanced Placement Computer Science Female Diversity Award** - Dr. Moore congratulated SSFHS for earning the College Boards Advanced Placement Computer Science Female Diversity Award for expanding young women's access to AP Computer Science. This award acknowledges 1,105 schools for their work toward equal gender representation in the 2021-22 school year. She said SSFHS is one of only 209 schools to be recognized for achieving this important result in AP Computer Science.
- c. Lindsay Unified School District Site Visit Reflection** - the Superintendent spoke about the visit to Lindsay Unified School District and recognized the committed group of individuals who participated. Together they learned what things SSFUSD can do differently and what things they can do better, because they recognize they are here in deference to the students. In addition to the Board members and Cabinet, principals, and parents,

administrators from Educational Services, the CTA President, and other certificated and classified staff participated in the visit last Thursday. “So there were approximately 25 of us who attended and left truly feeling inspired about our observations, our conversations, and the culture which we observed.” “SSFUSD has been on a journey of District transformation to excellence and equity for all of our students, where we place our students at the center, and then we begin to shift the system and help all of the adults in our system shift as well.” Lindsay Unified School District started their journey in 2006 and it has taken a long time to reach the results of transforming their system to prioritize students and their learning needs. Dr. Moore said a few things stood out during their visit, especially the positive culture they have established. “They are unapologetically student-centered, and they talked a lot about that. They indicated when they started making these shifts, not everybody was happy. There were people who were frustrated, who wanted to continue the traditional ways that they had engaged, and through this process, some people had to make some hard choices, and through this process, a lot of people jumped on board and they embraced it. They took the time to confront the brutal facts about their student progress in their district. They really sought to change hearts and minds for all of their educators and their staff. They are at a place now where they've embraced a system that strives to meet students where they are and supports them in meeting the standards for which they're going to be assessed.” While it is still not perfect, there is a strong commitment to continue the process. Since they are a performance-based district, they did away with grades and focus on mastery based on a four-point scale. She was most impressed with the ownership of the learners (students) who facilitated the tours, answered questions, and were empowered in their leadership. “One student explained that they value learning and their role in the process, and that they are expected to and should always be able to answer these four questions: Where am I in my learning? Where am I going in my learning?, How will I get there?, and How am I doing?” Dr. Moore explained that they have shifted from a time-based learning system to “... a more learner-centered system, where students might need extra time, it might roll into the next year, but they still have an opportunity to demonstrate that they can master the concept and earn those credits.”

She said there was a lot of enthusiasm about what can be done for our scholars in SSFUSD. “As we embark upon our strategic plan, we absolutely believe that it is a perfect time to engage our entire community in this pursuit of re-imagining the ways in which we are going to transform this District.” Dr. Moore said a survey was launched on February 17 for the first draft of the Portrait of a Graduate. She thanked the Bay Ed Fund for partnering with the District. “We want to give our students that same level of ownership and agency in their learning, and the systems and the supports to thrive. We cannot do it without a coalition of people who are willing to commit to and help actualize the system for our students.”

- d. **National School Counselors Week** - Dr. Moore reported that it is National School Counselors Week and an opportunity for schools to recognize the important role this special group of people play in supporting students and families. “Our school teams are providing individual and small group counseling as well as large group lessons for classes and parents on a range of academic, college, and career and social/emotional topics. February as we know marks a very busy time in the lives of our counselors who are engaging in tasks like talking to students individually about what courses to take next year, coordinating academic and homework centers, helping seniors apply for financial aid and decide upon their next steps after high school, coaching students through peer conflicts, reaching out to parents and community partners, and collaborating with teacher colleagues to support struggling students.” On behalf of the Board and Cabinet she said the counselors are valued for all they have done and how they continued to support students and families.

L. STUDENT TRUSTEE REPORTS

1. Tania Torres, ASB President South San Francisco High School said her school is proud to have a generally inclusive program for AP Computer Science and the STEM field and praised the efforts of teacher Ms. Sun and then highlighted the following recent and upcoming events at her site: On January 21, ASB hosted the Winter Ball with a theme of “Snowball”; on January 27, the School Culture Commission hosted a lunchtime activity to celebrate the Lunar New Year; election season has begun for class officers or students joining seven commissions; ASB is planning their tours of the three middle schools to introduce them to their leadership activities; History Day competition was held last week with a theme of “Frontiers, People and Ideas” and many students are moving on to the County level; prom will take place on April 8 at San Francisco City Hall, with a “Roaring 20’s: theme; girls’ soccer team celebrated their senior night and the boys’ soccer team are third in the league and yesterday they celebrated senior night against ECHS, who they beat 8-0; the girls’ basketball team also won recently with a score of 60-38; and the boys’ basketball team beat Oceana with a score of 66-45.

Ms. Torres shared that many students feel uncomfortable with being penalized for their PE attire. “Many of them want to be graded on their understanding and effort towards physical education instead of whether they are wearing the right color or not. It has come to my attention, ...that there is an Ed Code section 49066c that prohibits students from being adversely affected if they fail to wear PE uniforms.” “I was highly encouraged by the student body to reach out and report to the Board.”

For Black History Month, she encouraged the Board to celebrate the black community by “...creating safe spaces, properly protecting them from society as well as engaging curriculum that represents them and their part in history.”

2. Katrina Oller, Fall Student Trustee and ASB President El Camino High School shared the following news from her school; Tomorrow ECHS is hosting a rally in celebration of the Hoops Game against SSFHS with a theme “Loving Basketball”; during the rally there will be Cheer and Advanced Performing Dance performances and winter sports teams will be acknowledged for their successful seasons with an athlete from each team receiving a Colt Award for displaying sportsmanship, leadership, and positivity; the girls’ varsity soccer team had an undefeated season and made it to the CCS playoffs; to celebrate Valentine’s Day junior class officers will be passing out Valentine’s grams and the choir will be singing Valentine’s grams for students and staff; for Black History Month, they are not only recognizing the significant contributions of African Americans, but will show students of black descent that they are always accepted and represented in their school community by decorating the school with the colors of the Pan African flag, which was created in the 1920’s as a symbol of freedom, pride and the political power of black Americans. “We are also...creating a video for our school’s social media, asking students and staff what Black History Month means to them and why it is important to acknowledge the history and achievements of African Americans in our country.”; and this year’s prom will be at the Asian Art Museum in San Francisco.

M. PUBLIC COMMENTS - None

N. INFORMATION ONLY PRESENTATIONS

**a. Teaching and learning presentation:
Sunshine Gardens Elementary School**

Principal Gonzalez shared educational priorities and programs at Sunshine Gardens ES. She also recognized the following parent volunteers who received certificates of appreciation from the Board: Holly Anderson, Justine Crescencio, Jonathan Lassila, Nefertiti Renta, Katrina San Felipe, Brenda Sanchez, and Ericka Vallejo Sanchez.

Assistant Superintendent Keith Irish apologized for Ed. Services making a mistake on the attendance snapshot slide. The incorrect denominator was used, which made it look like multiple groups were at 94% attendance.

District/LCAP Goals

Principal Gonzalez said Sunshine Gardens ES’s goals are in alignment with the District’s goals. They are committed to building and sustaining a positive and collaborative school culture where learning is at the forefront. She noted that the data is shared and used to drive instruction. Also, input from their Instructional Leadership Team and School Site Council helps refine the focus.

CAR (Communication, Achievement, Relationships)

They continue to drive the CAR towards equity, strengthening their systems, and using data to drive decisions. Along with the leadership of their Instructional Leadership Team, they work through the cycle of inquiry allowing them to dive deep into adjusting instruction and having data discussions, ultimately leading to identifying needs and next steps in academic and social emotional progress.

Mission Statement

Prepare all students with 21st Century skills and the foundation to become Global Citizens. The staff, families, and community work together to create a safe and engaging environment for the whole child that ensures student success, builds character, and celebrates diversity. We encourage our students to be their best selves and to reach their goals.

Academic Achievement (LCAP Goal 1) - ELA and Math benchmarks will increase by 10% as measured by beginning and end of year data (Literably/Math Assessments) for all student groups - ELs, SpEd, and students identified as socially economically disadvantaged.

Principal Gonzalez said their mission is focused on ensuring that all students are given the tools they need to be successful in reaching their goals while building character and celebrating diversity through Positive Behavior Intervention and Supports (PBIS). This is evident every morning with announcements which include their school and safety expectations, and the character trait of the month. The consistent message to all students is to contribute in modeling positive interactions to their peers and staff members. Students are happy and are learning every day to make better choices. Teachers are implementing Tier 1 interventions in areas of social emotional learning, literacy, writing, math, and science. Special emphasis is placed on ELs, low socio-economic status (SES), and SpEd students.

Staff and Professional Development (LCAP Goal 2) - Staff will continue professional growth in analyzing data, small group instruction, literacy and writing strategies, in order to better support our students.

Student, Parent, and Community Engagement (LCAP Goal 3) - Staff will successfully engage families of the most underserved student subgroups (ELs, low SES, and SpEd).

Special Education (LCAP Goal 4) - Sunshine Gardens ES will increase by 1% each year toward District/State goals in SpEd for students to be in 80% or more in the General Education setting. This allows for increased opportunities for SpEd students to be in the least restrictive environment whenever possible. This new goal allows for

students to access the general education curriculum, provide opportunities to learn both academic and social skills, eliminate barriers and provide access to the learning environment.

Demographics

The Sunshine Gardens ES student population is predominantly Hispanic/Latinx at 58%, followed by Filipino at 18%, and Asian at 12% being the largest groups.

Principal Gonzalez said they are fortunate to have such a diverse student and family population. They can collaborate and create solutions with students from different religions, genders, economic backgrounds, and student learning styles, which affords students a lifetime of positive rewards.

Of the 340 total students, 46% are male, 54% are female. Sunshine Gardens ES is a Title 1 community with 39% are identified as ELs, 18% are Students with Disabilities (SWD) and 53% are socio-economically disadvantaged.

In order to serve their student population, a CARE Team which includes the Reading Specialist, SpEd Specialists, and School Psychologist meet monthly to monitor students who may need additional academic interventions, behavior supports, and social emotional services. The team has had much success in helping teachers reach their students and match students to specific Tier 2 interventions and more intensive supports.

Attendance Snapshot (12/12/22 to 1/20/23)

Principal Gonzalez shared the average daily attendance by ethnicity, gender, ELs, SWD, and socio-economically disadvantaged students. It includes both excused and unexcused absences. For the total student population, most months, the attendance average is in the low to mid 90%.

Literably and DIBELS Data

Earlier this school year students were assessed in Literably and DIBELS. Kindergartens will be taking their first Literably assessment in February. As a school, the fall Literably Assessment, shows about 49% of their students are reading at or above grade level. They expect these numbers to increase as they continue to complete the benchmark assessments for winter and spring. Last year they made significant growth in reading numbers with each grade level averaging an increase in about two or more reading levels per assessment period. Overall, they are proud of the progress their students are making, and they use data to inform instruction. As a staff, they realize that there is room for growth, especially with ELs and SpEd students who are making progress at a slower rate.

To combat this, they continue the following:

1. To implement small reading groups daily so teachers can monitor student reading levels and strategically place them in small groups in order to target their needs.
2. To provide Professional Development in the Structured Literacy Block, so that teachers are able to tap into the several elements of a literacy program that is effective for all students.
3. SpEd teachers are receiving coaching in how to utilize the Spire curriculum.
4. Designated ELD is happening daily to help meet the needs of EL students.
5. Two Reading Specialists have been providing coaching, which looks like co-teaching, modeling lessons, and helping teachers use assessment data to enhance the quality of literacy instruction.

As they continue to remain student centered, objective, and professional, they analyze the data to figure out next steps. The DIBELS data has helped provide additional information around the acquisition of literacy skills and to detect risk and monitor the development of early literacy and early reading skills which has been key when matching students with supports.

Math IXL

IXL is a learning platform that improves learning outcomes for all students. This year, Sunshine Gardens ES participated in the IXL screener. Principal Gonzalez said they were the only school in the District to take on this challenge. This year they hired a Math Interventionist to help propel the momentum of mathematical growth for their students. He works with students twice a week in 1st through 5th grades. They have held Math Academic Centers before and after school for students who needed the additional math intervention. The fall and winter IXL assessment data shows that the Far Below and Below grade level students decreased and the At or Above Grade Level students increased by 7 students.

CAASPP Data

The overall student participation rate exceeded the federal participation rate requirement of 95%.

The comparative data shows that as a whole, Sunshine Gardens ES students did not perform as well as other District students or those in San Mateo County or California in both ELA and math for having met or exceeded standards.

CAASPP scores by grade level comparison

ELA and math met or exceeded standards

- 3rd grade, 29% of students in ELA and 26% in math

- 4th grade, 28% of students in ELA and 30% in math
- 5th grade, 44% of students in ELA and 30% in math
- ELs, 35% of students in ELA and 21% in math
- SWD, 16% of students in ELA and 11% in math
- Socio-economically disadvantaged, 12% of students in ELA and 10% in math

Principal Gonzalez reported that the CAASPP 2023 practice testing begins in March. Using Interim Assessment Blocks, shorter subtests, provides teachers with the data and gives students an opportunity practice test questions and lower their testing anxiety.

ELCAP Growth

Sunshine Gardens ES has 127 EL students who speak over 13 languages. 11 ELLs have been reclassified as fluent English proficient based on ELPAC scores last year. In the last three years, 37 students have been reclassified and they continue to monitor them to ensure that they will be making adequate academic growth. They will begin the ELPAC student assessment this month. The California Dashboard date on EL students indicates 58.1% are making progress towards English language proficiency. Principal Gonzalez shared that they have students from two grade levels partner together to provide mentorship to the younger class.

Small Guided Reading Groups

Principal Gonzalez said Sunshine Gardens ES is working on the elements of Structured Literacy Block, Designated ELD, and Effective Math Interventions. These seven steps are a cycle of continuous improvement with staff feedback, professional development, and monitoring so they are informed that what they are doing is working.

Step 1: Staff Survey

Step 2: Identifying Teacher Needs/Student Data

Step 3: Providing Professional Development

Step 4: Walkthroughs and Feedback Tool—co-created by Instructional Leadership Team - for continuous support around needs

Step 5: Continued Professional Development

Step 6: Learning Walks - Teachers see teachers in action

Step 7: Continued Professional Development

Partnerships

Principal Gonzalez said they are grateful for being chosen as a school site to house the Boys and Girls Club of the Peninsula and have 115 students in grades K-5 enjoying the various programs offered to them in the afterschool care. Boys and Girls Clubs provide a safe place to play, grow, and learn while empowering their students to excel in school, become good citizens, and lead healthy, productive lives.

Sunshine Gardens ES is continuing their partnership with Genentech's Gene Academy for 4th and 5th grade students with a focus on mentoring. Once a week each student is paired with two Genentech mentors to work together on homework and hands-on science projects that build their interest and confidence in science. Students practice language skills, strengthen their academic proficiency, and build capacity for Science learning in the classroom through their experiences in Gene Academy.

Community Engagement and Support

Principal Gonzalez stated that they build community within the school and beyond with additional partnerships including Science for Scientists, Star Vista, YSB counselors, and a school psychologist to support students and families with mental health and build peer relationships by doing daily check-ins and creating friendship groups. They are bringing back Parent Learning nights, Girls on the Run, Opera Together, Ruby Bridges Walk to School Day School and a Ballet Folklórico assembly with students from SSFUSD. This is a great way to highlight the rich cultural traditions and beliefs through dance and celebration.

Vice President Murray thanked Principal Gonzalez for her wonderful report which shows everything she does for the students. There are many things in place to keep kids from falling behind and she uplifts them and her entire community.

Trustee Daina Lujan commended Principal Gonzalez, her staff, and families. "You definitely have a student-centered focus and your excitement and commitment to the school community just shines through. It is very clear that you have an academic focus and really strategic responses, both in terms of just what the staff is doing in order to unpack data and ...to leverage partnerships to provide really wrap-around and enrichment opportunities for students, all within a really nurturing environment."

Trustee Richardson said thanked Principal Gonzalez for her insightful presentation showing what goes on in her school. She saw *La Boheme*, which the students really enjoyed. "The arts is something I think really do help kids focus and engage much better." "I feel a little more confident that we're going in the right direction..."

Trustee Anthony noted that Sunshine Gardens ES is in her district and thanked Principal Gonzalez for her presentation. "I heard from so many parents about the importance of Sunshine Gardens in their lives and in their children's lives...and to watch the transformation that you're working on to give children the tools to talk about their emotions, to be in the good place to learn...I really, really love this mentoring

program.” She said when living in a new country where everything feels different, it is powerful for students to have peer support.

Student Trustee Torres said school culture carries on to middle and high school and it is important as a foundational part because kids want to be in school.

President Hsieh thanked Principal Gonzalez for the great presentation and also thanked the Sunshine Gardens ES community for their support of the school. She appreciates the 94% attendance rate of ELs and for keeping those students in school. She also appreciates the CAASPP informative measures so the Board can see how students are making progress instead of only seeing the data. President Hsieh commended Principal Gonzalez’s transparency, braveness, and commitment to making changes and believes Sunshine Gardens ES students are being well served under her leadership.

The Board recessed at 8:30 p.m. for a break and reconvened at 8:40 p.m.

b. Performance Management - Special Education and Pupil Personnel

Performance Management

The District has adopted Performance Management (PM) as a strategy to improve student achievement and keep the focus on continuous improvement and growth over time. PM presentations will be on a variety of topics and will provide the Board and community with a high-level look at District priorities, goals, and progress. To better understand the metrics, the PM information and coding legend is below.

NOTE: Performance Management (PM) Reminders:

- These are intentionally designed to be concise, informative, and high-level information for the Board.
- The purpose is to provide ongoing updates to the Board about our progress on LCAP goal related items and district priorities

Color coding legend for the dots

-  Green dot indicates the action/goal is on target or has been met
-  Yellow dot indicates the action/goal is moving toward target
-  Red dot indicates the action/goal is off target (and is something that may need deeper analysis, support, or resources)

Assistant Superintendent Irish introduced Sabrina Yacoub, the Director

of Special Education and Pupil Personnel, who provided information on her department in terms of Performance Management as a tool for analysis and improvement of performance.

District Goals

LCAP GOAL 4 - Special Education

The District will provide high quality curricular programs for students with IEPs that will raise student engagement in school and proficiency on the California Common Core State Standards as measured by overall academic achievement on State assessments, and engagement rates.

CAR (Communication, Achievement, Relationships)

In relation to the District's CAR infographic, Director Yacoub is using it as their system for achieving their goals.

Special Education State and Federal Accountability Measures

SEP (Special Education Plan)

- SEP is a written plan that addresses identified areas found to require improvement upon review of the SpEd data.
- The California Department of Education (CDE) conducts an annual performance review of federally established measures, of which targets not made become areas are to be addressed in the SEP.
- Districts across the State engage in this process.

Historic areas identified in need of improvement:

- Achievement ELA and math
- LRE both 0-40% and 80-100% of school day in general education environment
- Graduation
- Suspension/Engagement

Current areas being monitored:

- 100% of Annual and Eligibility Review IEP meetings held on time

SEP Performance Management Data (2019)

Graduation rate (target is 100%)



SSFUSD: 92% Graduated, declined 11.4%



State: 71.4% Graduated, maintained at +.7%

ELA Achievement (target is all students at or above standard)



SSFUSD: 89.7 pts. below standard, increased 2.9 points



State: 95.5 pts. below standard, increased 2.1 points

Math Achievement (target is all students at or above standard)



SSFUSD: 108.3 pts. below standard, decreased .6 points



State: 125.3 pts. below standard, maintained at + .8

Suspension and Expulsion Rates (target is 0%)



SSFUSD: 11.3% Suspended, increased 1.2%



State: 6.8% Suspended, declined .3%

Chronic Absenteeism Rate (target is 0%)



SSFUSD: 15.8% Absent, increased 2.1%



State: 15.1% Absent, maintained at +.4%

Least Restrictive Environment (LRE)

- On a target of 53.2% of students, the District had 46.64% of students in General Ed for 80% or more of the day.
- On a target of less than 20.6%, the District had 25.41% of students in General Ed 40% or less of the day.

SEP Goals

Academic Achievement

- Use of interim and practice tests
- Attend scope and sequence training, SpEd power standards
- Evidence based practices implemented with fidelity
- Adoption of District-wide curriculum aligned by program type for:
 - intervention (such as Spire for reading)
 - or to provide a standards aligned curriculum that has been modified to meet the needs our students who require modifications to the CA education standards.

Suspension

- Professional development on trauma informed practices and alternatives to suspension
- Mental health screenings and supports

LRE

- Restructure tutorial
- Accurately capture LRE % on Ed Setting page
- Training on co-teaching and Universal Design for Learning (UDL)

Graduation

- Credit recovery in Extended School Year (ESY)
- Training to conducting effective transition IEP meetings and Individual Transition Plans (ITPs)

SEP Performance Management Data (CURRENT SNAPSHOT)

Director Yacoub included District data to see how SpEd students are doing compared to their peers.

Graduation rate (target is 100%)

-  Special Education: 78.8% graduated in 4 years
-  SSFUSD: 92% Graduated
-  State: 75.2% Graduated, increased 3.8% since 2019

ELA Achievement (target is all students at or above standard)

-  Special Education: 91.9 pts. below standard, increased 1.8 pts.
-  SSFUSD: 2.2 pts. below standard
-  State: 97.3 pts. below standard, decreased 1.8 pts.

Math Achievement (target is all students at or above standard)

-  Special Education: 119.3 pts. below standard, increased 11 pts.
-  SSFUSD: 32.4 pts. below standard
-  State: 130.8 pts. below standard, increased 5.5 pts.

Suspension and Expulsion Rates (target is 0%)

-  Special Education: 5.1% suspended, decreased 6.2%
-  SSFUSD: 2.7% Suspended
-  State: 5.4% Suspended, decreased 1.4%

Chronic Absenteeism Rate (target is 0%)

-  Special Education: 32.2% chronically absent, increased 16.4%
-  SSFUSD: 24.7% chronically absent
-  State: 39.6% chronically absent, increased 24.5%

Least Restrictive Environment/Students in GE 80+% of school day (target is at least 53.2%)

-  Special Education 41.57%, decreased 5.07%

SSFUSD - N/A

State - N/A

Least Restrictive Environment/Students in GE 0-40% of school day (target is at least 20.6%)



Special Education: 32.2% chronically absent, increased 16.4%

SSFUSD - N/A

State - N/A

Special Education Program Data

Enrollment

In comparing data for December 2021 and December 2022, enrollment increased in Pre-K, elementary, middle, and high schools. There was a slight decrease in ATP. Director Yacoub reviewed enrollment by sites and programs for the same time period.

Special Programs Through-Line

Director Yacoub reviewed specialized programs as well as a through-line of those programs and post-secondary options. If the program is designed to be taught by a mild/moderate credential teacher, then the focus of the program supports students with unique needs working towards a District diploma. If the program is designed to be taught by a moderate/severe credential teacher, then the focus of the program supports students with unique needs working towards a Certificate of Completion. This program is offered to students up to age 22.

Overview of Special Education/Pupil Personnel Teams

Director Yacoub presented the organizational charts for Special Education/Pupil Personnel and Related Service Providers. SpEd teachers are the largest group of professionals. Together with paraeducators and sign language interpreters, they ensure students are learning and being included. Related service providers offer developmental, corrective, and other support services that are required to assist a child with a disability to benefit from SpEd.

Points of Pride

- **Reading Intervention** - Implementation of Spire annual in-person coaching sessions (January and February), in addition to annual trainings on site with Spire Trainers
 - Trainers model, observe, and co-teach lessons, as well as provide a follow up coaching session
- **Math** - Looking to adopt a District-wide multi-sensory supplemental curriculum for students with IEPs who access the general education curriculum with accommodations for Fall 2023

- **Moderate & Mod/Severe Programs** - District adopted standard aligned curriculum specialized to provide adapted or modified academic standards aligned to student's grade level
- Alignment of processes and procedures, as well as language and tools for special education practitioners
- **Developed programs** to support students with more intensive needs throughout school levels
- Strong board of parents leading SEPAC and public meetings
- **Robust PD schedule** for SpEd staff
 - Monthly department meetings and trainings
 - Specialized trainings (Spire, Goalbook, Unique, etc.)
 - New SpEd teacher support
 - SpEd teacher leadership team meetings
 - Tailored meetings and support for related providers, categorical programs, and Pre-K teachers
 - Monthly paraeducator trainings
 - Access to participate in same trainings as general education teachers
- **Transition Resource Fair** - held Saturday, February 4, 2023 at ECHS

Pupil Personnel

Section 504 Coordinators

They offer support for all who case manage Section 504 Plans (counselors, psychologists, and school administrators). Meetings are co-facilitated by Director Yacoub, the SpEd Coordinator of Mental Health, Behavior, and Assessment, and the Director of Student Performance, Program Evaluations, and Instructional Interventions. The current project is District-wide alignment in forms and procedures. Last year they built a comprehensive 504 manual and are focused and aligned in it.

Counselors, Academic and Wellness

Meetings are co-facilitated by Director Yacoub, the SpEd Coordinator of Mental Health, Behavior, and Assessment, and the Director of Student Performance, Program Evaluations, and Instructional Interventions. Projects include reviewing and updating alignment of social emotional supports, activities and discussions for clear pathways for students to access counseling services, and focusing on monthly SMCOE Mental Health Collaborative meetings.

SEPAC (Parent Team)

Another avenue being utilized is the Special Education Parent Advisory Committee (SEPAC), which meets four times a year to gather input and present information to parents for better collaboration and support of students with IEP's.

Trustee Richardson said this department is emotional as it supports all the students that used to be out of sight and makes a tremendous effort to mainstream these kids in general education classes. She appreciates the direct involvement with parents in SEPAC. Based on feedback she receives, parents are grateful to be a part of the discussion and not feel like they do not have access to the system. This is valuable for parents of special needs children who are trying to mainstream into society and work. She praised Director Yacoub and her staff for closing the gap.

Trustee Anthony said she visited the fair which was an opportunity to inform people of resources available for students with disabilities. She liked the discussion on how a disability does not have to stop someone from doing the things that students with disabilities do. "There was a lot of discussion of college...and training. The adult transition program sounds amazing." "I know it is hard to make progress in SpEd. It is an area...as I learned about the constant state of funding, it is...very hard to declassify a student, even if they have made progress on their goals." She asked about the difference between an IEP and a 504 plan. Director Yacoub replied, "Both plans have accommodations. Section 504 is rooted in providing accommodations so that the playing field is equalized for students with disabilities who may not need direct services. Once we're breaching that modification hurdle, that's where we're looking at students with IEPs, so the difference is whether you acquire an accommodation or whether you acquire an accommodation and services..." Trustee Anthony thanked Director Yacoub and her staff for making progress in SpEd.

Vice President Murray thanked Director Yacoub for her comprehensive report. "I was here before you were here and I can tell you, I am so grateful for your attention to compliance. And the department today is so much different than it was in 2016, when I joined the board." She remarked that the staff love Director Yacoub.

Trustee Lujan thanked Director Yacoub for her presentation and the honest look at the data, which was difficult, but she felt hopeful because of the passion and strategic thinking. She complimented her for being student-centered and her and the team's work to shift culture.

Student Trustee Torres said Director Yacoub's dedication and passion is very clear, which is what the students need and what has not been provided to them in a long time. She is glad that there are people who care about them.

President Hsieh echoed her fellow trustees' comments and thanked Director Yacoub for her great leadership and her team who serves the students.

O. PRESENTATION WITH POTENTIAL ACTION - None

P. CONSENT AGENDA

MOTION #13 (Murray/Lujan) to approve Item 1a, Minutes to the regular Board meeting, December 15, 2022; Item 1b, Minutes to the regular Board meeting, January 19, 2023; Item 1c, Minutes to the special Board meeting, January 19, 2023; Item 2a, SSFHS and ECHS wrestling teams to travel to Bakersfield, CA; Item 2b, Paraeducators to travel to Ontario, CA; Item 2c, Buri Buri ES staff members to travel to Seattle, WA; Item 2d, ECHS band and choir students to travel to LA and Orange County, CA; Item 2e, ECHS Earth Club students to travel to Big Sur, CA; Item 2f, Special Education psychologists to travel to Wisconsin; Item 3a, Certificated Personnel Assignment Order; Item 3b, Classified Personnel Assignment Order; Item 4a, Gifts to the District, January 2023; Item 4b, 2022-23 fundraising events; Item 4c, Professional service agreements under \$25,000. Motion Carried. (Unanimous)

ACTION

1. EDUCATIONAL SERVICES

a. Approval of Young Audiences of Northern California MOU for 2023

MOTION #14 (Murray/Lujan) to approve the MOU between Young Audiences of Northern California and the SSFUSD, effective March 1 through December 2023. Motion Carried (Unanimous)

b. Approval of Silicon Valley Education Foundation (SVEF) MOU for 2023

Trustee Richardson asked if this is a yearly MOU. Assistant Superintendent Irish replied it is renewed annually. SVEF Elevate is the District's partner, the same as with Young Audiences, and they are part of the STEAM program.

Trustee Lujan asked about funding agencies and who would be responsible for paying. Mr. Irish said he partners with Mr. O since they cannot find enough SVEF teachers, teachers from other districts outside of the Bay Area fill the positions. Mr. O sets up a pay schedule and determines who is paid internally and externally, as described in the MOU.

MOTION #15 (Murray/Lujan) to approve the MOU with SVEF to provide the Elevate Math program designed for 3rd to 10th grade students. Motion Carried (Unanimous)

c. Approval of Individual Service Agreement (ISA) for Non-Public School (NPS) Placement

MOTION #16 (Lujan/Murray) to approve an ISA with Weingarten Children's Center NPS to fulfill Individualized Education Plan (IEP) service agreements for the remainder of the 2022-23 school year. Motion Carried (Unanimous)

2. HUMAN RESOURCES

a. Adoption of tentative AFT Agreement and Approval of Corresponding AB 1200

MOTION #17 (Richardson/Murray) to adopt the tentative agreement dated January 23, 2023 between the South San Francisco Unified School District and South San Francisco Federation of Adult Educators, Local 6179 and pursuant to Government Code Section 3547.5, approve the corresponding AB 1200 document. Motion Carried (Unanimous)

b. Approval of the Minimum Wage Increase

MOTION #18 (Murray/Lujan) to approve the SSFUSD minimum wage increase to \$16.70 per hour beginning January 1, 2023. Motion Carried (Unanimous)

3. BUSINESS SERVICES

a. Approval of Agreement with Hamilton + Aitken Architects for ECHS Food Services and Cafeteria Project

Trustee Anthony noted that the memo talks about improvements and wanted to clarify that this project is not a part of what will be done with the Measure T funds. Assistant Superintendent O replied that this is just an improvement in the traffic flow for students to get their lunches quicker. He said the bond money will be available in the fall when other renovations will be addressed.

MOTION #19 (Lujan/Anthony) to approve an agreement with Hamilton + Aitken, in the amount of \$177,859, for food services and cafeteria improvements at ECHS. Motion Carried (Unanimous)

b. Approval of Change Order #1 to the Southwest Construction Agreement for the SSFHS Food Service Improvements Project

MOTION #20 (Murray/Lujan) to approve Change Order #1 to the Southwest Construction agreement, in the amount of \$313,445.15 for the SSFHS Food Service Improvements Project. Motion Carried (Unanimous)

Trustee Richardson noted that the amount is actually \$13,445.15 and not \$313,445.15.

MOTION #21 (Richardson/Lujan) to approve Change Order #1 to the Southwest Construction agreement, in the corrected amount of \$13,445.15 for the SSFHS Food Service Improvements Project. Motion Carried (Unanimous)

REVIEW OF FUTURE AGENDA ITEMS AND MEETINGS *(subject to change)*

February 23, 2023

- Teaching and learning presentation - Los Cerritos ES
- Teaching and learning presentation - Children's Center
- Presentation on Performance Management - Literacy
- Presentation on supplement to the annual LCAP update for 2022-23
- Resolution for Women's History Month (March)
- Resolution for Red Cross Month (March)
- Adoption of agreement and approval of Public Disclosure AB 1200 - **CSEA**
- 2023 CSBA Delegate Assembly election
- Approval of declaration of need for fully qualified educators, 2023-24
- Approval of agreement for Electric Vehicle (EV) Charging Stations at the District Office

February 25, 2023 – Special Meeting/Board Workshop *(District Office)*

- Good Beginnings

March 9, 2023

- Teaching and learning presentation - SSFHS
- Presentation on Genentech and Science
- Presentation on Performance Management - English Learners
- Presentation and approval of 2nd interim budget report "positive certification"
- Adoption of agreement & approval of Public Disclosure - AB 1200 – **Unrepresented**
- Resolution to Certify Election Results for Measure T
- Approval of dates for 2023-24 LCAP and Budget Hearings and Adoptions

March 23, 2023

- Teaching and learning presentation - Martin ES
- Presentation on Structured Literacy Block
- Presentation on Nutrition Services Department
- Resolution for Child Abuse Prevention Awareness Month (April)

- Resolution for Autism Awareness Month (April)
- Approval of LCFF supplemental funded positions
- Resolutions for retirees

April 13, 2023

- Teaching and learning presentation - Spruce ES
- Presentation on Performance Management - College and Career Readiness
- Williams report for 3rd quarter ending 3/31/23
- Resolution for Earth Day (April 22)
- Approval of Skyline Middle College MOU for 2023-24
- Resolutions for retirees
- Resolution for Day of the Teacher (5/10)
- Resolution for Classified School Employee Week (5/14-5/20)

April 27, 2023

- Teaching and learning presentation - Monte Verde ES
- Approval of designated representatives to CIF (California Interscholastic Federation)
- Approval for 5th graders to attend SMCOE Outdoor Education
- Resolution honoring Asian Pacific American Heritage Month (May)

May 11, 2023

- Recognition for outgoing Student Trustee Torres
- Teaching and learning presentation - ECHS
- Presentation on Boys and Girls Club
- Approval of the Board meeting calendar for the 2023-24 school year
- Approval of Graduates - Baden HS, ECHS, SSFHS, and Adult Ed.
- Resolution for Fund 11 & Fund 14 account balances
- Approval of All City agreement for crossing guards for 2023-24

May 25, 2023

- Teaching and learning presentation - Alternative Education
- Presentation on Curriculum/S&S
- Presentation on the Facilities Department
- Approval of the Children's Center Program annual self-evaluation reports
- Approval of SPSAs
- Approval for destruction of Disposable Class 3 records
- Information on May revision of the Governor's 2023-24 budget
- Resolution in support of LGBTQ+ Pride Month (June)

June 3, 2023 – Special Meeting/Board Workshop *(District Office)*

- Board self-evaluation

June 8, 2023

- Presentation on the Technology Department

- Presentation on 2023-24 LCAP draft plan
- Presentation on 2023-24 Preliminary Budget
- Approval of School Services 2023-24 contract
- Public Hearing 2023-24 LCAP draft plan
- Public Hearing 2023-24 Preliminary Budget
- Approval of Local Indicators
- Approval of SMCOE Induction Program agreement for 2023-24
- Approval of Literably contract for 2023-24
- Approval of Board of Trustees Compensation increase for 2023-24
- Resolution on Budgetary increases and year end transfers

June 22, 2023

- Presentation on Daybreak Mental Health and approval of MOU
- Presentation on YSB Counseling and Safe School Advocates Services
- Approval of SMCOE Outdoor Education dates for 2023-24
- Approval of Children's Center 2023-24 CCTR childcare contract
- Approval of Children's Center 2023-24 CSPP childcare contract
- Approval of Health Connected MOU for 2023-24
- Approval of Paper Education Company agreement for 2023-24
- Approval to increase facility use fees for 2023-24
- Approval to increase District rental/leasing rates for 2023-24
- Approval of Commercial Food Items and Food Supplies Award for 2023-24
- Adoption of 2023-24 LCAP
- Adoption of 2023-24 Preliminary Budget
- Resolution on Education Protection Account Funds

SUMMARY OF BOARD DIRECTIVES - None

GOOD AND WELFARE

Trustee Anthony participated in the visit to SSFHS and enjoyed seeing students in action. She reported that a vaccination clinic for the community is coming up on February 27 at Spruce ES. Adult Education classes begin the week of February 20. She gave a shout-out to Deanna Moreno, from Parkway Heights MS, for organizing the school's Career Day event.

Trustee Richardson said that she, along with Dr. Moore and Mr. O attended the Governor's first budget estimate. He said districts need to be austere with less money coming in. She was pleased to hear the Arts programs will receive more funding. Also, Narcan to counteract a fentanyl overdose in high schools is being considered by the legislators. She said the budget looks good for SSFUSD and she does not anticipate a large impact to District budgets. Trustee Richardson shared that she participated in the visit to Lindsay Unified School District, which is performing well and increasing their graduation rate. The Bay Ed Fund provided a generous donation for the trip to see the

success story for that district. "...it was very inspiring to see the students so engaged in the community of teachers, very helpful to students, and it's a totally different teaching environment." She participated in the Board visit to SSFHS and noted, "...I always enjoy going to the schools, there is something vibrant going on and the kids ...are so connected with fun things..." She gave a shout-out to IT staff who have worked through challenges since their director left to keep the technology up and running through inclement weather. She thanked technicians Daudi Muli, Clarence Arcala, Donald Gomez, and Office Coordinator Jolene Malfatti.

Trustee Lujan welcomed Spring Student Trustee Torres. She thanked the work of the bargaining teams. "There are teams at the table and many people working behind the scenes to make the negotiations successful so I want to take the opportunity to thank everyone." She shared that the SSF Education Foundation, which was only an idea a few years ago, is taking off and accepting donations online at ssfedfoundation.org, with a match of dollar to dollar. She thanked the two Trustees who participated in the visit to Lindsay Unified School District.

Vice President Murray reported she visited Martin ES, Spruce ES, and SSFHS in the last couple of weeks. "...we get to see the students. And that's why we do what we do." She attended the last PTA meeting and spoke about the visit to Lindsay Unified School District. She is excited about SSFUSD taking another step towards transformational change. She said she has replaced former Trustee John Baker on the Equity Task Force and has met some nice people and had some great conversations. Vice President Murray spoke about scholarships, mostly for STEM education, and encouraged seniors to apply. She visited ECHS to see the completed pedestrian bridge and said she loves to see those things the Board approved when they become reality. She also attended the CTA breakfast last Saturday with President Hsieh, Trustee Richardson, and CTA President Heather Burns and feels like the District is in a very good place with teacher leadership.

ADJOURNMENT - 9:24 p.m. in memory of

- **Diane Krol**, a former District employee of twenty-two years who passed away on January 20. She worked as a Health Services Technician and served the last fourteen years as a School Support Secretary at El Camino High School until her retirement in 2010.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Memorandum

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

DATE: March 9, 2023

RE: Approval for Trustee Richardson to Attend the CSBA/ACSA 2023 Coast2Coast Federal Advocacy Trip in Washington, D.C., April 24-26, 2023

BACKGROUND:

The following description of the Coast2Coast is provided by Mr. Vernon M. Billy, the CSBA CEO and Executive Director.

“Last year, CSBA and the Association of California School Administrators (ACSA) launched Coast2Coast, our joint federal advocacy event in Washington D.C. for board members and superintendents. It was an important step for both organizations and couldn’t have come at a more critical time. The past few years clearly demonstrated the impact the federal government can have on public education at the state and local level. Whether you are from a small, rural district, a large, urban district or a county office of education, the intersection between your work and federal requirements and funding are ever-present.

CSBA and ACSA believe your advocacy can shape federal education policy in valuable ways, and we encourage you to join us and colleagues from across California in this important advocacy effort. Our representatives and other federal officials need to hear the real-world challenges that California’s public school leaders confront and the opportunities you’re creating to better support students.

The CSBA/ACSA Federal Partnership has consistently lobbied for increased programmatic funding, resulting in greater resources for special education and preschool and infant programs. Our partnership has ensured the governance perspective was considered in proposals that determined funding distribution methodologies or local implementation regulations from the U.S. Department of Education, the Federal Communications Commission and the U.S. Department of Agriculture, among other federal agencies.

We're hoping you'll join us for Coast2Coast 2023 and share your local experience with federal representatives, Cabinet officials, political analysts and top policymakers. Your perspective on issues like rural schools funding, staffing shortages, mental health, special education, internet infrastructure, cybersecurity and other key funding supports for students is vital."

Trustee Mina Richardson has asked to attend this conference.

If approved, Trustees will want to discuss and determine if there are specific items for which the board wants to advocate for at this level. The board has not yet discussed or identified any specific challenges they want to lobby for and this may be the time to do so in order to provide Trustee Richardson with specific things to inquire about. If not, that may be a consideration for the board to also reflect on. If approved, Trustee Richardson has agreed to bring the information back.

FISCAL IMPLICATIONS:

All expenses will be sourced using General fund dollars. The estimated cost is approximately:

Registration		\$ 795.00
Hotel	(\$279 per night x 4 nights)	\$1,116.00
Flights	round trip + 1 checked bag	\$ 708.00
Meal allowance	(\$284 per day x 4 days)	\$ 284.00
Transportation (est.)		\$ 80.00
TOTAL		\$2,983.00

RECOMMENDATION:

It is recommended that the Board of Trustees discuss and determine whether or not they will approve Trustee Richardson's trip to attend the CSBA/ACSA 2023 Coast2Coast Federal Advocacy Trip in Washington, D.C., on April 24-26, 2023

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Keith Irish, Assistant Superintendent, Educational Services and Categorical Programs
Marco Lopez, Principal, Parkway Heights Middle School

DATE: March 9, 2023

RE: Approval of Permission for Parkway Heights Middle School Green Team to participate in the Nature Bridge Outdoor Education Program April 14-16, 2023

BACKGROUND:

The purpose of this trip is for the Parkway Heights MS Green Team, 6th, 7th, and 8th grade students, to participate in hands-on environmental activities that incorporate team building. The group will travel to the Nature Bridge Outdoor Education Program located at the Golden Gate National Recreation Area, 1033 Fort Cronkhite, Sausalito, CA. They will stay in on-site dorms. Our goal is for the students to come back inspired to care for our environment and see how nature, science, and math are all interconnected. Parkway Heights MS staff members, Helen Tam, Rick Wong, and Ivan Szeto will accompany the students.

Students and staff will be transported via district vans.

FISCAL IMPLICATIONS:

The cost per student will vary from no charge up to \$120 depending on student fundraising and donations. Students are still in the process of signing up to participate. Site funds will cover the cost of staff overnight stipends, food and District vans. No student will be denied the opportunity to participate due to financial constraints.

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees grant permission for Parkway Heights MS students to participate in an overnight field trip at the Nature Bridge Program at the Golden Gate National Recreation area in Sausalito, CA, on April 14-16, 2023.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Keith Irish, Assistant Superintendent, Educational Services and Categorical Programs
Marco Lopez, Principal, Parkway Heights Middle School

DATE: March 9, 2023

RE: Approval of Permission for a Parkway Heights Middle School Staff Member to Attend the National Mariachi Education Workshop in Las Vegas, NV, on June 26-30, 2023.

BACKGROUND:

Parkway Heights MS is requesting for one staff member, Mr. A. Lopez-Rivas to attend the National Mariachi Education Workshop in Las Vegas, NV on June 26 - 30, 2023. The National Mariachi Education Consultant Ins. is a consortium of music education professionals that work with a variety of educational organizations, arts associations, and school districts to foster the growth and breadth of articulated music education. The workshops include beginning, intermediate, and advanced Mariachi Pedagogy; held at the Las Vegas Academy of the Arts, 315 S. 7th Street, Las Vegas, NV.

FISCAL IMPLICATIONS:

All expenses will be sourced using site funds. The approximate cost breakdown for the proposal is listed below:

• Registration:	\$ 459
• Hotel/lodging:	\$1,000 (4-night stay)
• Travel:	\$ 450 (round trip)
• Meals:	\$ 426 (4 days)
TOTAL	\$2,025

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees grant permission for one Parkway Heights MS staff member to attend the National Mariachi Education Workshop, in Las Vegas, NV on June 26-30, 2023

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent – Business Services

DATE: March 9, 2023

RE: Approval of 2022-23 Fundraisers

BACKGROUND:

Each year, the Board of Trustees approves all fund-raisers to be held on behalf of the schools and students of the District.

The following fund-raisers are being submitted for approval:

Alta Loma Middle School

6 th Grade	Pizza Fundraiser – Selling tickets with a slice of pizza for end of year picnic event. Commencing March 17, 2023.
	Pizza Sale – Selling slices of pizza during the Day on the Green event. Commencing May 12, 2023.
Peer Counseling	Day on the Green – Selling chips for the Day on the Green event. Commencing May 12, 2023.
Yearbook	Yearbook Sale – Commencing throughout the remainder of the school year.

El Camino High School

Class of 2023	Prom 2023 Bid Sales – Selling prom bids, or, to bid on an individual to accompany the bidder to prom. Bids will be sold at the ECHS Academic Building. Commencing February 21, 2023 through April 14, 2023.
---------------	---

Class of 2024	T-Pumps Fundraiser – Selling Boba drinks in front of the ECHS Red Stage. Commencing April 21, 2023.
	Pizookie Fundraiser – Selling Pizookies, or, cookie pizzas with a scoop of vanilla ice cream. Commencing April 7, 2023.
Freshman Class	Onigilly Fundraiser – Selling onigiri (shaped rice wrapped in seaweed) from Onigilly restaurant. Commencing March 8, 2023.
Robotics Club	T-Pumps Fundraiser – Selling Boba drinks in front of the ECHS Red Stage. Commencing March 15, 2023.

FISCAL IMPLICATIONS:

All funds from approved fund raisers are accounted for in the School Site Associated Student Body (ASB).

RECOMMENDATION:

Staff recommends that the Board of Trustees approve the fundraisers listed above.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent – Business Services

DATE: March 9, 2023

RE: Professional Services Agreements Under \$25,000

BACKGROUND:

The following Professional Service Agreements are being submitted for approval:

District Office – Business Services

\$6,450.00	Protech Consulting & Engineering - Collecting air samples to assess airborne microbial levels in the work areas of SSFHS' M-Wing and the Band Practice Room. Outdoor samples will also be collected to obtain environmental microbial data for comparison with the indoor data. Commencing February 2023.
\$990.50	Adviro – Lead water testing at Martin Elementary School in accordance with EPA lead water in schools. Commencing February 2023.

Children's Center

\$350.00	Claybon-Carter, Tina – An event and artist manager to complete a video pertaining to the Child Development Program Interest and Information video for the Preschool Program. Commencing March 14, 2023.
\$6,400.00	Lopez, Carlos – A contractor will complete 8 CLASS assessments with summary reports of findings. CLASS is a leading quality improvement system to teach, focus, measure, and improve classroom interactions, which are key factors proven to drive

children's academic and life-long success.
Commencing March 13, 2023 to April 14, 2023.

FISCAL IMPLICATIONS:

Listed above.

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees approve the professional services agreements as presented.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Jay Spaulding, Ed. D., Assistant Superintendent, Human Resources and Student Services

DATE: March 9, 2023

RE: Acceptance of Recommended Agreement with Unrepresented Groups and Approval of the Corresponding Public Disclosure AB 1200

BACKGROUND:

Based on parity with the ratified agreements with our bargaining groups, we are proposing the following compensation for the unrepresented employee groups:

Effective July 1, 2022, a 5.0% retroactive salary increase to all unrepresented salary schedules for our unrepresented groups and unrepresented employees still employed with our district as of this Board Approval. Effective July 1, 2023, a 5% salary increase to all unrepresented salary schedules for unrepresented employees with our district. Effective July 1, 2024, a 3% increase to all unrepresented salary schedules for unrepresented employees with our district. In addition, there are additional increases in longevity steps and Master's Stipend.

FISCAL IMPLICATIONS:

Please refer to the enclosed Public Disclosure AB 1200.

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees accept the agreement with the District's unrepresented employee groups and approve the corresponding Public Disclosure AB 1200.

SAN MATEO COUNTY
PUBLIC DISCLOSURE OF COLLECTIVE BARGAINING AGREEMENT
in Accordance with AB 1200 (Chapter 1213/1991), AB 2756 (Statutes of 2004), GC 3547.5, and CCR, Title V, Section 15449

Name of School District: **South San Francisco Unified School District**

Name of Bargaining Unit: **Unrepresented Certificated & Classified Members**

Certificated, Classified, Other: **Certificated and Classified**

The proposed agreement covers the period beginning: **July 1, 2022** and ending: **June 30, 2025**
(date) (date)

The Governing Board will act upon this agreement at its meeting on: **3/9/2023**
(date)

(Note: This form, along with a copy of the proposed agreement, must be submitted to the county office at least ten (10) working days prior to the date the governing board will take action.)

A. Proposed Change in Compensation

Compensation		Annual Cost Prior to Proposed Agreement FY 2022-23	Fiscal Impact of Proposed Agreement		
			Year 1 Increase/(Decrease) FY 2022-23	Year 2 Increase/(Decrease) FY 2023-24	Year 3 Increase/(Decrease) FY 2024-25
1	Salary Schedule Increase (Decrease)	\$ 7,994,460	\$ 479,668	\$ 423,706	\$ 266,935
			6.0000%	5.0000%	3.0000%
2	Step and Column - Increase (Decrease) Due to movement plus any changes due to settlement	\$ -	\$ -	\$ -	\$ -
			%	%	%
3	Other Compensation - Increase (Decrease) (One-time Stipends, Bonuses, Longevity, overtime, etc.)	\$ -	\$ -	\$ -	\$ -
			%	%	%
	Description of other compensation:	\$ -	\$ -	\$ -	\$ -
4	Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicate etc.	\$ 2,136,733	\$ 128,385	\$ 113,408	\$ 71,447
			6.0085%	5.0067%	3.0038%
5	Health/Welfare Plans:	\$ -	\$ -	\$ -	\$ -
			%	%	%
	Description of health & welfare plans:				
6	Total Compensation - Increase (Decrease) (Total Lines 1-5)	\$ 10,131,193	\$ 608,053	\$ 537,114	\$ 338,382
7	Total Number of Represented Employees (Use FTEs if appropriate)	56.00			
8	Total Compensation Average Cost per Employee	180,914.16	10858.08929	9591.321429	6042.535714
			6.00%	5.00%	3.00%

March 9, 2023

Page 41

Action

9. Please provide summary of negotiated agreement. For example, if the increase in "Year 1" was for less than a full year, what is the annualized percentage of that increase for "Year 1"?

Three-year agreement with salary compensation increase as follows: 6% in 2022-23 (retro to July 1, 2022), 5% in 2023-24 and 3% in 2024-25. Yearly compensation includes annual salary schedule increases of 5%/5%/3%, and longevity and stipend increases in 2022-23 not to exceed 1% to mirror CSEA.

10. Were any additional steps, columns, or ranges added to the schedules? (If yes, please explain.)

No

11. Does this bargaining unit have any recipients of life time benefits? If so, please indicate number of FTEs and health & welfare amounts.

No

12. A. Does this bargaining unit have a negotiated cap for Health and Welfare benefits? Yes ☒ No ☐
If yes, please describe the cap amount.

Kaiser + Dental + Vision for Single (Approximately \$900 a month)

- B. Describe any negotiated changes in non-compensation items (i.e., class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.)

N/A

Does the negotiated changes in non-compensation items impact the TK-3rd grade average class size requirements for Grade Span Adjustment (GSA)

Yes ☐

No ☒

If yes, please describe the affects and if there's an alternative agreement for the TK-3rd grade average class size in the contract.

- C. Are reduction to budget or program necessary to accommodate the settlement?
Include the impact of changes such as staff reductions or increases, program reductions or increases, elimination or expansion of other services or programs (i.e., counselors, librarians, custodial staff, etc.)

Possibility in the 2nd out-year (2024-25) should additional revenue not materialize.

- D. What contingency language is included in the proposed agreement? Include specific areas identified reopeners, applicable fiscal years, and specific contingency language.

No reopeners.

- E. Will this agreement create, increase or decrease deficit spending in the current or subsequent year(s)? "Deficit Spending" is defined to exist when a fund's expenditures and other financing uses exceed its revenues and other financing sources in a given year. If yes, explain the amounts and justification for doing so.

This agreement will result in deficit spending in the current and subsequent years. The District will use its Unrestricted General Fund and Fund 17 reserves to cover the deficit spending. Staff will be reviewing the budget to determine the one-time and on-going reductions in staffing and programs needed starting in 2023-24, should additional revenue not materialize.

- F. Identify other major provisions that do not directly affect the district's costs, such as binding arbitrations, grievance procedures, etc.

None

- G. Source of Funding for Proposed Agreement

1. Current Year

Funding from the Unrestricted General Fund and Fund 17 will be used to cover this proposed agreement.

2. If this is a single year agreement, how will the ongoing cost of the proposed agreement be funded in subsequent years (i.e. LCFF, COLA, property taxes, staffing reductions, staffing ratio changes, one-time sources, etc.?)

Funding from the Unrestricted General Fund and Fund 17 will be used to cover this proposed agreement should additional revenue not materialize by 2024-25. Staff will be monitoring the budget to determine the one-time and/or on-going reductions in staffing and programs starting in 2024-25 to reduce the deficit spending if additional revenue does not come in.

3. If this is a multiyear agreement, what is the source of funding, including assumptions used, to fund these obligations in subsequent years? (Remember to include compounding effects in meeting obligations.)

Funding from the Unrestricted General Fund and Fund 17 will be used to cover this proposed multi-year agreement should additional revenue not materialize in the future years.

H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Unrestricted General Fund

Enter Bargaining Unit: South San Francisco Unrepresented Members

	Column 1	Column 2	Column 3	Column 4
	Latest Board-Approved Budget Before Settlement (As of 12/15/22)	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
REVENUES				
Revenue Limit Sources (8010-8099)	\$ 120,275,954	\$ -	\$ -	\$ 120,275,954
Remaining Revenues (8100-8799)	\$ 2,983,281	\$ -	\$ -	\$ 2,983,281
TOTAL REVENUES	\$ 123,259,235	\$ -	\$ -	\$ 123,259,235
EXPENDITURES				
Certificated Salaries (1000-1999)	\$ 42,502,467	\$ 320,178	\$ 2,060,740	\$ 44,883,385
Classified Salaries (2000-2999)	\$ 12,386,206	\$ 115,120	\$ 557,198	\$ 13,058,524
Employee Benefits (3000-3999)	\$ 21,474,471	\$ 117,294	\$ 688,573	\$ 22,280,338
Books and Supplies (4000-4999)	\$ 2,310,731	\$ -	\$ -	\$ 2,310,731
Services, Other Operating Expenses (5000-5999)	\$ 10,325,334	\$ -	\$ -	\$ 10,325,334
Capital Outlay (6000-6599)	\$ 240,604	\$ -	\$ -	\$ 240,604
Other Outgo (7100-7299) (7400-7499)	\$ 374,464	\$ -	\$ -	\$ 374,464
Direct Support/Indirect Cost (7300-7399)	\$ (1,235,623)	\$ -	\$ -	\$ (1,235,623)
Other Adjustments				
TOTAL EXPENDITURES	\$ 88,378,654	\$ 552,593	\$ 3,306,511	\$ 92,237,758
OPERATING SURPLUS (DEFICIT)	\$ 34,880,581	\$ (552,593)	\$ (3,306,511)	\$ 31,021,477
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ 13,301	\$ -	\$ -	\$ 13,301
TRANSFERS OUT & OTHER USES (7610-7699)	\$ -	\$ -	\$ -	\$ -
CONTRIBUTIONS (8980-8999)	\$ (33,197,438)	\$ -	\$ (1,495,439)	\$ (34,692,877)
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ 1,696,444	\$ (552,593)	\$ (4,801,950)	\$ (3,658,099)
BEGINNING BALANCE	\$ 21,924,318			\$ 21,924,318
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
CURRENT-YEAR ENDING BALANCE	\$ 23,620,762	\$ (552,593)	\$ (4,801,950)	\$ 18,266,219
COMPONENTS OF ENDING BALANCE:				
Nonspendable (9711-9719)	\$ 250,904	\$ -	\$ -	\$ 250,904
Restricted (9730-9749)	\$ -	\$ -	\$ -	\$ -
Committed (9750-9769)	\$ -	\$ -	\$ -	\$ -
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Assigned (9770-9788)	\$ 14,225,000	\$ (552,593)	\$ (4,801,950)	\$ 8,870,457
Unassigned (9789-9790)	\$ 9,144,858	\$ 0	\$ -	\$ 9,144,858

March 9, 2023

Page 44
Action

H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Restricted General Fund

Enter Bargaining Unit: South San Francisco Unrepresented Members

	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 12/15/22)	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
REVENUES				
Revenue Limit Sources (8010-8099)	\$ 5,748,865	\$ -	\$ -	\$ 5,748,865
Remaining Revenues (8100-8799)	\$ 38,951,429	\$ -	\$ -	\$ 38,951,429
TOTAL REVENUES	\$ 44,700,294	\$ -	\$ -	\$ 44,700,294
EXPENDITURES				
Certificated Salaries (1000-1999)	\$ 13,192,439	\$ 39,573	\$ 686,913	\$ 13,918,925
Classified Salaries (2000-2999)	\$ 8,229,184	\$ 4,797	\$ 474,651	\$ 8,708,632
Employee Benefits (3000-3999)	\$ 15,451,420	\$ 11,091	\$ 333,875	\$ 15,796,386
Books and Supplies (4000-4999)	\$ 34,846,414	\$ (55,460)	\$ -	\$ 34,790,954
Services, Other Operating Expenses (5000-5999)	\$ 11,741,611	\$ -	\$ -	\$ 11,741,611
Capital Outlay (6000-6599)	\$ 380,569	\$ -	\$ -	\$ 380,569
Other Outgo (7100-7299) (7400-7499)	\$ 1,933,558	\$ -	\$ -	\$ 1,933,558
Direct Support/Indirect Cost (7300-7399)	\$ 999,330	\$ -	\$ -	\$ 999,330
Other Adjustments				
TOTAL EXPENDITURES	\$ 86,774,525	\$ 0	\$ 1,495,439	\$ 88,269,964
OPERATING SURPLUS (DEFICIT)	\$ (42,074,231)	\$ (0)	\$ (1,495,439)	\$ (43,569,670)
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ -	\$ -	\$ -	\$ -
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 2,800,000	\$ -	\$ -	\$ 2,800,000
CONTRIBUTIONS (8980-8999)	\$ 33,197,438	\$ -	\$ 1,495,439	\$ 34,692,877
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (11,676,793)	\$ (0)	\$ -	\$ (11,676,793)
BEGINNING BALANCE	\$ 19,005,166			\$ 19,005,166
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
CURRENT-YEAR ENDING BALANCE	\$ 7,328,373	\$ (0)	\$ -	\$ 7,328,373
COMPONENTS OF ENDING BALANCE:				
Nonspendable (9711-9719)	\$ -	\$ -	\$ -	\$ -
Restricted (9730-9749)	\$ 7,328,373	\$ -	\$ -	\$ 7,328,373
Committed (9750-9769)	\$ -	\$ -	\$ -	\$ -
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Assigned (9770-9788)	\$ -	\$ -	\$ -	\$ -
Unassigned (9789-9790)	\$ -	\$ (0)	\$ -	\$ (0)

H. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Combined General Fund

Enter Bargaining Unit: _____ South San Francisco Unrepresented Members _____

	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 12/15/22)	Adjustments as a Result of Settlement	Other Revisions	Total Current Budget (Columns 1+2+3)
REVENUES				
Revenue Limit Sources (8010-8099)	\$ 126,024,819	\$ -	\$ -	\$ 126,024,819
Remaining Revenues (8100-8799)	\$ 41,934,710	\$ -	\$ -	\$ 41,934,710
TOTAL REVENUES	\$ 167,959,529	\$ -	\$ -	\$ 167,959,529
EXPENDITURES				
Certificated Salaries (1000-1999)	\$ 55,694,906	\$ 359,751	\$ 2,747,653	\$ 58,802,310
Classified Salaries (2000-2999)	\$ 20,615,390	\$ 119,917	\$ 1,031,849	\$ 21,767,156
Employee Benefits (3000-3999)	\$ 36,925,891	\$ 128,385	\$ 1,022,448	\$ 38,076,724
Books and Supplies (4000-4999)	\$ 37,157,145	\$ (55,460)	\$ -	\$ 37,101,685
Services, Other Operating Expenses (5000-5999)	\$ 22,066,945	\$ -	\$ -	\$ 22,066,945
Capital Outlay (6000-6599)	\$ 621,173	\$ -	\$ -	\$ 621,173
Other Outgo (7100-7299) (7400-7499)	\$ 2,308,022	\$ -	\$ -	\$ 2,308,022
Direct Support/Indirect Cost (7300-7399)	\$ (236,293)	\$ -	\$ -	\$ (236,293)
Other Adjustments				
TOTAL EXPENDITURES	\$ 175,153,179	\$ 552,593	\$ 4,801,950	\$ 180,507,722
OPERATING SURPLUS (DEFICIT)	\$ (7,193,650)	\$ (552,593)	\$ (4,801,950)	\$ (12,548,193)
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ 13,301	\$ -	\$ -	\$ 13,301
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 2,800,000	\$ -	\$ -	\$ 2,800,000
CONTRIBUTIONS (8980-8999)	\$ -	\$ -	\$ -	\$ -
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (9,980,349)	\$ (552,593)	\$ (4,801,950)	\$ (15,334,892)
BEGINNING BALANCE	\$ 40,929,484			\$ 40,929,484
Prior-Year Adjustments/Restatements (9793/9795)	\$ -			\$ -
CURRENT-YEAR ENDING BALANCE	\$ 30,949,135	\$ (552,593)	\$ (4,801,950)	\$ 25,594,592
COMPONENTS OF ENDING BALANCE:				
Nonspendable (9711-9719)	\$ 250,904	\$ -	\$ -	\$ 250,904
Restricted (9730-9749)	\$ 7,328,373	\$ -	\$ -	\$ 7,328,373
Committed (9750-9769)	\$ -	\$ -	\$ -	\$ -
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -	\$ -
Assigned (9770-9788)	\$ 14,225,000	\$ (552,593)	\$ (4,801,950)	\$ 8,870,457
Unassigned (9789-9790)	\$ 9,144,858	\$ 0	\$ -	\$ 9,144,858

* If the total amount of the Adjustment in Col. 2 does not agree with the amount of the Total Compensation Increase (Decrease) in Section A, Line 6, Page 1, explain the variance below: _____

March 9, 2023

Page 46
Action

I. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT FISCAL YEARS

Multiyear Projection - Combined General Fund

Enter Bargaining Unit: _____ South San Francisco Unrepresented Members _____

	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25
	Total Current Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
Revenue Limit Sources (8010-8099)	\$ 126,024,819	\$ 125,803,987	\$ 128,493,433
Remaining Revenues (8100-8799)	\$ 41,934,710	\$ 29,951,563	\$ 29,958,318
TOTAL REVENUES	\$ 167,959,529	\$ 155,755,550	\$ 158,451,751
EXPENDITURES			
Certificated Salaries (1000-1999)	\$ 58,802,310	\$ 58,350,616	\$ 58,169,098
Classified Salaries (2000-2999)	\$ 21,767,156	\$ 21,337,021	\$ 21,265,379
Employee Benefits (3000-3999)	\$ 38,076,724	\$ 39,293,458	\$ 39,868,639
Books and Supplies (4000-4999)	\$ 37,101,685	\$ 16,903,266	\$ 17,054,485
Services, Other Operating Expenses (5000-5999)	\$ 22,066,945	\$ 20,679,471	\$ 21,054,690
Capital Outlay (6000-6999)	\$ 621,173	\$ 416,549	\$ 341,549
Other Outgo (7100-7299) (7400-7499)	\$ 2,308,022	\$ 2,303,339	\$ 2,308,806
Direct Support/Indirect Cost (7300-7399)	\$ (236,293)	\$ (236,292)	\$ (236,292)
Other Adjustments		\$ -	\$ -
TOTAL EXPENDITURES	\$ 180,507,722	\$ 159,047,428	\$ 159,826,354
OPERATING SURPLUS (DEFICIT)	\$ (12,548,193)	\$ (3,291,878)	\$ (1,374,603)
TRANSFERS IN & OTHER SOURCES (8910-8979)	\$ 13,301	\$ 13,301	\$ 13,301
TRANSFERS OUT & OTHER USES (7610-7699)	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
CONTRIBUTIONS (8980-8999)	\$ -	\$ -	\$ -
CURRENT YEAR INCREASE (DECREASE) IN FUND BALANCE	\$ (15,334,892)	\$ (6,078,577)	\$ (4,161,302)
BEGINNING BALANCE	\$ 40,929,484	\$ 25,594,592	\$ 19,516,015
CURRENT-YEAR ENDING BALANCE	\$ 25,594,592	\$ 19,516,015	\$ 15,354,713
COMPONENTS OF ENDING BALANCE:			
Nonspendable (9711-9719)	\$ 250,904	\$ 250,904	\$ 250,904
Restricted (9730-9749)	\$ 7,328,373	\$ 7,328,372	\$ 7,328,372
Committed (9750-9769)	\$ -	\$ -	\$ -
Stabilization Arrangements (9750)	\$ -	\$ -	\$ -
Assigned (9770-9788)	\$ 8,870,457	\$ 4,026,904	\$ 478,361
Unassigned (9789-9790)	\$ 9,144,858	\$ 7,909,835	\$ 7,297,076

J. IMPACT OF PROPOSED AGREEMENT ON UNRESTRICTED RESERVES

1. State Reserve Standard

		FY 2022 - 23	FY 2023 - 24	FY 2024 - 25
a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 183,307,722	\$ 161,847,428	\$ 162,626,354
b.	State Standard Minimum Reserve Percentage for this District: (enter percentage) :	3.00%	3.00%	3.00%
c.	State Standard Minimum Reserve Amount for this District (For districts with less than 1,001 ADA, this is the greater of Line a, times Line b. OR \$50,000	\$ 5,499,232	\$ 4,855,423	\$ 4,878,791

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

a.	General Fund (Fund 01) Stabilization Arrangements, % Unassigned Fund Balance (includes Reserve for Economic Uncertainties)	\$ 9,144,858	\$ 7,909,835	\$ 7,297,076
b.	Special Reserve Fund (Fund 17) Unassigned Fund Balance	\$ -	\$ -	\$ -
c.	Total Available Reserves	\$ 9,144,858	\$ 7,909,835	\$ 7,297,076
d.	Reserve for Economic Uncertainties Percentage	4.99%	4.89%	4.49%

3. Do unrestricted reserves meet the state minimum reserve amount?

FY 2022 - 23	Yes	☒	No	☐
FY 2023 - 24	Yes	☒	No	☐
FY 2024 - 25	Yes	☒	No	☐

4. If no, how do you plan to restore your reserves? Provide comments/explanations below:

K. CERTIFICATION NO. 1: CERTIFICATION OF THE DISTRICT'S ABILITY TO MEET THE COSTS OF COLLECTIVE BARGAINING AGREEMENT

(The disclosure document must be signed by the district Superintendent and Chief Business Officer at the time of public disclosure.)

In accordance with the requirements of Government Code Section 3547.5, the Superintendent and the Chief Business Officer of South San Francisco Unified School District (District), hereby certify that the District can meet the costs incurred under the Collective Bargaining Agreement between the District and the South San Francisco Unrepresented Members, during the term of the agreement from July 1, 2022 to June 30, 2025.

District Superintendent
(Signature Over Printed Name)

Date

Chief Business Officer
(Signature Over Printed Name)

Date

L. CERTIFICATION NO. 2

(The disclosure document must be signed by the district Superintendent or designee and by the President or Clerk of the Governing Board at the time of formal board action on the proposed agreement.)

The information provided in this document summarizes the financial implications of the proposed agreement and submitted to the Governing Board for public disclosure of the major provisions of the agreement (as provided in the "Public Disclosure of Proposed Bargaining Agreement") in accordance with the requirements of AB 1200 and Government Code Section 3547.5.

District Superintendent
(Signature Over Printed Name)

Date

Ted O
Contact Person

(650) 877-8702
Phone

President or Clerk of the Governing Board
(Signature Over Printed Name)

Date

March 9, 2023

Page 49
Action

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent – Business Services

DATE: March 9, 2023

RE: Adoption of Resolution #23-06 Declaring Results and Certifying Proceedings of School Bond Election Held November 8, 2022 and Declaring Official Intent to Reimburse Certain Expenditures from Proceeds of General Obligation Bond Financing

BACKGROUND:

On November 8, 2022, the voters of the District approved Measure T (the “Measure”), authorizing the District to issue up to \$436,000,000 in aggregate principal of bonds for authorized projects (the “Projects”).

The Registrar of Voters of the County of San Mateo has submitted to the District a certification of results of the canvass of the votes cast in said bond election, showing the votes cast for and against the Measure (the “Statement of Election Results”). The Statement of Election Results shows that more than 55% of voters in the District voted in support of the Measure.

The District intends to use proceeds of the first series of bonds issued under the Measure to reimburse itself for certain expenditures incurred in connection with the Projects.

FISCAL IMPLICATIONS:

None

RECOMMENDATION:

It is recommended the South San Francisco Unified School District Board of Trustees adopt Resolution #23-06, thereby entering the election results in the minutes and declaring its official intent to reimburse certain expenditures for Projects from the first series of bonds issued under the Measure.

RESOLUTION NO. 23-06

RESOLUTION OF THE BOARD OF TRUSTEES OF THE SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT DECLARING RESULTS AND CERTIFYING PROCEEDINGS OF SCHOOL BOND ELECTION HELD NOVEMBER 8, 2022 AND DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF GENERAL OBLIGATION BOND FINANCING

WHEREAS, at a meeting duly called and held on June 23, 2022, this Board of Trustees (the “Board”) of the South San Francisco Unified School District (the “District”) duly adopted a resolution (the “Resolution Ordering School Bond Election”) ordering an election be held on November 8, 2022, on the question of authorizing the issuance of bonds of the District in the aggregate principal amount of \$436,000,000 to fund certain projects described in the bond project list (the “Projects”) included in the full text of the bond measure (the “Measure”); and

WHEREAS, the Superintendent of Schools of the County of San Mateo has jurisdiction over the District; and

WHEREAS, on or before August 12, 2022, being no fewer than 88 days before the date of said bond election, this Board caused to be delivered to the Registrar of Voters of the County of San Mateo (the “County”) and the Clerk of the Board of Supervisors of the County one or more certified copies of the Resolution Ordering School Bond Election, containing specifications of the election order; and

WHEREAS, within the Resolution Ordering School Bond Election, this Board requested the consolidation of said bond election with such other elections as may be held on the same date in territory partly or wholly the same; and

WHEREAS, on the date of said election, November 8, 2022, a statewide general election was conducted throughout the District, and the Measure was submitted to the electors of the District; and

WHEREAS, the Registrar of Voters of the County has submitted to this Board a certified statement of the votes cast in said bond election, showing the votes cast for and against the Measure (the “Statement of Election Results”); and

WHEREAS, the District expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Projects prior to issuing its first series of bonds under the Measure to finance the costs associated with the Projects on a long-term basis; and

WHEREAS, the District reasonably expects that certain of the proceeds of the first series of bonds issued under the Measure will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the District to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing;

NOW, THEREFORE, the Board of Trustees of the South San Francisco Unified School District, does hereby find, resolve, determine and order, as follows:

1. All of the above recitals are true.
2. The Statement of Election Results, certified by the Registrar of Voters of the County, is hereby received, confirmed, approved and entered upon the minutes of this meeting.
3. It appears from the Statement of Election Results that at least 55% of all the votes cast at the election on the Measure were in favor of the Measure, and this Board hereby declares the Measure approved.
4. All proceedings had in the premises by this Board and the officers of the District with respect to the election on the Measure are hereby certified by this Board to the Board of Supervisors of the County.
5. The Clerk of this Board is hereby directed to deliver a copy of this Resolution certified as to its due adoption, together with a copy of the certified Statement of Election Results, to the Superintendent of Schools of the County, and such documents together shall constitute and be deemed the report required by Education Code Section 15111.
6. The Superintendent of Schools of the County is hereby requested to send a copy of the Statement of Election Results to the Board of Supervisors of the County, in accordance with Education Code Section 15124.
7. The Clerk of this Board is hereby directed to file a certified copy of this Resolution with the Board of Supervisors of the County.
8. The District hereby declares its official intent to use proceeds of the first series of bonds issued under the Measure to reimburse itself for Reimbursement Expenditures. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the District to make any expenditure, incur any indebtedness, or proceed with the Projects.

PASSED AND ADOPTED this day, March 9, 2023.

APPROVED:

President of the Board of Trustees
of the South San Francisco Unified School
District

ATTEST:

Clerk of the Board of Trustees
of the South San Francisco Unified School
District

CLERK'S CERTIFICATE

I, Mina A. Richardson, Clerk of the Board of Trustees of the South San Francisco Unified School District, County of San Mateo, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District held at the regular meeting place thereof on March 9, 2023, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 398 B Street, South San Francisco, California, a location freely accessible to members of the public, and on the District's website at ssfusd.org/apps/pages/meetings, and a brief description of the resolution appeared on the agenda.

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

Dated: _____, 2023

Clerk of the Board of Trustees of
South San Francisco Unified School District

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent – Business Services

DATE: March 9, 2023

RE: Adoption of Resolution #23-07 Authorizing the Issuance and Sale of Not to Exceed \$150,000,000 Aggregate Principal Amount of Bonds of the District, by a Negotiated Sale, Prescribing the Terms of Sale, Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Continuing Disclosure Certificate, Approving the Form of an Official Statement for the Bonds and Authorizing the Execution of Necessary Documents and Certificates and Related Actions

BACKGROUND:

On November 8, 2022, the voters of the District approved Measure T authorizing the District to issue up to \$436,000,000 in aggregate principal amount of bonds for authorized projects.

The Board of Trustees is requested to approve the above-referenced resolution authorizing the District to issue its first series of bonds under the November 8, 2022 authorization in an aggregate principal amount not exceeding \$150,000,000.

The bonds will be sold and issued by the District. Isom Advisors, a Division of Urban Futures, Inc., will serve as municipal advisor to the District. Orrick, Herrington & Sutcliffe LLP will serve as bond counsel and disclosure counsel. RBC Capital Markets, LLC will serve as the underwriter.

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

1. **Resolution.** The resolution authorizes the issuance of the bonds and establishes parameters for the terms thereof, approves the forms of and authorizes the execution and delivery of the financing documents (including the

Bond Purchase Agreement and the Continuing Disclosure Certificate), approves the form of and authorizes the distribution of the Official Statement (in preliminary and final form), and sets forth the security provisions for the bonds and the covenants of the District to bond owners.

2. ***Bond Purchase Agreement.*** The Bond Purchase Agreement will specify the purchase price of the bonds to be paid by the underwriter, the interest rates, maturity dates and principal amounts of each maturity of the bonds, the date, time and place of the closing of the bond issue, the allocation of the expenses incurred in connection with the bond issue, the parties' representations to and agreements with each other and the conditions which the District must satisfy before the underwriter becomes obligated to purchase the bonds.

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

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

FISCAL IMPLICATIONS:

The bonds will be paid from taxes on property within the District levied and collected by the County of San Mateo. The bonds will finance projects authorized by the voters under Measure T at the November 8, 2022 election.

RECOMMENDATION:

It is recommended the South San Francisco Unified School District Board of Trustees adopt Resolution #23-06 and authorize staff to take the necessary steps to complete the financing.

CERTIFICATE OF THE CHIEF ELECTIONS OFFICER

In the matter of the CANVASS OF VOTES CAST)
at the STATEWIDE GENERAL ELECTION)
held on November 8, 2022)

I, **MARK CHURCH**, Chief Elections Officer of the County of San Mateo,
State of California, hereby certify:

THAT an election was held within the boundaries of the SOUTH SAN
FRANCISCO UNIFIED SCHOOL DISTRICT on Tuesday, November 8, 2022, for
the purpose of submitting Measure T to the qualified electors; and I caused to
have processed and recorded the votes from the canvass of all ballots cast at
said election within the boundaries of the SOUTH SAN FRANCISCO UNIFIED
SCHOOL DISTRICT.

I HEREBY FURTHER CERTIFY that the record of votes cast at said
election is set forth in Exhibit "A" attached hereto and incorporated herein by
reference as though fully set forth at length.

IN WITNESS WHEREOF, I hereunto affix my hand and seal this 8th day of
December, 2022, and file this date with the Superintendent of the SOUTH SAN
FRANCISCO UNIFIED SCHOOL DISTRICT.



MARK CHURCH
Chief Elections Officer &
Assessor-County Clerk-Recorder

EXHIBIT A

SECTION A

Cast by Precinct

1 South San Francisco Unified School District, Measure T (55 Percent Approval Required)						
		Registered Voters	Voters Cast	Turnout (%)	1 BONDS YES	1 BONDS NO
17802	Total	1	0	0.00 %		
17803	Total	121	72	59.50 %	39	29
17804	Total	0	0			
18001	Total	2454	1353	55.13 %	738	543
18003	Total	1640	732	44.63 %	464	223
18006	Total	2368	1228	51.86 %	672	492
18008	Total	1926	930	48.29 %	511	371
18010	Total	1933	768	39.73 %	505	221
18013	Total	1602	760	47.44 %	492	220
18014	Total	1944	856	44.03 %	581	240
18015	Total	1580	737	46.65 %	433	278
18019	Total	3327	1860	55.91 %	978	808
18020	Total	1465	775	52.90 %	440	298
18023	Total	2018	999	49.50 %	580	357
18033	Total	2247	1266	56.34 %	646	531
18035	Total	1843	1012	54.91 %	592	370
18056	Total	98	42	42.86 %	30	10
18059	Total	296	124	41.89 %	69	35
18060	Total	807	378	46.84 %	233	131
18064	Total	238	89	37.39 %	69	15
18072	Total	44	28	63.64 %	19	9
52024	Total	1043	605	58.01 %	369	180
53002	Total	131	74	56.49 %	48	21
56046	Total	3049	1493	48.97 %	943	435
56050	Total	3461	1638	47.33 %	1108	395
56052	Total	1176	564	47.96 %	375	133
57906	Total	0	0			
58022	Total	972	534	54.94 %	289	212
58025	Total	2991	1348	45.07 %	825	448
58028	Total	2294	1085	47.30 %	707	319
58030	Total	2767	1426	51.54 %	878	478
Total - Vote Centers		45836	1632	3.56 %	895	647
Total - Vote by Mail		45836	21144	46.13 %	12738	7155
Contest Total		45836	22776	49.69 %	13633	7802

*** Indicates vote data was suppressed due to voter privacy settings.

SECTION B

Cast by District

1 South San Francisco Unified School District, Measure T (55 Percent Approval Required)						
					1	1
		Registered Voters	Voters Cast	Turnout (%)	BONDS YES	BONDS NO
Electionwide	Total	45836	22776	49.69 %	13633	7802
Board Of Equalization - District 2	Total	45836	22776	49.69 %	13633	7802
15th Congressional District	Total	45836	22776	49.69 %	13633	7802
11th Senatorial District	Total	28931	14556	50.31 %	8791	4869
13th Senatorial District	Total	16905	8220	48.62 %	4842	2933
19th Assembly District	Total	28887	14528	50.29 %	8772	4860
21st Assembly District	Total	16949	8248	48.66 %	4861	2942
County of San Mateo	Total	45836	22776	49.69 %	13633	7802
1st Supervisorial District	Total	27952	14009	50.12 %	8091	5181
5th Supervisorial District	Total	17884	8767	49.02 %	5542	2621
Town of Colma	Total	131	74	56.49 %	48	21
City of Daly City	Total	7686	3695	48.07 %	2426	963
City of San Bruno	Total	1043	605	58.01 %	369	180
City of South San Francisco	Total	36854	18330	49.74 %	10751	6609
Unincorporated - City / Town	Total	122	72	59.02 %	39	29

RESOLUTION NO. 23-07

RESOLUTION OF THE BOARD OF TRUSTEES OF THE SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$150,000,000 AGGREGATE PRINCIPAL AMOUNT OF BONDS OF THE DISTRICT, BY A NEGOTIATED SALE, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, an election was duly called and regularly held in the South San Francisco Unified School District (the “District”), located in the County of San Mateo, California (the “County”), on November 8, 2022, at which the following proposition (as abbreviated pursuant to Section 13247 of the California Elections Code) was submitted to the electors of the District (the “Bond Measure”):

“To modernize classrooms, restrooms, and school facilities; make health, safety and security improvements, equip schools with 21st century learning technology, and construct local affordable rental housing for teachers and staff, shall South San Francisco Unified School District measure authorizing \$436.0 million in bonds, at legal rates, be adopted levying an estimated 6 cents per \$100 of assessed value generating on average \$27 million annually while bonds are outstanding, with a citizens’ oversight committee and independent audits on all bond money?”

and

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

WHEREAS, at this time, the Board of Trustees deems it necessary and desirable to authorize and consummate the sale of a portion of the bonds, designated the “South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023” (the “Series 2023 Bonds”), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate principal amount not exceeding \$150,000,000, for purposes of financing projects authorized to be financed under the Bond Measure, according to the terms and in the manner hereinafter set forth; and

WHEREAS, Sections 53506 *et seq.* of the California Government Code, including Section 53508.7 thereof, provide that a school district may issue and sell bonds on its own behalf at a

private or negotiated sale pursuant to Sections 15140 and 15146 of the California Education Code; and

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

WHEREAS, on June 23, 2020, the Board of Supervisors (the “Board of Supervisors”) of the County passed Resolution No. 077485 adopting the procedures authorized by Section 15140(b) of the California Education Code, and has directed that any school district in the County that has not received a qualified or negative certification in its most recent interim report shall issue and sell its own bonds; and

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

WHEREAS, the Series 2023 Bonds shall be issued and sold by the District on its own behalf at a negotiated sale pursuant to such authorization from the Board of Supervisors of the County; and

WHEREAS, the Board of Trustees has determined that securing the timely payment of the principal of and interest on the Series 2023 Bonds by obtaining a municipal bond insurance policy with respect thereto could be economically advantageous to the District; and

WHEREAS, a form of Bond Purchase Agreement (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Bond Purchase Agreement”) to purchase the Series 2023 Bonds proposed to be entered into with RBC Capital Markets, LLC, as underwriter (the “Underwriter”) has been prepared; and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Series 2023 Bonds, the Underwriter must have reasonably determined that the issuer or other obligated person has undertaken in a written agreement or contract for the benefit of the holders of the Series 2023 Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

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

WHEREAS, the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2023 Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”); and

WHEREAS, California Government Code Section 5852.1 and California Education Code Section 15146(b)(1)(D) require that the Board of Trustees obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds (or costs associated with the bonds as required under Section 15146(b)(1)(D) of the California Education Code), (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with California Government Code Section 5852.1 and California Education Code Section 15146(b)(1)(D), the Board of Trustees has obtained from Isom Advisors, a Division of Urban Futures, Inc., as financial advisor under California Education Code Section 15146(b)(1)(C) and as municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the “Municipal Advisor”), and from the Underwriter, the required good faith estimates, including the costs associated with the Series 2023 Bonds, and such estimates are disclosed and set forth on Exhibit A attached hereto; and

WHEREAS, the District has previously adopted a local debt policy (the “Debt Management Policy”) that complies with California Government Code Section 8855(i), and the District’s sale and issuance of the Series 2023 Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

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

WHEREAS, the District desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Series 2023 Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Treasurer-Tax Collector of the County and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of principal of and interest on the Series 2023 Bonds, all pursuant to Sections 15250 and 15251 of the California Education Code; and

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the South San Francisco Unified School District, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the Board of Trustees so finds.

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

“Auditor-Controller” means the Auditor-Controller of the County or any authorized deputy thereof.

“Authorized Officers” means the President of the Board of Trustees, or such other member of the Board of Trustees as the President may designate, the Superintendent of the District, the Assistant Superintendent, Business Services of the District, or such other officer or employee of the District as the Superintendent may designate.

“Board of Supervisors” means the Board of Supervisors of the County.

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

“Bond Purchase Agreement” means the Bond Purchase Agreement relating to the sale of the Series 2023 Bonds by and between the District and the Underwriter in accordance with the provisions hereof.

“Bonds” means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on November 2, 2010 and pursuant to the Bond Measure.

“Cede & Co.” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2023 Bonds.

“Code” means the Internal Revenue Code of 1986.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed and delivered by the District relating to the Series 2023 Bonds.

“County” means the County of San Mateo.

“District” means the South San Francisco Unified School District.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for the Series 2023 Bonds, including any such successor thereto appointed pursuant to Section 9 hereof.

“Interest Payment Date” means March 1 and September 1 of each year, commencing on September 1, 2023, or such other dates as may be set forth in the Bond Purchase Agreement.

“Investment Agreement” shall have the meaning set forth in Section 15 hereof.

“Municipal Advisor” means Isom Advisors, a Division of Urban Futures, Inc., as financial advisor to the District under California Education Code Section 15146(b)(1)(C) and as municipal advisor to the District under Section 15B of the Securities Exchange Act of 1934.

“Official Statement” means the Official Statement of the District relating to the Series 2023 Bonds.

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

“Owner” means, with respect to any Bond, including any Series 2023 Bond, the person whose name appears on the Registration Books as the registered owner thereof.

“Paying Agent” means The Bank of New York Mellon Trust Company, N.A., or the Treasurer of the County, including his or her designated agents, or any bank, trust company, national banking association or other financial institution, appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2023 Bonds in accordance with Section 8 hereof.

“Preliminary Official Statement” means the Preliminary Official Statement of the District relating to the Series 2023 Bonds.

“Record Date” means, with respect to any Interest Payment Date for Series 2023 Bonds, the 15th day of the calendar month immediately preceding such Interest Payment Date for such Series 2023 Bonds, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement.

“Registration Books” means the books for the registration and transfer of the Series 2023 Bonds maintained by the Paying Agent in accordance with Section 8(d) hereof.

“Series 2023 Bonds” means the Bonds authorized and issued pursuant to this Resolution, in one or more series or subseries, designated the “South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023,” with such additional or other series or subseries designations as may be approved as herein provided.

“State” means the State of California.

“Tax Certificate” means the Tax Certificate with respect to the Series 2023 Bonds not issued as Taxable Bonds, executed by the District, dated the date of issuance of such Series 2023 Bonds.

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

“Taxable Bonds” means those Series 2023 Bonds the interest on which is not Tax-Exempt.

“Treasurer” means the Treasurer-Tax Collector of the County or any authorized deputy thereof.

“Underwriter” means RBC Capital Markets, LLC, as underwriter.

Section 3. Authorization and Designation of Bonds. The Series 2023 Bonds described herein are being issued pursuant to the authority of Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable provisions of law, including applicable provisions of the California Education Code. The Board of Trustees hereby authorizes the issuance and sale, by a negotiated sale, of not to exceed \$150,000,000 aggregate principal amount of Series 2023 Bonds. The Series 2023 Bonds may be issued in one or more series or subseries and shall be designated “South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023,” with appropriate additional or other series or subseries designations as approved by an Authorized Officer. The proceeds of the Series 2023 Bonds, exclusive of any premium and accrued interest received by the District, shall be applied to finance projects authorized to be financed under the Bond Measure.

Section 4. Form of Bonds; Execution. (a) *Form of Series 2023 Bonds.* The Series 2023 Bonds shall be issued in fully registered form without coupons. The Series 2023 Bonds and the certificate of authentication and registration and the form of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit B, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Bonds.* The Series 2023 Bonds shall be signed by the manual or facsimile signatures of the President of the Board of Trustees, and countersigned by the manual or facsimile signature of the Clerk or Secretary of the Board of Trustees (or the designee of any of such respective officers if any are unavailable). The Series 2023 Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent.

(c) *Valid Authentication.* Only such of the Series 2023 Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Series 2023 Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number.* The Paying Agent shall assign each Series 2023 Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 5. Terms of Bonds. (a) *Date of Series 2023 Bonds.* The Series 2023 Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations.* The Series 2023 Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof.

(c) *Maturity.* The Series 2023 Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Series 2023 Bond shall mature later than the date which is 30 years from the date of the Series 2023 Bonds, to be determined as provided in subsection (a) of this Section. No Series 2023 Bond shall have principal maturing on more than one principal maturity date.

(d) *Interest.* The Series 2023 Bonds shall bear interest at an interest rate or rates not to exceed 8.00% per annum, payable on the Interest Payment Dates in each year computed on the basis of a 360-day year of twelve 30-day months. Each Series 2023 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Payment Date for such Series 2023 Bond, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Series 2023 Bond, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Series 2023 Bond, interest is in default on any outstanding Series 2023 Bonds, such Series 2023 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Series 2023 Bonds.

(e) *Interest; Tax-Exempt or Taxable.* Each series or subseries of the Series 2023 Bonds or portion thereof may be issued such that the interest on such series or subseries of the Series 2023 Bonds or portion thereof is Tax-Exempt or such that the interest on such series or subseries of Series 2023 Bonds or portion thereof is not Tax-Exempt. The Board of Trustees hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on each series or subseries of the Series 2023 Bonds or portion thereof issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such series or subseries of Series 2023 Bonds.

Section 6. Payment of Bonds. (a) *Request for Tax Levy.* The money for the payment of principal, redemption premium, if any, and interest on the Series 2023 Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District for such Series 2023 Bonds. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Series 2023 Bonds in such year, and to pay from such taxes all amounts due on the Series 2023 Bonds. The District hereby requests the Board of Supervisors to annually levy a tax upon all taxable property in the District sufficient to redeem the Series 2023 Bonds, and to pay the principal, redemption premium, if any, and interest thereon, and all fees and expenses of the Paying Agent, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, as and when the same become due.

(b) *Principal.* The principal of the Series 2023 Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on the Series 2023 Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Series 2023 Bonds who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* Principal and interest due on the Series 2023 Bonds shall be paid from the interest and sinking fund of the District for such Series 2023 Bonds as provided in Section 15146 of the California Education Code.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Series 2023 Bonds. The obligation for repayment of the Series 2023 Bonds is the sole obligation of the District.

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

(g) *Insurance.* The payment of principal of and interest on all or a portion of the Series 2023 Bonds may be secured by a municipal bond insurance policy as shall be described in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized to qualify the District for municipal bond insurance for the Series 2023 Bonds and, if deemed to be in the best interests of the District, to obtain such insurance if the present value cost of such insurance is

less than the present value of the estimated interest savings with respect to the Series 2023 Bonds. The Authorized Officers are each hereby authorized, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

Section 7. Redemption Provisions. (a) *Optional Redemption.* The Series 2023 Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that the Series 2023 Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of the Series 2023 Bonds, if any, are subject to such redemption and are called for redemption, such Series 2023 Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and if less than all of the Series 2023 Bonds of any given maturity are called for redemption, the portions of such Series 2023 Bonds of a given maturity to be redeemed shall be determined by lot in any manner deemed fair by the Paying Agent (or as otherwise set forth in the Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption.* The Series 2023 Bonds, if any, which are designated in the Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in the Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately or as otherwise directed by the District by the amount of any Series 2023 Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Series 2023 Bonds shall not be subject to mandatory sinking fund redemption. The Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Series 2023 Bonds as shall be necessary to accomplish the purposes of this Section.

(d) *Notice of Redemption.* Notice of any redemption of the Series 2023 Bonds shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series 2023 Bonds and the date of issue of the Series 2023 Bonds; (iii) the redemption date; (iv) the

redemption price; (v) the series of Series 2023 Bonds and the dates of maturity or maturities of Series 2023 Bonds to be redeemed; (vi) if less than all of the Series 2023 Bonds of a series of any maturity are to be redeemed, the distinctive numbers of the Series 2023 Bonds of each maturity of such series to be redeemed; (vii) in the case of Series 2023 Bonds of a series redeemed in part only, the respective portions of the principal amount of the Series 2023 Bonds of each maturity of such series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2023 Bonds of a series to be redeemed; (ix) a statement that such Series 2023 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2023 Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

(e) *Effect of Notice.* A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Series 2023 Bonds or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Series 2023 Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Series 2023 Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2023 Bonds at the place specified in the notice of redemption, such Series 2023 Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2023 Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Series 2023 Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Series 2023 Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the interest and sinking fund established for the Series 2023 Bonds or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2023 Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Series 2023 Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Funds for Redemption.* Prior to or on the redemption date of any Series 2023 Bonds there shall be available in the interest and sinking fund of the District established for the Series 2023 Bonds, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Series 2023 Bonds

designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series 2023 Bonds to be redeemed upon presentation and surrender of such Series 2023 Bonds, provided that all monies in the interest and sinking fund of the District established for the Series 2023 Bonds shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District established for the Series 2023 Bonds, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series 2023 Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District established for the Series 2023 Bonds or otherwise held in trust for the payment of the redemption price of the Series 2023 Bonds, the monies shall be held in or returned or transferred to any interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of Bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such Bonds. If no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Bonds.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Series 2023 Bonds all or any part of the principal, interest and premium, if any, on the Series 2023 Bonds at the times and in the manner provided herein and in the Series 2023 Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners shall cease to be entitled to the obligation of the District and the County as provided in Section 6 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under the Series 2023 Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by the Series 2023 Bonds, but only out of monies on deposit in the interest and sinking fund established for the Series 2023 Bonds or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Series 2023 Bonds by depositing in trust with the Paying Agent, or an escrow agent selected by the District, at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District established for the Series 2023 Bonds, be fully sufficient to pay and discharge the indebtedness on such Series 2023 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

(i) *Unclaimed Monies.* Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on the Series 2023 Bonds and remaining unclaimed for two years after the principal of all of the Series 2023 Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to any interest and sinking fund of the

District for payment of any outstanding Bonds of the District payable from the fund; or, if no such Bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 8. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* This Board of Trustees does hereby consent to and confirm the appointment of The Bank of New York Mellon Trust Company, N.A., to act as the initial paying agent for the Series 2023 Bonds. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the Series 2023 Bonds, or from the interest and sinking fund of the District established for the Series 2023 Bonds, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, the District shall appoint a successor Paying Agent, which shall be the Treasurer of the County, including his or her designated agents and any third party that the Treasurer contracts with to perform the services of Paying Agent under this Resolution, or any bank, trust company, national banking association or other financial institution, doing business in and having a corporate trust office in California, with at least \$100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* The initial Paying Agent, and any successor Paying Agent, shall designate each place or places where it will conduct the functions of transfer, registration, exchange, payment, and surrender of the Series 2023 Bonds, and any reference herein to the "principal corporate trust office" of the Paying Agent shall mean the office so designated for a particular purpose, which includes the office of the Treasurer of the County, or the office of the Treasurer's designated agents, if the Treasurer of the County is acting in the capacity of Paying Agent. If no office is so designated for a particular purpose, such functions shall be conducted at the office of The Bank of New York Mellon Trust Company, N.A. in Dallas, Texas, or the principal corporate trust office of any successor Paying Agent.

(d) *Registration Books.* The Paying Agent shall keep or cause to be kept at its principal corporate trust office, sufficient books for the registration and transfer of the Series 2023 Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Series 2023 Bonds as provided in Sections 9 and 10 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Series 2023 Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District in a format mutually agreeable to the Paying Agent and the District.

(e) *Merger or Consolidation.* Any bank, national banking association or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust

company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (b) of this Section shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 9. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) *Appointment of Depository; Book-Entry System.* Unless otherwise specified in the Bond Purchase Agreement, DTC is hereby appointed depository for each series of the Series 2023 Bonds and the Series 2023 Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC. One bond certificate shall be issued for each maturity of each series or subseries of the Series 2023 Bonds; provided, however, that if different CUSIP numbers are assigned to Series 2023 Bonds of a series or subseries maturing in a single year or, if Series 2023 Bonds of the same series or subseries maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Series 2023 Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 10 hereof:

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

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

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

(b) *Transfers.* In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series 2023 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series 2023 Bond for each maturity shall be executed and delivered (in the aggregate principal amount of such Series 2023 Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Series 2023 Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series 2023 Bonds shall be executed and delivered in such

denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 5 hereof and the receipt of such a written request of the District, and thereafter, the Series 2023 Bonds shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Series 2023 Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) *Partial or Advance Refundings.* In the case of partial redemption or an advance refunding of the Series 2023 Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Series 2023 Bonds indicating the date and amounts of such reduction in principal.

(d) *Treatment of Registered Owner.* The District and the Paying Agent shall be entitled to treat the person in whose name any Series 2023 Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Series 2023 Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Series 2023 Bonds.

(e) *Form of Payment.* So long as the outstanding Series 2023 Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Series 2023 Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 10. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 9 hereof, any Series 2023 Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2023 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Series 2023 Bond or Series 2023 Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2023 Bond or Series 2023 Bonds, of the same series, maturity, Interest Payment Date and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Series 2023 Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Series 2023 Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2023 Bonds for redemption, and (ii) after any Series 2023 Bond has been selected for redemption.

(b) *Exchange.* The Series 2023 Bonds may be exchanged for Series 2023 Bonds of other authorized denominations of the same series, maturity, Interest Payment Date and interest rate or rates, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Series 2023 Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Series 2023 Bond or Series 2023 Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 4 hereof, a new Series 2023 Bond or Series 2023 Bonds of the same series, maturity and interest payment mode and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Series 2023 Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Series 2023 Bonds for redemption, and (ii) after any Series 2023 Bond has been selected for redemption.

Section 11. Bond Purchase Agreement; Sale of Bonds. (a) *Bond Purchase Agreement.* The form of Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the true interest cost for the Series 2023 Bonds shall not be in excess of 6.00%, (b) the interest rates on the Series 2023 Bonds shall not exceed 8.00% per annum, (c) the ratio of total debt service to principal of the Series 2023 Bonds shall not exceed four to one, (d) the Underwriter's discount for the sale of Series 2023 Bonds shall not exceed 0.30% of the principal amount of such Series 2023 Bonds (exclusive of any costs of issuance the Underwriter contracts to pay), and (e) the Series 2023 Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite the aggregate principal amount of the Series 2023 Bonds, and the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Payment Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

(b) *Method of Sale.* The Board of Trustees hereby finds and determines that the sale of the Series 2023 Bonds at negotiated sale as contemplated herein and by the Bond Purchase Agreement will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Series 2023 Bonds to fit the needs of particular purchasers, and greater opportunity for the Underwriter to pre-market the Series 2023 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds.

(c) *Reserves and Capitalized Interest.* In accordance with subsections (i) and (j) of Section 15146 of the California Education Code, the Authorized Officers are each hereby authorized to cause to be deposited in the interest and sinking fund of the District established for

the Series 2023 Bonds proceeds of sale of the Series 2023 Bonds (in addition to any premium or accrued interest received) to fund (i) an annual reserve permitted by Section 15250 of the California Education Code, and/or (ii) capitalized interest in an amount not exceeding the interest scheduled to become due on the Series 2023 Bonds for a period of two years from the date of issuance of the Series 2023 Bonds, as shall be set forth in the Bond Purchase Agreement, if any such a deposit is deemed by the Authorized Officer executing the same to be in the best interests of the District.

(d) *Good Faith Estimates.* In accordance with California Government Code Section 5852.1 and subsection (b)(1)(D) of Section 15146 of the California Education Code, good faith estimates of the following have been obtained from the Municipal Advisor and the Underwriter and are set forth on Exhibit A attached hereto: (a) the true interest cost of the Series 2023 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Series 2023 Bonds, (c) the amount of proceeds of the Series 2023 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Series 2023 Bonds, and (d) the sum total of all debt service payments on the Series 2023 Bonds calculated to the final maturity of the Series 2023 Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Series 2023 Bonds. In accordance with Section 15146(d) of the California Education Code, the actual costs associated with the issuance of the Series 2023 Bonds shall be presented to this Board of Trustees at its next scheduled public meeting following the sale of the Series 2023 Bonds.

(e) *Costs of Issuance.* In accordance with subsection (h) of Section 15146 of the California Education Code, to the extent not contracted to be paid by the Underwriter, the Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 8, as cost of issuance administrator, proceeds of sale of the Series 2023 Bonds (exclusive of any premium or accrued interest received) in an amount not exceeding 2.00% of the principal amount of the Series 2023 Bonds sold, as shall be set forth in the Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of the Series 2023 Bonds.

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

Section 13. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Series 2023 Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized Officer, is hereby approved, and the use of such Preliminary Official Statement in connection with the offering and sale of the Series 2023 Bonds is hereby authorized and approved. The Authorized Officers are

each hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to the Preliminary Official Statement prior to the offering and sale of the Series 2023 Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2023 Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to the Board of Trustees of a revised draft of the Preliminary Official Statement with accompanying directions and instructions to members of the Board of Trustees to review the revised Preliminary Official Statement and provide comments to such Authorized Officer.

Section 14. Official Statement. The preparation and delivery of an Official Statement with respect to the Series 2023 Bonds, and its use by the Underwriter in connection with the offering and sale of the Series 2023 Bonds, is hereby authorized and approved. Such Official Statement shall be in substantially the form of the Preliminary Official Statement distributed in connection with the public offering of the Series 2023 Bonds with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the District, to execute the final Official Statement with respect to the Series 2023 Bonds and any amendment or supplement thereto and thereupon to cause such final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 15. Investment of Proceeds. (a) *Deposit of Proceeds.* As provided in subsection (g) of Section 15146 of the California Education Code, (i) except as permitted by subsection (h) of Section 15146 of the California Education Code, the proceeds of the sale of the Series 2023 Bonds, exclusive of any premium or accrued interest received by the District, shall be deposited in the County treasury to the credit of the building fund of the District established for the Series 2023 Bonds, (ii) the proceeds deposited in the building fund of the District established for the Series 2023 Bonds shall be drawn out as other school moneys are drawn out, and (iii) the bond proceeds withdrawn shall not be applied to any purposes other than those for which the Series 2023 Bonds were issued. In accordance with subsection (g) of Section 15146 of the California Education Code, at no time shall the proceeds of the Series 2023 Bonds be withdrawn by the District for investment outside the County treasury. Amounts in the building fund of the District established for the Series 2023 Bonds shall be invested so as to be available for the aforementioned disbursements and the District shall keep a written record of such disbursements. Pursuant to subsection (g) of Section 15146 of the California Education Code, any premium or accrued interest received by the District from the sale of the Series 2023 Bonds, shall be deposited in the interest and sinking fund of the District established for the Series 2023 Bonds.

(b) *Investment of Proceeds.* All funds held in the interest and sinking fund of the District established for the Series 2023 Bonds shall be invested at the discretion of the Treasurer of the County pursuant to State law, including California Government Code Section 53601 *et. seq.*, and the investment policy of the County, as either may be amended or supplemented from time to time. Proceeds of the Series 2023 Bonds held in the building fund of the District established for the Series 2023 Bonds shall be invested at the discretion of the Treasurer of the County pursuant

to State law, including California Government Code Section 53601 *et. seq.*, and the investment policy of the County, as either may be amended or supplemented from time to time.

(c) *Investment Agreements.* To the extent permitted by law, at the written request of an Authorized Officer, each of whom is hereby expressly authorized to make such request, all or any portion of the building fund of the District established for the Series 2023 Bonds may be invested on behalf of the District, in investment agreements, including guaranteed investment contracts, float contracts or other investment products (collectively, “Investment Agreements”), which comply with the requirements of each rating agency then rating the Series 2023 Bonds necessary in order to maintain the then-current rating on the Series 2023 Bonds. Pursuant to Section 5922 of the California Government Code, the Board of Trustees hereby finds and determines that the Investment Agreements will reduce the amount and duration of interest rate risk with respect to amounts invested pursuant to the Investment Agreements and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Series 2023 Bonds or enhance the relationship between risk and return with respect to investments of proceeds of the Series 2023 Bonds and funds held to pay the Series 2023 Bonds.

Section 16. Tax Covenants. (a) *General.* The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on any Tax-Exempt Series 2023 Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate to be executed by the District on the date of issuance of any Tax-Exempt Series 2023 Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Series 2023 Bonds.

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

(c) *Reliance on Opinion of Bond Counsel.* Notwithstanding any provision of this Section, if the District shall provide to the Treasurer of the County an Opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on any Tax-Exempt Series 2023 Bonds under Section 103 of the Code, the Treasurer of the County may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and each Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 17. Professional Services. Isom Advisors, a Division of Urban Futures, Inc., shall serve as Municipal Advisor to the District for the Series 2023 Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as bond counsel and disclosure counsel to the District for the Series 2023 Bonds. RBC Capital Markets, LLC shall serve as Underwriter for the Series 2023 Bonds.

Section 18. Delegation of Authority. The Authorized Officers are, and each of them is, hereby authorized and directed, jointly and severally, to execute and deliver, for and on behalf of the District, any and all agreements, documents, certificates and instruments, and to do and cause to be done any and all things, which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation negotiating the terms of the insurance policy, if any, referred to herein.

Section 19. Approval of Actions. All actions heretofore taken by the officers, employees and agents of the District with respect to the issuance and sale of the Series 2023 Bonds, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

Section 20. Debt Management Policy; Notice to California Debt and Investment Advisory Commission. With the passage of this Resolution, the Board of Trustees hereby certifies that the Debt Management Policy complies with California Government Code Section 8855(i), and that the Series 2023 Bonds authorized to be issued pursuant to this Resolution are consistent with such policy, and instructs Bond Counsel, on behalf of the District, with respect to each series of Series 2023 Bonds issued pursuant to this Resolution, (a) to cause notices of the proposed sale and final sale of the Series 2023 Bonds to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to California Government Code Section 8855, and (b) to check, on behalf of the District, the “Yes” box relating to such certifications in the notice of proposed sale filed pursuant to California Government Code Section 8855.

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

Section 22. Filing with County. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Series 2023 Bonds, and to file with the Auditor-Controller and with the Treasurer of the County a copy of the executed Bond Purchase Agreement and this Resolution, and the schedule of amortization of the principal of and payment of interest on the Series 2023 Bonds, and to file with the Treasurer of the County a proposed schedule of draws on the building fund of the District established for the Series 2023 Bonds, and this Resolution shall serve as the notice required to be given by Section 15140(c) of the California Education Code and as the District’s request to the Auditor-Controller of the County and the Board of Supervisors of the County to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Series 2023 Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Series 2023 Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series 2023 Bonds the principal, interest, and premium, if any, due on the Series 2023 Bonds in each year, and to create in the County treasury to the credit of the District a building fund and an interest and

sinking fund for the Series 2023 Bonds pursuant to Section 15146 of the California Education Code.

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

Section 24. Amendments. This Resolution may be modified or amended without the consent of the Owners of the Series 2023 Bonds (a) to add to the covenants and agreements of the District in this Resolution contained other covenants and agreements thereafter to be observed or to surrender any right or power herein reserved to or conferred upon the District, (b) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision contained in this Resolution, (c) to permit the qualification of this Resolution under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, (d) to cause interest on any Tax-Exempt Series 2023 Bonds to be excludable from gross income for purposes of federal income taxation by the United States of America; and (e) in any other respect whatsoever as the District may deem necessary or desirable, provided that such modification or amendment does not, as set forth in a written certificate of the District, materially adversely affect the interests of the Owners hereunder. For any other purpose, this Resolution may be modified or amended only with the consent of the Owners of a majority of the aggregate principal amount of all Series 2023 Bonds then outstanding; provided that any such modification or amendment to Section 6(f) or Section 23 shall require the consent of the Owners of a majority of the aggregate principal amount of all Bonds then outstanding. No such modification or amendment shall extend the maturity of, reduce the interest rate or redemption premium on or principal amount of any Series 2023 Bond or reduce the percentage of consent required for amendment hereof without the express consent of all the Owners so affected.

Section 25. Indemnification of County. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of any resolution by the Board of Supervisors of the County authorizing the District to issue and sell the Series 2023 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the California Education Code, as permitted by Section 53508.7 of the California Government Code. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 26. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED this day, March 9, 2023.

President of the Board of Trustees of the
South San Francisco Unified School District

ATTEST:

Clerk of the Board of Trustees of the
South San Francisco Unified School
District

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series 2023 Bonds in compliance with Section 15146(b)(1)(D) of the California Education Code and Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the District by Isom Advisors, a Division of Urban Futures, Inc., as the District's financial advisor under California Education Code Section 15146(b)(1)(C) and the District's municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and by RBC Capital Markets, LLC, the underwriter of the Series 2023 Bonds (the "Underwriter").

Principal Amount. The Municipal Advisor and the Underwriter have informed the District that, based on the District's financing plan and market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the aggregate principal amount of the Series 2023 Bonds to be sold in a public offering is \$149,995,000 (the "Estimated Principal Amount").

True Interest Cost of the Series 2023 Bonds. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Series 2023 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2023 Bonds, is 4.58%.

Finance Charge of the Series 2023 Bonds. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Series 2023 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2023 Bonds), is \$734,985, as follows:

a)	Underwriter's Discount	449,985
b)	Credit Enhancement	N/A*
c)	Bond Counsel and Disbursements	62,500
d)	Disclosure Counsel and Disbursements	28,000
e)	Municipal Advisor and Disbursements	67,500
f)	Rating Agency	106,000
g)	Other Expenses	21,000

* A municipal bond insurance policy with respect to the Series 2023 Bonds is not expected to be obtained unless economically advantageous to the District.

Amount of Proceeds to be Received. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District for sale of

the Series 2023 Bonds, less the finance charge of the Series 2023 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Series 2023 Bonds, is \$149,710,000.

Total Payment Amount. The Municipal Advisor and the Underwriter have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Series 2023 Bonds, plus the estimated finance charge for the Series 2023 Bonds, as described above, not paid with the proceeds of the Series 2023 Bonds, calculated to the final maturity of the Series 2023 Bonds, is \$293,783,671.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Series 2023 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Series 2023 Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Series 2023 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Series 2023 Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Series 2023 Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Series 2023 Bonds and the actual principal amount of Series 2023 Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Series 2023 Bonds will depend on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District, the Municipal Advisor and the Underwriter. The Board of Trustees has approved the issuance of the Series 2023 Bonds with a maximum true interest cost of 6.00%.

EXHIBIT B

FORM OF SERIES 2023 BOND

Number	UNITED STATES OF AMERICA	Amount
R-__	STATE OF CALIFORNIA	\$_____
	COUNTY OF SAN MATEO	

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dated as of</u>	<u>CUSIP No.</u>
September 1, 20__	____%	_____, 2023	_____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

South San Francisco Unified School District, County of San Mateo, State of California (the “District”), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _____ 1, 20__, and thereafter on March 1 and September 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Trustees of the District on March 9, 2023 (the “Resolution”). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

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

the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of \$_____, and designated as “South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023” (the “Bonds”). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 8, 2022. The Bonds are issued and sold by the Board of Trustees of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _____, 20__ (the “Bond Purchase Agreement”), by and between the District and RBC Capital Markets, LLC, as underwriter.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same tenor, interest payment mode, and maturity of other authorized denominations.

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

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

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

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

and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

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

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the Board of Trustees of the South San Francisco Unified School District, County of San Mateo, State of California, has caused this bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

President of the Board of Trustees of the
South San Francisco Unified School District

Countersigned:

Clerk of the Board of Trustees of the
South San Francisco Unified School
District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

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

By: _____
Authorized Officer

ASSIGNMENT

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

I.D. Number

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

Dated: _____

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

CLERK'S CERTIFICATE

I, Mina A. Richardson, Clerk of the Board of Trustees of the South San Francisco Unified School District, County of San Mateo, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Trustees of said District held at the regular meeting place thereof on March 9, 2023, and entered in the minutes thereof, of which meeting all of the members of the Board of Trustees had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 398 B Street, South San Francisco, California, a location freely accessible to members of the public, and on the District's website at <https://www.ssfusd.org/apps/pages/meetings>, and a brief description of the resolution appeared on the agenda.

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

Dated: _____, 2023

Clerk of the Board of Trustees of
South San Francisco Unified School District

\$[_____]
**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023**

BOND PURCHASE AGREEMENT

[_____, 2023

South San Francisco Unified School District
398 B Street
South San Francisco, California 94080

The undersigned, RBC Capital Markets, LLC (the “Underwriter”), acting on its own behalf and not as a fiduciary or agent of any other party, hereby offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the South San Francisco Unified School District (the “District”) which, upon the acceptance hereof, will be binding upon the District and the Underwriter. By execution of this Purchase Agreement, the District acknowledges the terms hereof and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to the Underwriter at or prior to 11:59 PM, California time, on the date hereof.

Section 1. Purchase and Sale of the Bonds. (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District for reoffering to the public and the District hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the \$[_____] aggregate principal amount of the South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023 (the “Bonds”).

(b) [The Underwriter shall purchase the Bonds at a price of \$[_____] (the “Purchase Price”) (which represents the aggregate principal amount of the Bonds, [plus/less] [net] original issue [premium/discount] of \$[_____] , and less Underwriter’s discount in the amount of \$[_____]).] [The Underwriter shall purchase the Bonds at a price of \$_____ (the “Purchase Price”), which shall be paid, in immediately available funds, by wire transfer to or upon the order of the County of San Mateo (the “County”) on behalf of the District on the Closing.] [From the Purchase Price, the Underwriter shall withhold and hereby agrees to wire on the Closing (as defined below), in immediately available funds to The Bank of New York Mellon Trust Company, N.A., as cost of issuance custodian (the “Custodian”), the amount of \$[_____] to pay the costs of issuance of the Bonds as provided in Section 11 hereof, such amount not exceeding two percent (2%) of the principal amount of the Bonds in accordance with California Education Code Section 15146(h). The remaining amount of the Purchase Price (\$[_____]), shall be paid by wire transfer to or upon the order of the County of San Mateo (the “County”) on behalf of the District on the Closing.]

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

Section 2. The Bonds. (a) The Bonds shall be dated their date of delivery. The Bonds shall be issued in the principal amounts, shall bear interest at the rates, with the yield to maturity or redemption (as applicable), shall be subject to redemption, and shall mature on the dates and in the years all as set forth in Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall be issued in fully registered form, in the authorized denominations of \$5,000 or any integral multiple thereof. The Bonds shall bear interest payable from the date thereof and such interest [on the Bonds maturing on and after [_____] (the "Tax-Exempt Bonds")] shall be payable on each March 1 and September 1, commencing September 1, 2023. [Interest on the Bonds maturing on [____], 2023 (the "Federally Taxable Bonds") shall be payable at maturity thereof.] The Bonds shall be in definitive form, shall bear CUSIP numbers, and shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC").

(b) The Bonds shall be issued and secured pursuant to the provisions of the Resolution of the Board of Trustees of the District (the "Board of Trustees") adopted on March 9, 2023 (the "Resolution"), this Purchase Agreement and Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"). The Bonds were authorized under and pursuant to a bond authorization approved by more than 55% of the voters of the District voting at an election held on November 8, 2022 (the "Election") approving an amount not more than \$436,000,000 of general obligation bonds of the District. The Bonds are being issued to provide funding for projects authorized by voters at the Election as further described in the Preliminary Official Statement (defined herein). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Resolution.

(c) (c) [The payment of principal of and interest on the Bonds [maturing on September 1 in the years 20[___] through 20[___][, inclusive] ([collectively,] the "[Insured] Bonds")

will be secured by a municipal bond insurance policy (the “Policy”) to be issued simultaneously with the issuance of the [Insured] Bonds by [_____] (the “Insurer”).]

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

(e) The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement and the Resolution.

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

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

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

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

(c) The Underwriter confirms that it has offered the [Tax-Exempt] Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the [Tax-Exempt] Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the [Tax-Exempt] Bonds, the Underwriter will neither offer nor sell unsold [Tax-Exempt] 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 [Tax-Exempt] 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 [Tax-Exempt] Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

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

(i) (A) to report the prices at which it sells to the public the unsold [Tax-Exempt] Bonds of each maturity allocated to it, whether or not the date of Closing has occurred, until either all [Tax-Exempt] 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 [Tax-Exempt] Bonds of that maturity, provided that, the reporting obligation after the date of Closing may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (B) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter;

(ii) to promptly notify the Underwriter of any sales of [Tax-Exempt] 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 [Tax-Exempt] Bonds to the public (each such term being used as defined below); and

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

(2) any selling group agreement relating to the initial sale of the [Tax-Exempt] 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 [Tax-Exempt] Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) unless the hold-the-offering-price rule applies to a maturity, report the prices at which it sells to the public the unsold [Tax-Exempt] Bonds of each maturity allocated to it, whether or not the date of Closing has occurred, until either all [Tax-Exempt] 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 [Tax-Exempt] Bonds of that maturity, provided that, the reporting obligation after the date of Closing may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the [Tax-Exempt] 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 [Tax-Exempt] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the [Tax-Exempt] 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 [Tax-Exempt] 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 [Tax-Exempt] Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the [Tax-Exempt] Bonds, as set forth in the third-party distribution agreement and the related pricing wires.

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

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

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the [Tax-Exempt] 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 [Tax-Exempt] Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the [Tax-Exempt] Bonds to the public);

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

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

Section 6. Official Statement. (a) The Underwriter hereby represents that it has received and reviewed the Preliminary Official Statement with respect to the Bonds, dated [____], 2023 (as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the “Preliminary Official Statement”). The District represents that it deems the Preliminary Official Statement to be final as of its date, except for either revisions or additions to the offering price(s), interest rate(s), yield(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, rating(s) and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to the Rule. By the execution of this Purchase Agreement, the District ratifies the use by the Underwriter of the Preliminary Official Statement.

(b) The District hereby agrees to deliver or cause to be delivered to the Underwriter, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriter and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto, and as disseminated in its printed physical form or in electronic form in all respects materially consistent

with such physical form, being herein called the “Official Statement”) in such quantities as may be requested by the Underwriter in order to permit the Underwriter to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriter, its counsel or agents, shall not be considered cause for the Underwriter to refuse to accept delivery of and pay the Purchase Price for the Bonds. The Underwriter agrees that prior to the time the final Official Statement relating to the Bonds is available, the Underwriter will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

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

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

Section 7. Closing. At 9:00 a.m., California time, on [____], 2023, or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the “Closing”), the District will direct The Bank of New York Mellon Trust Company, N.A., as the paying agent (the “Paying Agent”) to deliver to the Underwriter, through the facilities of DTC, or at such other place as the District and the Underwriter may mutually agree upon, the Bonds in fully

registered book-entry form, duly executed, and shall cause the other documents hereinafter mentioned to be delivered at the offices of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”) in Irvine, California. Upon fulfillment of all conditions to Closing herein, the Underwriter will accept such delivery and pay the Purchase Price thereof in immediately available funds (by wire transfer or such other manner of payment as the Underwriter and the District shall reasonably agree upon) to the account of the District.

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

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

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

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

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

(e) As of the time of acceptance hereof and as of the time of the Closing, the District is not and will not be, in any manner which would adversely affect the transactions contemplated hereby and by the Resolution, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution,

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

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

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

entry system[, any information relating to the Insurer or the Policy] or any information provided by the Underwriter, and so identified as source thereof, for inclusion in the final Official Statement;

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

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

(j) The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriter if and as the Underwriter may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations 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;

(k) To assist the Underwriter in complying with the Rule, the District will undertake, pursuant to the Resolution and the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement;

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

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

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

(o) The audited financial statements of the District for the fiscal year ended June 30, 2022, were prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial position and results of operation of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise disclosed in the Official Statement, and no further consent is required to be obtained for the inclusion of such audited financial statements, including the accompanying accountant's letter, in the Preliminary Official Statement and the Official Statement;

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

(q) The District will apply the proceeds from the sale of the Bonds for the purposes specified in the Resolution and as described in the Official Statement; and

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

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

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

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

(3) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), and no action, suit, proceeding, hearing or investigation, shall be pending (in which service of process has been completed against the District) or,

to the best knowledge of the District, threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, or contesting in any way the completeness or accuracy of the Official Statement;

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

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

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

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

(ii) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or the escalation of such emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(iii) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the

Securities and Exchange Commission or any other governmental authority having jurisdiction;

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

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

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

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

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

(ix) 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.

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

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

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

(iii) A supplemental opinion of Bond Counsel, addressed to the Underwriter, to the effect that (A) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended, (B) assuming due authorization, execution and delivery by all the parties thereto other than the District, the Continuing Disclosure Certificate and this Purchase Agreement have each been duly executed and delivered by the District and constitute valid and binding obligations of the District, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as school districts or counties in the State of California (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Certificate for purposes of the Rule), and (C) statements contained in the Official Statement under the captions "THE SERIES 2023 BONDS" (excluding any and all information contained under the subheadings "– Authority for Issuance; Purpose," "– Bond Insurance Policy," "– Application and Investment of Series 2023 Bond Proceeds," "– Debt Service," "– Outstanding Bonds" and "– Aggregate Debt Service") and "TAX MATTERS," excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Bonds and the Resolution, and the form and content of Bond Counsel's approving opinion, are accurate in all material respects;

(iv) A certificate signed by an appropriate official of the District, to the effect that (A) such official is authorized to execute this Purchase Agreement and the Continuing Disclosure Certificate, (B) the representations, agreements and warranties of the District herein are true and correct in all material respects as of the Closing, (C) the District has complied with all the terms of the Resolution and this Purchase Agreement to be complied with by the District prior to or concurrently with the Closing and such documents are in full force and effect, (D) no litigation is pending or, to the best of such official's knowledge, threatened (either in state or federal courts) (1) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (2) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (3) in any way contesting the existence or powers of the District, (E) such official has reviewed the Preliminary Official Statement and the Official Statement and on such basis certifies that the Preliminary Official Statement and the Official Statement do not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, (F) each of the conditions listed in Section 9(a)(5) of this Purchase Agreement has been satisfied as of the Closing and the District is

not aware of any other condition of this Purchase Agreement that has not been satisfied as of the Closing, and (G) the Bonds being delivered on the Closing to the Underwriter under this Purchase Agreement substantially conform to the descriptions thereof contained in the Resolution and this Purchase Agreement;

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

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

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

(viii) Evidence satisfactory to the Underwriter that any rating described in the Official Statement is in full force and effect as of the date of Closing;

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

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

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

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

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

(xii) [A certificate of the Insurer, with respect to the [Insured] Bonds, in form and substance satisfactory to Bond Counsel and the Underwriter;]

(xiii) [An opinion of counsel to the Insurer, with respect to the [Insured] Bonds, addressed to the District and the Underwriter in form and substance satisfactory to Bond Counsel and the Underwriter;]

(xiv) An opinion of Norton Rose Fulbright US LLP, as counsel to the Underwriter, addressed to the Underwriter, in form and substance acceptable to the Underwriter; and

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

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

Section 10. Conditions to Obligations of the District. The performance by the District of its obligations is conditioned upon (a) the performance by the Underwriter of its obligations hereunder; and (b) the receipt by the District and the Underwriter of the opinions and certificates being delivered at the Closing by persons and entities other than the District.

Section 11. Expenses. (a) [The District shall to the extent permitted by applicable law pay all expenses incident to the performance of its obligations hereunder from proceeds of the Bonds. On the Closing, the Underwriter will wire \$[_____] from the proceeds of the Bonds and as a portion of the Purchase Price of the Bonds as provided in Section 1 hereof to the Custodian, to be used to pay costs of issuance of the Bonds, including, but not limited to the following: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel, and any other consultants to the District, including the District's Municipal Advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fee for the Bond rating(s), including all necessary expenses for travel relating to such rating(s); (iv) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (v) the initial fees of the Paying Agent and related fees and expenses and (vi) all other fees and expenses incident to the issuance and sale of the Bonds.]

[On the Closing, the Underwriter shall pay \$[_____] in immediately available funds to the Insurer, representing the premium and fees for the Policy. The District shall to the extent permitted by applicable law pay all other expenses incident to the performance of its obligations hereunder from the proceeds of the Bonds. On the Closing, the Underwriter will wire \$[_____] from the proceeds of the Bonds and as a portion of the Purchase Price of the Bonds as provided in Section 1 hereof to the Custodian, to be used to pay costs of issuance of the Bonds, including, but not limited to the following: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel, and any other consultants to the District, including the District's Municipal Advisor; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fee for the Bond rating(s), including all necessary expenses for travel relating to such rating(s); (iv) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement; (v) the initial fees of the Paying Agent and related fees and expenses; and (vi) all other fees and expenses incident to the issuance and sale of the Bonds.]

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

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

Section 12. Notices. Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the South San Francisco Unified School District, 398 B Street, South San Francisco, California 94080, Attention: Assistant Superintendent, Business Services, or if to the Underwriter, to RBC Capital Markets, LLC, Two Embarcadero Center, Suite 1200, San Francisco, California 94111, Attention: Katherine Jacobson, Director.

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

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

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

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

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

Very truly yours,

RBC CAPITAL MARKETS, LLC

By: _____
Authorized Representative

The foregoing is hereby agreed to
and accepted:

**SOUTH SAN FRANCISCO UNIFIED
SCHOOL DISTRICT**

By: _____

Date | Time: _____

EXHIBIT A

MATURITY SCHEDULE

\$[_____]

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023**

\$[_____] Serial Bonds

Maturity [(September 1,)]	Principal Amount	Interest Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The- Offering Price Rule
[Federally Taxable Bonds]					N/A	N/A	N/A

[Tax-Exempt Bonds]

\$[_____] [_____] % Term [Tax-Exempt] Bonds due September 1, 20[_____] – Yield [_____] % -
Price [_____] % [10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price
Rule]*

\$[_____] [_____] % Term [Tax-Exempt] Bonds due September 1, 20[_____] – Yield [_____] % -
Price [_____] % [10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price
Rule]*

* At the time of the execution of this Purchase Agreement and assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement.

[^c Yield to call at par on [_____] 1, 20[_____.]

[[†] Insured by [_____.]

TERMS OF REDEMPTION

EXHIBIT B

CERTIFICATE OF THE UNDERWRITER

RBC Capital Markets, LLC (“RBC”) has acted as the Underwriter in connection with the sale and issuance by the South San Francisco Unified School District (the “Issuer”) of its \$[_____] South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023 [maturing on and after September 1, 20[___]] (the “Bonds”), being issued on the date hereof, and RBC, based on information available to it, hereby certifies and represents the following:

Issue Price.

[NOT USING HOLD THE PRICE]

1. **[10% OF EACH MATURITY SOLD BY CLOSING]** As of the date hereof, the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price or yield set forth on Exhibit A to the Bond Purchase Agreement, dated [_____] 2023 (the “Purchase Agreement”), by and between the Underwriter and the Issuer].

OR

1. **[LESS THAN 10% OF CERTAIN MATURITIES SOLD BY CLOSING]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated [_____] 2023 (the “Purchase Agreement”), by and between the Underwriter and the Issuer, as Subject-to-Hold-the Offering-Price Rule (the “Undersold Maturities”), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement].

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

[USING HOLD THE PRICE]

1. As of [_____] 2023 (the “Sale Date”), all of the Bonds were the subject of a bona fide offering to the Public at the Initial Offering Price.

[2. **[USING HOLD THE PRICE FOR A PORTION OF THE ISSUE]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated [_____] 2023 (the “Purchase Agreement”), by and between the Underwriter and the Issuer,

as Subject-to-Hold-The-Offering-Price Rule (the “Undersold Maturities”), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the respective **[Initial Offering Price OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement]. Attached hereto as Schedule 1 is a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Underwriter in the Purchase Agreement between the Issuer and the Underwriter dated [____], 2023, the Underwriter has not offered or sold any of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date.

2. **[USING HOLD THE PRICE FOR 100% OF THE ISSUE]**. As agreed to in writing by the Underwriter in the Purchase Agreement between the Issuer and the Underwriter dated [____], 2023, the Underwriter has not offered or sold any Bond to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication.]

[ADD SECTION ON QUALIFIED GUARANTEE IF APPLICABLE:]

Qualified Guarantee.

Based on the attached, we have calculated that the present value of the interest to be saved on the Bonds [maturing on September 1 in the years 20[___] through 20[___], inclusive ([collectively,] the “[Insured] Bonds”) as a result of the municipal bond insurance policy (the “Insurance”) exceeds the present value of the fees for such Insurance. The Insurance was a material factor in selling the [Insured] Bonds at the lowest possible yield (given other characteristics of the [Insured] Bonds). In our judgement, the premium paid for the Insurance does not exceed a reasonable arm’s length charge for transfer of the credit risk represented by the Insurance and does not include any payment for any direct or indirect services other than the transfer of credit risk.]

Defined Terms.

“*Initial Offering Price*” means the prices or yields set forth on the inside cover page of the Issuer’s Official Statement in respect of such Bonds dated [____], 2023.

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

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

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

“Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

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

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

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (this “Disclosure Certificate”) is executed and delivered by the South San Francisco Unified School District (the “District”) in connection with the issuance of \$[_____] aggregate principal amount of South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023 (the “Bonds”). The Bonds are being issued pursuant to a resolution adopted by the Board of Trustees of the District on March 9, 2023 (the “Resolution”). The District covenants and agrees as follows:

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

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

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

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

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

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

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

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

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

“Official Statement” shall mean the Official Statement, dated [____], 2023 (including all exhibits or appendices thereto), relating to the offer and sale of Bonds.

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

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

Section 3. Provision of Annual Reports. (a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District’s fiscal year (which due date shall be March 31 of each year, so long as the District’s fiscal year ends on June 30), commencing with the report for the 2022-23 Fiscal Year (which is due not later than March 31, 2024), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 hereof. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 hereof; provided, however, that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, it shall give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

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

(c) The Dissemination Agent shall:

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

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

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

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

statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be provided to the MSRB in the same manner as the Annual Report when they become available.

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

- (i) The adopted general fund budget of the District for the then current fiscal year, or a summary thereof;
- (ii) The District's average daily attendance for the last completed fiscal year;
- (iii) The District's outstanding debt;
- (iv) Information regarding total assessed valuation (secured, unsecured and total) of taxable properties within the District for the then current fiscal year, if and to the extent made available by the County of San Mateo (the "County");
- (v) Information regarding twenty taxpayers with the greatest combined ownership of taxable property in the District for the then current fiscal year, if and to the extent made available by the County; and
- (vi) Information regarding total secured tax charges and delinquencies on taxable properties within the District for the last completed fiscal year, if and to the extent provided to the District by the County.

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

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

- (i) principal and interest payment delinquencies;
- (ii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) substitution of credit or liquidity providers or their failure to perform;

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

(vi) tender offers;

(vii) defeasances;

(viii) rating changes;

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

or

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

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

(b) The District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

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

(ii) modifications to rights of Bond Holders;

(iii) Bond calls;

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

(v) non-payment related defaults;

(vi) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive

agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

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

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

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

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

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

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

Section 7. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in a filing with the MSRB.

Section 8. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Isom Advisors, a Division of Urban Futures, Inc.

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

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

(b) the undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

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

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

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

Section 11. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided, that any such action may be instituted only in Superior Court of the State of California in and for the County or in U.S. District Court in or nearest to the County. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and (if the Dissemination Agent is other than the District), the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

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

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

Dated: [____], 2023

**SOUTH SAN FRANCISCO UNIFIED
SCHOOL DISTRICT**

By: _____

ACCEPTED AND AGREED TO:

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

By: _____

EXHIBIT A

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

Name of Issuer: **SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT**

Name of Issue: South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023

Date of Issuance: [____], 2023

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 4 of the Continuing Disclosure Certificate of the District, dated [____], 2023. [The District anticipates that the Annual Report will be filed by _____.]

Dated:_____

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

NEW ISSUE—BOOK-ENTRY ONLY

Rating: Moody's [(Uninsured)]: "[____]"
(See "MISCELLANEOUS — Rating" herein.)

[In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2023 Bonds [maturing on and after September 1, 20[____]] (the "Tax-Exempt Bonds")) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 [and is exempt from State of California personal income taxes]. In the further opinion of Bond Counsel, interest on the [Tax-Exempt][Series 2023] Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the [Tax-Exempt][Series 2023] Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. [Bond Counsel is also of the opinion that interest on the Series 2023 Bonds is exempt from State of California personal income taxes.] [Bond Counsel further observes that interest on the Series 2023 Bonds maturing on [____], 2023 (the "Federally Taxable Bonds") is not excluded from gross income for federal income tax purposes.] Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2023 Bonds. See "TAX MATTERS" herein.]

[District
Logo]

\$[PAR AMOUNT]*
SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

Dated: Date of Delivery

Due: [September 1, as][As] shown herein

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

The South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023 (the "Series 2023 Bonds") are being issued by the South San Francisco Unified School District (the "District"), located in the County of San Mateo, California (the "County"). Proceeds of the Series 2023 Bonds will be applied to (i) finance specific construction, reconstruction, rehabilitation, or replacement projects approved by the voters of the District, and (ii) pay costs of issuance of the Series 2023 Bonds, as further described herein. The Series 2023 Bonds were authorized at an election of the voters of the District held on November 8, 2022, at which at least 55% of the voters voting on the proposition authorized the issuance and sale of \$436,000,000 aggregate principal amount of bonds of the District. The Series 2023 Bonds are being issued under the laws of the State of California (the "State") and pursuant to a resolution of the Board of Trustees of the District adopted on March 9, 2023.

The Series 2023 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Series 2023 Bonds, all as more fully described herein. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS" herein.

The Series 2023 Bonds will be issued as current interest bonds, in denominations of \$5,000 principal amount or any integral multiple thereof, as set forth on the inside front cover page hereof. Interest on the [Tax-Exempt][Series 2023] Bonds is payable on each March 1 and September 1 to maturity or earlier redemption thereof, commencing [September 1, 2023]. [Interest on the Federally Taxable Bonds is payable at maturity.] Principal of the Series 2023 Bonds is payable [on September 1] in each of the years and in the amounts set forth on the inside front cover page hereof.

[The scheduled payment of principal of and interest on the Series 2023 Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2023 Bonds by [INSURER].

[Insert Insurer logo.]]

The Series 2023 Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2023 Bonds. Individual purchases of the Series 2023 Bonds will be made in book-entry form only. Purchasers will not receive physical delivery of the Series 2023 Bonds purchased by them. See "THE SERIES 2023 BONDS – Form and Registration" herein. Payments of the principal of and interest on the Series 2023 Bonds will be made by The Bank of New York Mellon Trust Company, N.A., as paying agent, registrar and transfer agent with respect to the Series 2023 Bonds, to DTC for subsequent disbursement to DTC participants, who will remit such payments to the beneficial owners of the Series 2023 Bonds. See "THE SERIES 2023 BONDS – Payment of Principal and Interest" herein.

The Series 2023 Bonds are subject to redemption prior to maturity as described herein.* See "THE SERIES 2023 BONDS – Redemption" herein.

The Series 2023 Bonds will be offered when, as and if issued by the District and received by the Underwriter, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Irvine, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Irvine, California, as Disclosure Counsel to the District; and for the Underwriter by Norton Rose Fulbright US LLP, Los Angeles, California, as counsel to the Underwriter. It is anticipated that the Series 2023 Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about [_____], 2023.

[Insert RBC Capital Markets logo.]

Dated: _____, 2023

MATURITY SCHEDULE*
BASE CUSIP[†]: 840058

\$(PAR AMOUNT)*
SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

\$_____ Serial Series 2023 Bonds

Maturity [(September 1,)]	Principal Amount	Interest Rate	Yield	CUSIP [†] Suffix
------------------------------	---------------------	------------------	-------	------------------------------

[Federally Taxable Bonds]
 [____], 2023

[Tax-Exempt Bonds]

[September 1,] 2024
 [September 1,] 2025
 [September 1,] 2026
 [September 1,] 2027
 [September 1,] 2028
 [September 1,] 2029
 [September 1,] 2030
 [September 1,] 2031
 [September 1,] 2032
 [September 1,] 2033
 [September 1,] 2034
 [September 1,] 2035
 [September 1,] 2036
 [September 1,] 2037
 [September 1,] 2038
 [September 1,] 2039
 [September 1,] 2040
 [September 1,] 2041
 [September 1,] 2042
 [September 1,] 2043
 [September 1,] 2044
 [September 1,] 2045
 [September 1,] 2046
 [September 1,] 2047
 [September 1,] 2048
 [September 1,] 2049
 [September 1,] 2050
 [September 1,] 2051
 [September 1,] 2052

\$_____ % Term [Tax-Exempt][Series 2023] Bonds due September 1, 20__ – Yield _____ % – CUSIP[†] Suffix _____

\$_____ % Term [Tax-Exempt][Series 2023] Bonds due September 1, 20__ – Yield _____ % – CUSIP[†] Suffix _____

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2023 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CGS database. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)**

BOARD OF TRUSTEES

Dr. Chialin Hsieh, *President*
Patricia Murray, *Vice President*
Mina A. Richardson, *Clerk*
Amanda Anthony, *Member*
Daina Lujan, *Member*

DISTRICT ADMINISTRATORS

Dr. Shawnterra Moore, *Superintendent*
Ted O, *Assistant Superintendent, Business Services*
Keith Irish, *Assistant Superintendent, Educational Services*
Dr. Jay Spaulding, *Assistant Superintendent, Human Resources and Student Services*

PROFESSIONAL SERVICES

Municipal Advisor

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

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Irvine, California

Paying Agent, Registrar and Transfer Agent

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

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2023 Bonds by the District. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Series 2023 Bonds are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Series 2023 Bonds in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed by the District to be reliable, is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the sale of the Series 2023 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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

[Insurer disclosure.]

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

The District maintains a website. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2023 Bonds.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Series 2023 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Series 2023 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
General.....	1
The District	2
THE SERIES 2023 BONDS.....	2
Authority for Issuance; Purpose.....	2
Form and Registration.....	3
[Bond Insurance Policy.....	3
Payment of Principal and Interest	3
Redemption.....	4
Defeasance of Series 2023 Bonds.....	6
Unclaimed Monies	7
Application and Investment of Series 2023 Bond Proceeds	7
Debt Service.....	9
Outstanding Bonds.....	10
Aggregate Debt Service	11
SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS	12
General.....	12
Statutory Lien on Taxes (Senate Bill 222).....	12
Pledge of Tax Revenues.....	12
Property Taxation System.....	13
Assessed Valuation of Property Within the District	13
Tax Rates	21
Tax Charges and Delinquencies.....	22
Teeter Plan	24
Direct and Overlapping Debt.....	24
[BOND INSURANCE].....	25
TAX MATTERS	26
[Tax-Exempt][Series 2023] Bonds	26
[Federally Taxable Bonds	28

TABLE OF CONTENTS
(continued)

	Page
OTHER LEGAL MATTERS.....	31
Legal Opinion	31
Legality for Investment in California	31
Continuing Disclosure	32
Litigation.....	32
FINANCIAL STATEMENTS	32
MISCELLANEOUS	33
Rating	33
Professionals Involved in the Offering	33
Underwriting.....	33
ADDITIONAL INFORMATION.....	35
APPENDIX A INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET	A-1
APPENDIX B FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022	B-1
APPENDIX C PROPOSED FORM OF OPINION OF BOND COUNSEL	C-1
APPENDIX D FORM OF CONTINUING DISCLOSURE CERTIFICATE.....	D-1
APPENDIX E COUNTY OF SAN MATEO INVESTMENT POLICIES AND PRACTICES; DESCRIPTION OF INVESTMENT POOL	E-1
APPENDIX F BOOK-ENTRY ONLY SYSTEM	F-1
APPENDIX G SPECIMEN MUNICIPAL BOND INSURANCE POLICY.....	G-1

\$(PAR AMOUNT)*
SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2023 Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, which includes the cover page, inside cover page and appendices hereto, is provided to furnish information in connection with the sale of \$(PAR AMOUNT)* aggregate principal amount of South San Francisco Unified School District (San Mateo County, California) General Obligation Bonds, Election of 2022, Series 2023 (the “Series 2023 Bonds”), all as indicated on the inside cover page hereof, to be offered by the South San Francisco Unified School District (the “District”).

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

The Series 2023 Bonds are general obligation bonds of the District secured by and payable from *ad valorem* taxes to be levied upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). The Series 2023 Bonds are not a debt or obligation of the County of San Mateo (the “County”) or of the general fund of the District. See “SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS.”

The purpose of this Official Statement is to supply information to prospective buyers of the Series 2023 Bonds. Quotations from and summaries and explanations of the Series 2023 Bonds, the resolution of the Board of Trustees of the District providing for the issuance of the Series 2023 Bonds, and the constitutional provisions, statutes and other documents described herein, do not purport to be complete, and reference is hereby made to said documents, constitutional provisions and statutes for the complete provisions thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or owners of any of the Series 2023 Bonds.

Copies of documents referred to herein and information concerning the Series 2023 Bonds are available from the District by contacting: South San Francisco Unified School District, 398 B Street,

* Preliminary; subject to change.

South San Francisco, California 94080, Attention: Assistant Superintendent, Business Services. The District may impose a charge for copying, handling and mailing such requested documents.

The District

The District was founded in 1936 and originated from the unification of an elementary school district (founded in 1866) and a high school district (founded in 1913). The District is located in the northern part of the County, which is one of the counties that comprise the metropolitan San Francisco Bay Area, northwest of San Francisco International Airport. Its territory encompasses nearly all of the City of South San Francisco and portions of the City of Daly City, the Town of Colma, and the City of San Bruno and unincorporated areas of the County. The District extends from San Francisco Bay in the east to Skyline Boulevard in the western hills of the County. The District currently operates nine elementary schools, three middle schools, two comprehensive high schools, one continuation high school, one adult education school, four day-care schools, and one centrally located Children’s Center, which offers subsidized preschool programs and before and after school programs. Total enrollment in the District was approximately [7,933] students in fiscal year 2021-22. As of the preparation of the District’s second interim report for fiscal year 2022-23 (the “Fiscal Year 2022-23 Second Interim Report”), total enrollment in the District is projected to be approximately [_____] students in fiscal year 2022-23. Since the District is a community funded district that is primarily funded by property tax revenues, changes in enrollment do not impact property tax revenues and have a negligible impact on State aid received by the District. For more information on enrollment and the District’s funding, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Enrollment and A.D.A.*” The District operates under the jurisdiction of the San Mateo County Superintendent of Schools. Total assessed valuation of taxable property in the District in fiscal year 2022-23 is approximately \$29.0 billion.

For additional information about the District, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET” and APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

For specific information on the impact of the Coronavirus Disease 2019 (“COVID-19”) pandemic (i) on the security and source of payment for the Series 2023 Bonds, see “SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS – Assessed Valuation of Property Within the District” and “– Tax Charges and Delinquencies,” and (ii) on the District’s operations and finances, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Infectious Disease Outbreak.”

THE SERIES 2023 BONDS

Authority for Issuance; Purpose

Authority for Issuance. The Series 2023 Bonds are issued by the District under the provisions of California Government Code Section 53506 *et seq.*, including Section 53508.7 thereof, and California Education Code Sections 15140 and 15146 and Article XIII A of the Constitution of the State of California (the “California Constitution”) and pursuant to a resolution of the Board of Trustees of the District, adopted on March 9, 2023 (the “Resolution”).

Purpose. At an election held on November 8, 2022, the District received approval by at least 55% of the votes cast by eligible voters within the District to issue general obligation bonds of the District in an aggregate principal amount not to exceed \$436,000,000 to modernize classrooms, restrooms, and

school facilities; make health, safety and security improvements, equip schools with 21st century learning technology, and construct local affordable rental housing for teachers and staff (collectively, the “2022 Authorization”). The Series 2023 Bonds represent the first series of authorized bonds to be issued under the 2022 Authorization. Proceeds of the Series 2023 Bonds will be applied to (i) finance specific construction, reconstruction, rehabilitation or replacement projects approved by the voters of the District under the 2022 Authorization, and (ii) pay costs of issuance of the Series 2023 Bonds. See “– Application and Investment of Series 2023 Bond Proceeds” herein. Prior to the issuance of the Series 2023 Bonds, the District has \$436,000,000 aggregate principal amount of bonds authorized but unissued under the 2022 Authorization.

Pursuant to the Resolution, the term “Bonds” means all bonds, including the Series 2023 Bonds and refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on November 2, 2010 and pursuant to the 2022 Authorization.

Form and Registration

The Series 2023 Bonds will be issued in fully registered form only, without coupons, in denominations of \$5,000 principal amount or integral multiples thereof. The Series 2023 Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Series 2023 Bonds. Purchases of the Series 2023 Bonds under the DTC book-entry system must be made by or through a DTC participant, and ownership interests in the Series 2023 Bonds will be recorded as entries on the books of said participants. Except in the event that use of this book-entry system is discontinued for the Series 2023 Bonds, beneficial owners of the Series 2023 Bonds (“Beneficial Owners”) will not receive physical certificates representing their ownership interests. See APPENDIX F – “BOOK-ENTRY ONLY SYSTEM.”

[Bond Insurance Policy]

Concurrently with the issuance of the Series 2023 Bonds, [INSURER] (“[]”) will issue its Municipal Bond Insurance Policy for the Series 2023 Bonds (the “Policy”). The Policy guarantees the scheduled payment of principal of and interest on the Series 2023 Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement.]

Payment of Principal and Interest

Interest. The Series 2023 Bonds will be dated as of their date of delivery, and bear interest at the rates set forth on the inside front cover page of this Official Statement[.]. Interest on the Series 2023 Bonds maturing on and after September 1, 20[] (the “Tax-Exempt Bonds”) is] payable on March 1 and September 1 of each year (each, [a][an] “[Tax-Exempt] Interest Payment Date”), commencing on [September 1, 2023][.]. Interest on the Series 2023 Bonds maturing on [], 2023 (the “Federally Taxable Bonds”) is payable at maturity (the “Taxable Interest Payment Date” and, together with the Tax-Exempt Interest Payment Dates, the “Interest Payment Dates”). Interest on the Series 2023 Bonds is] computed on the basis of a 360-day year consisting of twelve 30-day months. Each Series 2023 Bond will bear interest from the Interest Payment Date of such Series 2023 Bond next preceding the date of authentication thereof, unless it is authenticated after the close of business on the 15th day of the calendar month immediately preceding an Interest Payment Date for such Series 2023 Bond (the “Record Date”) and on or prior to the succeeding Interest Payment Date for such Series 2023 Bond, in which event it will bear interest from such Interest Payment Date for such Series 2023 Bond, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Series 2023 Bond, in which

Payment of Series 2023 Bonds. The principal of the Series 2023 Bonds is payable in lawful money of the United States of America to the registered owner thereof (the “Owner”), upon the surrender thereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., as paying agent (the “Paying Agent”) at the maturity thereof or upon redemption prior to maturity.

Redemption*

Mandatory Sinking Fund Redemption. The \$_____ term Series 2023 Bonds maturing on September 1, 20__ are subject to mandatory sinking fund redemption on September 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

The principal amount of the \$_____ term Series 2023 Bonds maturing on September 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of such term Series 2023 Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

Page 133
Action

The \$_____ term Series 2023 Bonds maturing on September 1, 20__ are subject to mandatory sinking fund redemption on September 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (September 1,)	Principal Amount to be Redeemed
†	\$
† Maturity.	

The principal amount of the \$_____ term Series 2023 Bonds maturing on September 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000, by any portion of such term Series 2023 Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

Selection of Series 2023 Bonds for Redemption. If less than all of the Series 2023 Bonds, if any, are subject to such redemption and are called for redemption, such Series 2023 Bonds will be redeemed in inverse order of maturities or as otherwise directed by the District. Whenever less than all of the outstanding Series 2023 Bonds of any one maturity are designated for redemption, the Paying Agent will select the outstanding Series 2023 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 2023 Bond will be deemed to consist of individual Series 2023 Bonds of denominations of \$5,000 principal amount, each, which may be separately redeemed.

Notice of Redemption. Notice of redemption of any Series 2023 Bond will be given by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the bond registration books, and (ii) as may be further required in accordance with the Continuing Disclosure Certificate with respect to the Series 2023 Bonds. See APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

Each notice of redemption is required to contain the following information: (i) the date of such notice; (ii) the name of the Series 2023 Bonds and the date of issue of such Series 2023 Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Series 2023 Bonds to be redeemed; (vi) if less than all of the Series 2023 Bonds of any maturity are to be redeemed the distinctive numbers of the Series 2023 Bonds of each maturity to be redeemed; (vii) in the case of Series 2023 Bonds redeemed in part only, the respective portions of the principal amount of the Series 2023 Bonds of each maturity to be redeemed; (viii) the CUSIP number, if any, of each maturity of Series 2023 Bonds to be redeemed; (ix) a statement that such Series 2023 Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Series 2023 Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice. Neither the failure to receive such notice, nor any defect in the notice given, will affect the sufficiency of the proceedings for the redemption of the Series 2023 Bonds called for redemption or the cessation of interest on the date fixed for redemption.

Effect of Notice of Redemption. When notice of redemption has been given substantially as described above and when the redemption price of the Series 2023 Bonds called for redemption is set aside for the purpose of redeeming the Series 2023 Bonds, the Series 2023 Bonds designated for redemption become due and payable on the specified redemption date and interest ceases to accrue thereon as of the redemption date, and upon presentation and surrender of such Series 2023 Bonds at the place specified in the notice of redemption, such Series 2023 Bonds are to be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Series 2023 Bonds so called for redemption after such redemption date will look for the payment of such Series 2023 Bonds and the redemption premium thereon, if any, only from monies on deposit for such purpose in the interest and sinking fund of the District established for the Series 2023 Bonds within the County treasury (the "Interest and Sinking Fund") or the trust fund established for such purpose. All Series 2023 Bonds redeemed are to be cancelled forthwith by the Paying Agent and are not to be reissued.

Right to Rescind Notice. The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Series 2023 Bonds so called for redemption. Any optional redemption and notice thereof is to be rescinded if for any reason on the date fixed for redemption monies are not available in the Interest and Sinking Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Series 2023 Bonds called for redemption. Notice of rescission of redemption is to be given in the same manner in which notice of redemption was originally given. The actual receipt by the Owner of any Series 2023 Bond of notice of such rescission is not a condition precedent to rescission, and failure to receive such notice or any defect in such notice does not affect the validity of the rescission.

Funds for Redemption. Prior to or on the redemption date of any Series 2023 Bonds there is to be available in the Interest and Sinking Fund, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as provided in the Resolution, the Series 2023 Bonds designated in the notice of redemption. Such monies are to be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Series 2023 Bonds to be redeemed upon presentation and surrender of such Series 2023 Bonds, provided that all monies in the Interest and Sinking Fund are to be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date is to be paid from the Interest and Sinking Fund, unless otherwise provided to be paid from such monies held in trust. If, after all of the Series 2023 Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the Interest and Sinking Fund or otherwise held in trust for the payment of the redemption price of the Series 2023 Bonds, the monies are to be held in or returned or transferred to any interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of Bonds of the District, the monies are to be transferred to the fund created for the payment of principal of and interest on such Bonds. If no such Bonds of the District are at such time outstanding, the monies are to be transferred to the general fund of the District as provided and permitted by law.

Defeasance of Series 2023 Bonds

The Resolution provides that if at any time the District will pay or cause to be paid or there will otherwise be paid to the Owners of any or all of the outstanding Series 2023 Bonds all or any part of the principal of and interest and premium, if any, on the Series 2023 Bonds at the times and in the manner provided in the Resolution and in the Series 2023 Bonds, or as described in the following paragraph, or as otherwise provided by law consistent with the provisions of the Resolution, then such Owners will cease to be entitled to the obligation of the District and the County as provided in the Resolution, and such obligation and all agreements and covenants of the District and the County to such Owners under the

Resolution and under the Series 2023 Bonds will thereupon be satisfied and discharged and will terminate, except only that the District will remain liable for payment of all principal, interest and premium, if any, represented by the Series 2023 Bonds, but only out of monies on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment; and provided further, however, that the provisions of the Resolution described below under “– Unclaimed Monies” will apply.

The District may pay and discharge any or all of the Series 2023 Bonds by depositing in trust with the Paying Agent or an escrow agent selected by the District, at or before maturity, money or non-callable direct obligations of the United States of America (including zero interest bearing State and Local Government Series) or other non-callable obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the Interest and Sinking Fund, be fully sufficient to pay and discharge the indebtedness on such Series 2023 Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

Unclaimed Monies

Any money held in any fund created pursuant to the Resolution, or by the Paying Agent or an escrow agent in trust for the payment of the principal of, redemption premium, if any, or interest on the Series 2023 Bonds and remaining unclaimed for two years after the principal of all of the Series 2023 Bonds has become due and payable (whether by maturity or upon prior redemption) is required to be transferred to any interest and sinking fund of the District for payment of any outstanding Bonds of the District payable from such fund; or, if no such Bonds of the District are at such time outstanding, the monies are required to be transferred to the general fund of the District as provided and permitted by law.

Application and Investment of Series 2023 Bond Proceeds

The proceeds of the Series 2023 Bonds are expected to be applied as follows:

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT (SAN MATEO COUNTY, CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

Estimated Sources and Uses of Funds

Sources of Funds:

Aggregate Principal Amount of Series 2023 Bonds	\$
[Plus/Less] [Net] Original Issue [Premium/Discount]	<u> </u>
Total Sources of Funds	<u><u>\$</u></u>

Uses of Funds:

Deposit to Building Fund	\$
Deposit to Interest and Sinking Fund ⁽¹⁾	
Costs of Issuance ⁽²⁾	
Underwriter's Discount	<u> </u>
Total Uses of Funds	<u><u>\$</u></u>

⁽¹⁾ Consists of premium received by the District.

⁽²⁾ Includes legal fees, municipal advisor fees, rating agency fees, [bond insurance premium,] printing fees and other miscellaneous expenses.

Under State law, all money received by or apportioned to a school district must generally be paid into and held in the county treasury. The proceeds from the sale of the Series 2023 Bonds[, less amounts necessary to pay [certain] costs of issuance,] exclusive of any premium and accrued interest received by the District, will be deposited in the County treasury to the credit of the building fund of the District established for the Series 2023 Bonds (the “Building Fund”) and will be accounted for together with the proceeds of other bonds of the District separately from all other District and County funds. Such proceeds will be applied solely for the purposes for which the Series 2023 Bonds were authorized. Any premium or accrued interest on the Series 2023 Bonds received by the District will be deposited in the Interest and Sinking Fund in the County treasury. Taxes collected to pay principal and interest on the Series 2023 Bonds will also be deposited in the Interest and Sinking Fund. Earnings on the investment of monies in either fund will be retained in that fund and used only for the purpose to which that fund may lawfully be applied. Monies in the Building Fund may only be applied for the purposes for which the Series 2023 Bonds were authorized. Monies in the Interest and Sinking Fund may only be applied to pay principal, interest and redemption premium, if any, on the Series 2023 Bonds.

All funds held by the Treasurer-Tax Collector of the County (the “Treasurer-Tax Collector”) in the Building Fund and the Interest and Sinking Fund are expected to be invested at the sole discretion of the Treasurer-Tax Collector on behalf of the District in such investments as are authorized by Section 53601 *et seq.* of the California Government Code and the investment policy of the County, as either may be amended or supplemented from time to time. See APPENDIX E – “COUNTY OF SAN MATEO INVESTMENT POLICIES AND PRACTICES; DESCRIPTION OF INVESTMENT POOL” for a description of the permitted investments under the investment policy of the County. In addition, to the extent permitted by law and the investment policy of the County, the District may request in writing that all or any portion of the funds held in the Building Fund may be invested in investment agreements, including guaranteed investment contracts, float contracts or other investment products which comply with the requirements of each rating agency then rating the Series 2023 Bonds. The Treasurer-Tax Collector does not monitor such investments for arbitrage compliance and does not perform any arbitrage calculations with respect to such investments.

[Remainder of page left intentionally blank.]

Debt Service

Annual debt service on the Series 2023 Bonds, assuming no early optional redemptions, is set forth in the following table.

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(SAN MATEO COUNTY, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023**

Period Ending (September 1,) ^[(1)]	Principal	Interest	Total Debt Service
2024	\$	\$	\$
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
Total:	\$	\$	\$

^[(1)] The Federally Taxable Bonds mature on [____], 2023. The Tax-Exempt Bonds have principal maturing on September 1 in each of the years and in the amounts set forth on the inside front cover page hereof.]

Source: RBC Capital Markets, LLC

Outstanding Bonds

In addition to the Series 2023 Bonds, the District has four series of general obligation bonds outstanding, each of which is secured by *ad valorem* taxes levied upon all property subject to taxation by the District on a parity with the Series 2023 Bonds.

2010 Authorization. At an election held on November 2, 2010, the District received authorization under Measure J to issue bonds of the District in an aggregate principal amount not to exceed \$162,000,000 to provide safe, modern classrooms and educational support facilities by replacing deteriorated portal classrooms with permanent classrooms; repairing deteriorated roofs; providing disabled students access; upgrading science labs, libraries, technology and restrooms; enhancing safety, fire detection and security systems; improving energy efficiency; replacing outdated electrical, plumbing and heating systems (collectively, the “2010 Authorization”). Measure J received the required approval of at least 55% of the votes cast by eligible voters within the District. On May 23, 2012, the District issued its 2012 General Obligation Bonds (Measure J) Series A (the “Series A Bonds”) in the aggregate principal amount of \$7,000,000, as its first series of bonds issued under the 2010 Authorization. The Series A Bonds matured on September 1, 2016. On June 24, 2015, the District issued its 2015 General Obligation Bonds (Measure J), Series B (the “Series B Bonds”) in the aggregate initial principal amount of \$25,999,999.90, as its second series of bonds issued under the 2010 Authorization. On June 21, 2016, the District issued its 2016 General Obligation Bonds (Measure J), Series C (the “Series C Bonds”) in the aggregate initial principal amount of \$128,999,061.45, as its third and final series of bonds issued under the 2010 Authorization.

Refunding Bonds. On January 26, 2006, the District issued the South San Francisco Unified School District 2006 General Obligation Refunding Bonds in the aggregate initial principal amount of \$36,825,170.39 (the “2006 District Bonds”) to refund other prior bonds of the District issued in 1997 and 1999. The 2006 District Bonds were purchased by the South San Francisco Unified School District’s School Facilities Financing Authority (the “Financing Authority”) with proceeds from the Financing Authority’s Revenue Bonds, Series 2006 (South San Francisco Unified School District General Obligation Program) (the “2006 Financing Authority Bonds”), issued in January 2006 in the aggregate principal amount of \$39,035,000. The latest maturity date for the 2006 District Bonds and the 2006 Financing Authority Bonds is September 15, 2023.

On January 26, 2022, the District issues the South San Francisco Unified School District (San Mateo County, California) General Obligation Refunding Bonds, Series 2022 (Federally Taxable) (the “2022 Refunding Bonds”) in the aggregate principal amount of \$26,425,000. The proceeds of the 2022 Refunding Bonds were used to refund a portion of the Series B Bonds, maturing on September 1 in the years 2026 through 2035, inclusive, and 2040.

A summary of the District’s outstanding general obligation bonded debt is set forth on the following page.

Aggregate Debt Service

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

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT (San Mateo County, California) General Obligation Bonds – Aggregate Debt Service⁽¹⁾

Period Ending (September 1,) ⁽²⁾	2006 District Bonds	Series B Bonds	Series C Bonds	2022 Refunding Bonds	Series 2023 Bonds ⁽³⁾	Aggregate Total Debt Service
2023	\$4,596,941.56	-	\$5,156,487.50	\$820,343.90		
2024	-	\$700,000.00	7,616,487.50	818,380.90		
2025	-	830,000.00	7,816,487.50	821,417.90		
2026	-	-	7,981,487.50	1,684,379.40		
2027	-	-	8,251,487.50	1,737,859.40		
2028	-	-	8,526,487.50	1,813,043.00		
2029	-	-	8,816,487.50	1,889,335.26		
2030	-	-	9,114,887.50	1,966,695.00		
2031	-	-	9,421,287.50	2,045,952.20		
2032	-	-	9,742,087.50	2,131,261.00		
2033	-	-	10,065,887.50	2,222,157.00		
2034	-	-	10,406,687.50	2,311,934.80		
2035	-	-	10,767,887.50	2,400,759.20		
2036	-	-	11,122,687.50	2,503,737.00		
2037	-	-	11,500,287.50	2,609,999.40		
2038	-	-	11,888,687.50	2,194,389.00		
2039	-	-	12,288,612.50	2,312,102.00		
2040	-	-	12,699,650.00	2,444,181.00		
2041	-	-	15,905,662.50	-		
2042	-	-	-	-		
2043	-	-	-	-		
2044	-	-	-	-		
2045	-	-	-	-		
2046	-	-	-	-		
2047	-	-	-	-		
2048	-	-	-	-		
2049	-	-	-	-		
2050	-	-	-	-		
2051	-	-	-	-		
2052	-	-	-	-		
Total ⁽⁴⁾ :	<u>\$4,596,941.56</u>	<u>\$1,530,000.00</u>	<u>\$189,089,725.00</u>	<u>\$34,727,927.36</u>		

⁽¹⁾ Excludes the 2006 Financing Authority Bonds. For information on the outstanding 2006 Financing Authority Bonds, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – District Debt Structure.”

⁽²⁾ Debt service figures for period ending September 1, 2023 include payments made on March 1, 2023.

⁽³⁾ The Federally Taxable Bonds mature on [____], 2023. The Tax-Exempt Bonds have principal maturing on September 1 in each of the years and in the amounts set forth on the inside front cover page hereof.]

⁽⁴⁾ Totals may not add due to rounding.

Source: Isom Advisors, a Division of Urban Futures, Inc.

SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS

General

In order to provide sufficient funds for repayment of principal and interest when due on the Series 2023 Bonds, the Board of Supervisors of the County (the “Board of Supervisors”) is empowered and is obligated to levy *ad valorem* taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates) for the payment of principal of and interest on the Series 2023 Bonds. Such taxes are in addition to but separate from other taxes levied upon property within the District that are deposited by the County to the District’s general fund. When collected, the tax revenues with respect to each voter-approved bond measure of the District for the payment of Bonds issued under such bond measure will be deposited by the County in any interest and sinking fund of the District related to such bond measure with respect to the Bonds of such bond measure to be used solely for the payment of the principal or redemption price of and interest on such Bonds.

The Series 2023 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law, and are not a debt or obligation of the County. No fund of the County is pledged or obligated to repayment of the Series 2023 Bonds.

Statutory Lien on Taxes (Senate Bill 222)

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

This statutory lien, by its terms, secures not only the Series 2023 Bonds, but also any other bonds of the District payable, as to both principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

Pledge of Tax Revenues

As provided in the Resolution, the District has pledged all revenues from the property taxes collected from the levy by the Board of Supervisors with respect to each voter-approved bond measure of the District for the payment of Bonds issued under such bond measure and amounts on deposit in any interest and sinking fund of the District related to such bond measure with respect to the Bonds of such bond measure to the payment of the principal or redemption price of and interest on such Bonds. Pursuant to the Resolution, such pledge is valid and binding from the date of the Resolution for the benefit of the Owners of the Bonds and successors thereto. The Resolution provides that the property taxes and amounts held in any interest and sinking fund of the District will be immediately subject to this

pledge, and the pledge will constitute a lien and security interest which will immediately attach to the property taxes and amounts held in any interest and sinking fund of the District to secure the payment of such Bonds and will be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act. The Resolution provides that this pledge constitutes an agreement between the District and the Owners of Bonds to provide security for the Bonds in addition to any statutory lien that may exist, and the Bonds secured by the pledge are or were issued to finance (or refinance) one or more of the projects specified in the applicable voter-approved measure.

The pledge of tax revenues provided for in the Resolution specifies that said pledge and lien secures the Series 2023 Bonds and other general obligations bonds, including refunding bonds, previously issued or that may be issued in the future pursuant to voter-approved measures. Previous general obligation bonds of the District have been issued under resolutions that pledge tax revenues to secure the general obligation bonds and the general obligation refunding bonds issued thereunder, and the District may provide for a similar pledge of tax revenues in resolutions adopted in the future that authorize general obligation bonds and general obligation refunding bonds. The Resolution does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the lien of the pledges.

Property Taxation System

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

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

Assessed Valuation of Property Within the District

General. Taxable property located in the District has a fiscal year 2022-23 assessed value of \$29,009,119,768. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the California Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

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

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

Locally taxed property is classified either as “secured” or “unsecured,” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is “unsecured,” and is assessed on the “unsecured roll.” Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as “utility” property.

The following table sets forth the assessed valuation of the various classes of property in the District's boundaries from fiscal years 2006-07 through 2022-23, each as of the date the equalized assessment roll is established in August of each year.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Assessed Valuations
Fiscal Years 2006-07 through 2022-23

Fiscal Year	Local Secured	Utility	Unsecured	Total
2006-07	\$11,297,313,084	\$13,244,790	\$1,312,212,784	\$12,622,770,658
2007-08	12,356,669,994	16,382,714	1,414,577,476	13,787,630,184
2008-09	13,958,411,841	15,338,174	2,395,337,284	16,369,087,299
2009-10	13,847,587,835	15,719,228	1,447,824,697	15,311,131,760
2010-11	13,684,362,442	15,440,452	1,300,314,923	15,000,117,817
2011-12	13,855,179,747	12,681,730	1,317,096,492	15,184,957,969
2012-13	14,040,915,624	12,681,730	1,311,921,996	15,365,519,350
2013-14	14,493,013,149	12,681,730	1,220,727,460	15,726,422,339
2014-15	15,119,744,015	12,681,730	1,265,256,822	16,397,682,567
2015-16	15,827,627,239	12,651,405	1,212,847,158	17,053,125,802
2016-17	16,580,856,099	12,651,405	1,396,516,884	17,990,024,388
2017-18	17,415,354,303	12,651,405	1,438,879,544	18,866,885,252
2018-19	19,140,438,937	11,785,005	1,773,992,538	20,926,216,480
2019-20	20,779,433,771	13,698,525	1,729,583,128	22,522,715,424
2020-21	22,546,662,379	13,452,201	2,044,666,265	24,604,780,845
2021-22	23,898,096,848	11,896,701	1,934,013,285	25,844,006,834
2022-23	26,682,451,082	11,896,701	2,314,771,985	29,009,119,768

Source: California Municipal Statistics, Inc.

[Genentech Inc. ("Genentech") has a fiscal year 2022-23 secured assessed valuation of \$3,148,038,784, which comprises 11.80% of the local secured assessed valuation in the District for such fiscal year. See "– Largest Secured Taxpayers in District." Genentech currently has assessment appeals pending before the San Mateo County Assessment Appeals Board (the "Appeals Board") in which Genentech seeks a reduction of the secured and unsecured assessed valuation of certain machinery and equipment and fixtures for tax years 2000 through 2005. The Appeals Board found that Genentech is entitled to have its claimed assessed values applied for several of the appeals for tax year 2003. At the same time, the Appeals Board made a determination on whether certain items should be excluded from the cost basis of Genentech's machinery and equipment and fixtures for purposes of calculating such property's assessed value. Such determination has been the subject of ongoing litigation. The County, however, does not expect that the ongoing litigation will impact the County's obligation regarding the amounts to be refunded to Genentech.

The County estimates that a reduction from such appeals for tax years 2000 through 2005 could result in a total refund to Genentech of anywhere from approximately \$7 million to \$17 million, which would be shared by all affected taxing entities, including the District. As part of its conservative budgeting practice, the District has set aside approximately \$8.50 million as reflected in its 2022-23 Second Interim Report to cover its share of any such refund to Genentech for tax years 2000 through 2005. While the District currently expects that such amount will be sufficient to cover the District's share of any such refund to Genentech, the District cannot predict the final amount of such refund to Genentech or the District's share and whether the District's share will be due at once or spread out over installments.

Further, the District cannot guarantee that the amount it has set aside for its share of any such refund to Genentech will be sufficient.] *[Disclosure to be updated.]*

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

Risk of Changing Economic Conditions. Property values could be reduced by factors beyond the District’s control, including a depressed real estate market due to general economic conditions in the County, the region, and the State. A pandemic, like the COVID-19 pandemic, may result in an economic recession or depression that causes a general market decline in property values therefore affecting the assessed value of the property in the District. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – “INFORMATION RELATING TO THE DISTRICT’S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Infectious Disease Outbreak.”

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

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

Risk of Drought. The State is experiencing severe drought conditions. In March 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in the State as primary natural disaster areas due to drought. In April 2021, the Governor of California (the “Governor”) proclaimed a regional drought emergency in two counties due to record drought conditions, and subsequently expanded such proclamation three times until the drought emergency applied to all counties in the State. After calling for a State-wide voluntary reduction in water use of 15% from 2020 levels that failed to achieve such goal, the Governor prompted the California State Water Resources Control Board to adopt a regulation requiring local water agencies to implement water use restrictions and banning irrigation of non-functional turf in the commercial, industrial, and institutional sectors. Such regulation became effective in June 2022. The District cannot predict the extent to which drought conditions within the County or any of the adjoining counties could cause reduced economic activity within the boundaries of the District or the extent to which drought conditions may impact District facilities or the assessed value of taxable property within the District.

Risk of Wildfire. Property damage due to wildfire could result in significant damage to, destruction of, and significant decreases in the assessed value of taxable property within the boundaries of the District, as well as in damage to or destruction of District facilities and property. In recent years, portions of the State, including the County and adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Notable incidents that have impacted the County and adjacent counties in recent years include the CZU Lightning Complex Fire and SCU Lightning Complex Fire. Within the boundaries of the District, no facilities or property was damaged or destroyed by said wildfires or other recent wildfires. The adjacent counties of Santa Clara and Santa Cruz have also been impacted by the wildfires mentioned above. The District cannot predict the extent to which any future wildfires within the District, the County, or any of the adjoining counties could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact District facilities or the assessed value of taxable property within the District.

Prospective purchasers of the Series 2023 Bonds should be aware that, notwithstanding any decrease in assessed valuation for any fiscal year, the County is required to levy sufficient taxes to pay debt service on the Series 2023 Bonds. The consequence of any decrease in assessed valuation is a corresponding increase in the tax rate on taxable property so that sufficient tax revenues may be collected from taxpayers to cover debt service on the Series 2023 Bonds in full.

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

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

In addition, Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the

inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIII A of the California Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

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

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

Bonding Capacity. As a unified school district, the District may issue bonds in an amount up to 2.50% of the assessed valuation of taxable property within its boundaries. The District’s fiscal year 2022-23 gross bonding capacity (also commonly referred to as the “bonding limit” or “debt limit”) is approximately \$[] million and its net bonding capacity is approximately \$[] million (taking into account current outstanding debt before the issuance of the Series 2023 Bonds). Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District’s bonding capacity.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of the property within the District’s boundaries by political jurisdiction in the Town of Colma, City of Daly City, City of San Bruno, and City of South San Francisco, and unincorporated portions of the County for fiscal year 2022-23.

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Fiscal Year 2022-23 Assessed Valuation by Jurisdiction**

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
Town of Colma	\$ 66,474,748	0.23%	\$ 812,583,375	8.18%
City of Daly City	2,029,172,769	6.99	15,435,764,556	13.15%
City of San Bruno	294,141,962	1.01	9,958,336,007	2.95%
City of South San Francisco	26,545,064,979	91.51	27,730,440,659	95.73%
Unincorporated County of San Mateo	74,265,310	0.26	24,488,104,467	0.30%
Total District	\$29,009,119,768	100.00%		
County of San Mateo	\$29,009,119,768	100.00%	\$288,439,496,973	10.06%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table sets forth a distribution of taxable property located in the District on the fiscal year 2022-23 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Fiscal Year 2022-23 Assessed Valuation and Parcels by Land Use**

	2022-23 Assessed Valuation ⁽¹⁾	% of Total	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Commercial	\$ 3,145,177,536	11.79%	499	2.19%
Hotel	542,348,151	2.03	40	0.18
Industrial	10,130,389,893	37.97	785	3.45
Recreational	113,213,200	0.42	53	0.23
Government/Social/Institutional	223,894,885	0.84	117	0.51
Miscellaneous	36,898,810	0.14	146	0.64
Subtotal Non-Residential	\$14,191,922,475	53.19%	1,640	7.21%
<u>Residential:</u>				
Single Family Residence	\$ 9,413,343,622	35.28%	16,705	73.43%
Condominium/Townhouse	1,566,910,766	5.87	3,433	15.09
Mobile Home	29,100	0.00	2	0.01
Mobile Home Park	8,955,284	0.03	2	0.01
2-4 Residential Units	262,694,244	0.98	381	1.67
5+ Residential	940,812,981	3.53	287	1.26
Units/Apartments				
Subtotal Residential	\$12,192,745,997	45.70%	20,810	91.47%
Vacant	\$297,782,610	1.12%	301	1.32%
TOTAL	\$26,682,451,082	100.00%	22,751	100.00%

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

Assessed Valuation of Single-Family Homes. The following table sets forth the assessed valuation of single-family homes in the District's boundaries for fiscal year 2022-23, including the average and median per parcel assessed value.

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Fiscal Year 2022-23 Per Parcel Assessed Valuation of Single-Family Homes**

	Number of Parcels		2022-23 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single-Family Residential	16,705		\$9,413,343,622	\$563,505	\$508,314

2022-23 Assessed Valuation	No. of Parcels ⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$49,999	23	0.138%	0.138%	\$ 879,184	0.009%	0.009%
\$50,000 - \$99,999	1,355	8.111	8.249	115,871,899	1.231	1.240
\$100,000 - \$149,999	1,452	8.692	16.941	171,839,405	1.825	3.066
\$150,000 - \$199,999	702	4.202	21.143	122,260,573	1.299	4.365
\$200,000 - \$249,999	729	4.364	25.507	164,827,411	1.751	6.116
\$250,000 - \$299,999	713	4.268	29.776	194,836,532	2.070	8.185
\$300,000 - \$349,999	798	4.777	34.553	261,090,890	2.774	10.959
\$350,000 - \$399,999	950	5.687	40.239	356,088,447	3.783	14.742
\$400,000 - \$449,999	825	4.939	45.178	350,114,362	3.719	18.461
\$450,000 - \$499,999	699	4.184	49.362	332,011,233	3.527	21.988
\$500,000 - \$549,999	687	4.113	53.475	360,731,790	3.832	25.820
\$550,000 - \$599,999	646	3.867	57.342	371,694,351	3.949	29.769
\$600,000 - \$649,999	765	4.579	61.922	478,612,986	5.084	34.853
\$650,000 - \$699,999	745	4.460	66.381	502,898,299	5.342	40.196
\$700,000 - \$749,999	715	4.280	70.661	518,269,269	5.506	45.701
\$750,000 - \$799,999	657	3.933	74.594	508,188,757	5.399	51.100
\$800,000 - \$849,999	602	3.604	78.198	495,995,620	5.269	56.369
\$850,000 - \$899,999	539	3.227	81.425	471,655,519	5.010	61.380
\$900,000 - \$949,999	462	2.766	84.190	426,959,677	4.536	65.915
\$950,000 - \$999,999	401	2.400	86.591	390,495,144	4.148	70.064
\$1,000,000 and greater	2,240	13.409	100.000	2,818,022,274	29.936	100.000
Total	16,705	100.000%		\$9,413,343,622	100.000%	

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

Largest Secured Taxpayers in District. The following table sets forth the 20 taxpayers with the greatest combined ownership of secured taxable property in the District on the fiscal year 2022-23 tax roll, and the secured assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Largest Fiscal Year 2022-23 Local Secured Taxpayers

	Property Owner	Primary Land Use	2022-23 Assessed Valuation	Percent of Total ⁽¹⁾
1.	Genentech Inc.	Industrial	\$3,148,038,784	11.80%
2.	HCP Oyster Point III LLC	Industrial	861,135,005	3.23
3.	Slough BTC LLC	Industrial	706,344,528	2.65
4.	BMR 1000 Gateway LP	Industrial	454,406,301	1.70
5.	Kilroy Realty LP	Industrial	447,345,388	1.68
6.	Britannia Pointe Grand LP	Industrial	332,388,936	1.25
7.	ARE San Francisco No. 12 LLC	Industrial	258,518,765	0.97
8.	ARE-San Francisco No. 65 LLC	Industrial	252,351,829	0.95
9.	ARE-East Grand Avenue Owner LLC	Industrial	248,750,802	0.93
10.	BMR-750 800 850 Gateway LP	Industrial	234,250,110	0.88
11.	KR Oyster Point III LLC	Industrial	231,571,365	0.87
12.	Dubuque Center LP	Office Building	219,300,000	0.82
13.	681 Gateway Center LLC	Office Building	201,755,879	0.76
14.	LPGS Tanforan LLC	Industrial	187,709,088	0.70
15.	Bell Fund VII Cadence LLC	Apartments	162,676,221	0.61
16.	Gateway Center LLC	Office Building	160,114,320	0.60
17.	ARE-San Francisco No. 75 LLC	Industrial	155,745,639	0.58
18.	LS Forbes LLC	Industrial	152,948,512	0.57
19.	SFF Logistics Inc.	Industrial	136,308,714	0.51
20.	701 Gateway Center LLC	Office Building	124,297,151	0.47
			<u>\$8,675,957,337</u>	<u>32.52%</u>

⁽¹⁾ The fiscal year 2022-23 local secured assessed valuation is \$26,682,451,082.

⁽²⁾ For information on Genentech and its pending appeals of its assessed valuation, see “– General” above.]

Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer’s financial situation and ability or willingness to pay property taxes in a timely manner. As shown above, a single taxpayer owns 11.80% of the total taxable property in the District in fiscal year 2022-23. For information on Genentech and its pending appeals of its assessed valuation, see “– General” above. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District’s control. See “– Appeals of Assessed Valuation; Blanket Reductions of Assessed Values” above.

Tax Rates

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

The rate of tax necessary to pay fixed debt service on the Series 2023 Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Series 2023 Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, drought, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Series 2023 Bonds. Issuance of additional authorized bonds in the future could also cause the tax rate to increase.

Typical Tax Rate Area. The following table sets forth *ad valorem* property tax rates for the last five fiscal years in the typical tax rate area of the District (TRA 13-020). TRA 13-020 comprises approximately 13.95% of the total assessed value of taxable property in the District for fiscal year 2022-23.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Typical Total Tax Rates as Percentage of Assessed Valuation (TRA 13-020)⁽¹⁾
Fiscal Years 2018-19 through 2022-23

	2018-19	2019-20	2020-21	2021-22	2022-23
General Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
South San Francisco Unified School District	0.0422	0.0381	0.0350	0.0352	0.0306
San Mateo Community College District	0.0175	0.0266	0.0213	0.0227	0.0193
Total Tax Rate	1.0597%	1.0647%	1.0563%	1.0579%	1.0499%

⁽¹⁾ Fiscal year 2022-23 assessed valuation of TRA 13-020 is \$4,046,682,775.

Source: California Municipal Statistics, Inc.

In accordance with the California Constitution and the California Education Code, bonds approved pursuant to the 2022 Authorization may not be issued unless the District projects that repayment of all outstanding bonds approved under the 2022 Authorization will require a tax rate no greater than \$60.00 per \$100,000.00 of assessed value. Based on the assessed value of taxable property in the District at the time of issuance of the Series 2023 Bonds, the District projects that the maximum tax rate required to repay the Series 2023 Bonds, and all other outstanding bonds approved under the 2022 Authorization (of which there are currently none), will be within that legal limit. The tax rate limitation applies only when new bonds are issued and does not restrict the authority of the Board of Supervisors to levy taxes at such rate as may be necessary to pay debt service on the Series 2023 Bonds and any other series of bonds issued under the 2022 Authorization in each year.

Tax Charges and Delinquencies

General. A school district's share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Series 2023 Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The Treasurer-Tax Collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a \$40 fee is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a \$35 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the Treasurer-Tax Collector. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. A 10% penalty and a \$35 fee attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the Treasurer-Tax Collector may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The Treasurer-Tax Collector may also bring a civil suit against the taxpayer for payment. In light of the financial hardship that many taxpayers experienced due to COVID-19, the Governor issued Executive Order N-61-20, which suspended, until May 6, 2021, the statutory requirements for the imposition of penalties, costs, and interest for the failure to pay property taxes on the secured or unsecured roll, or to pay a supplemental bill provided certain conditions were met.

Property tax delinquencies may be impacted by economic and other factors beyond the District's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a pandemic or a natural or manmade disaster, such as earthquake, drought, flood, fire or toxic dumping. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Infectious Disease Outbreak." The County has adopted the Teeter Plan (defined herein), according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. For more information, see "– Teeter Plan" below. If delinquencies increase substantially as a result of events outside the control of the District, the County has the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies.

Secured Tax Charges and Delinquencies within the District. The following table sets forth the real property tax charges and corresponding delinquencies for the District's general obligation bond debt service levy, with respect to the property located within the District, for fiscal years 2017-18 through 2021-22. While some counties also provide information on the secured tax charges and corresponding delinquencies for the portion of such county's 1% general fund levy that is allocated to the District with respect to property located in the District as an indication of comparative delinquency rates, the County does not provide such information. The portion of the County's 1% general fund levy that is allocated to the District is not pledged to and does not secure the repayment of the Series 2023 Bonds. See "– Teeter Plan" below.

SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Secured Tax Charges and Delinquencies
Fiscal Years 2017-18 through 2021-22

Fiscal Year	Secured Tax Charge ⁽¹⁾	Amount Delinquent June 30	% Delinquent June 30
2017-18	\$6,367,722.66	\$30,458.31	0.48%
2018-19	8,109,431.59	28,413.48	0.35
2019-20	7,945,238.35	45,729.60	0.58
2020-21	7,873,013.81	45,996.25	0.58
2021-22	8,428,130.47	(13,984.89)	-0.17

⁽¹⁾ General obligation bond debt service levy.
Source: California Municipal Statistics, Inc.

Teeter Plan

The Board of Supervisors has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County, including school districts, receives the full amount of uncollected taxes levied on the secured tax roll credited to its fund, in the same manner as if the full amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the Teeter Plan to taxes levied for repayment of school district general obligation bonds on the secured tax roll. There can be no assurances that the County will have sufficient funds available to distribute the full amount of the District’s share of property tax collections to the District. However, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Series 2023 Bonds when due.

The Teeter Plan is to remain in effect unless the Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. The District is not aware of any plans by the Board of Supervisors to discontinue the Teeter Plan.

Direct and Overlapping Debt

Set forth on the following page is a schedule of direct and overlapping debt prepared by California Municipal Statistics, Inc. effective [____], 2023 for debt outstanding as of [____] 1, 2023. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth the percentage of each overlapping agency’s assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not set forth in the table) produces the amount set forth in column three, which is the apportionment of each overlapping agency’s outstanding debt to taxable property in the District.

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

**SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Statement of Direct and Overlapping Bonded Debt**

[Updated information for table to come.]

[____], 2023

2022-23 Assessed Valuation: \$[_____]

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	%	Debt [____]/1/23
	<u>Applicable</u> ⁽¹⁾	

San Mateo Community College District		
South San Francisco Unified School District		(1)(2)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		

DIRECT AND OVERLAPPING GENERAL FUND DEBT:

San Mateo County General Fund Obligations
 San Mateo County Board of Education Certificates of Participation
 San Mateo County Flood Control District Certificates of Participation
 South San Francisco Unified School District Certificates of Participation
 Town of Colma Certificates of Participation
 City of Daly City Pension Obligation Bonds
 City of San Bruno Certificates of Participation
 City of South San Francisco General Fund Obligations
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT

COMBINED TOTAL DEBT (3)

Ratios to 2022-23 Assessed Valuation:

Direct Debt (\$[_____]).....	[____]%
Total Direct and Overlapping Tax and Assessment Debt.....	[____]%
Combined Direct Debt (\$[_____])	[____]%
Combined Total Debt.....	[____]%

⁽¹⁾ Excludes the 2006 Financing Authority Bonds.

⁽¹⁾ Excludes the Series 2023 Bonds. Also excludes accreted value.

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

Source: California Municipal Statistics, Inc.

[BOND INSURANCE]

[Bond insurance disclosure to come, if applicable.]

TAX MATTERS

[Tax-Exempt][Series 2023] Bonds

[In the opinion of Orrick, Herrington & Sutcliffe LLP, bond counsel to the District (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the [Tax-Exempt][Series 2023] Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the [Tax-Exempt][Series 2023] Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the [Tax-Exempt][Series 2023] Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the [Tax-Exempt][Series 2023] Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix C.

To the extent the issue price of any maturity of the [Tax-Exempt][Series 2023] Bonds is less than the amount to be paid at maturity of such [Tax-Exempt][Series 2023] Bonds (excluding amounts stated to be interest and payable at least annually over the term of such [Tax-Exempt][Series 2023] Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the [Tax-Exempt][Series 2023] Bonds which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular maturity of the [Tax-Exempt][Series 2023] Bonds is the first price at which a substantial amount of such maturity of the [Tax-Exempt][Series 2023] Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the [Tax-Exempt][Series 2023] Bonds accrues daily over the term to maturity of such [Tax-Exempt][Series 2023] Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such [Tax-Exempt][Series 2023] Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such [Tax-Exempt][Series 2023] Bonds. Beneficial Owners of the [Tax-Exempt][Series 2023] Bonds should consult their own tax advisors with respect to the tax consequences of ownership of [Tax-Exempt][Series 2023] Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such [Tax-Exempt][Series 2023] Bonds in the original offering to the public at the first price at which a substantial amount of such [Tax-Exempt][Series 2023] Bonds is sold to the public.

[Tax-Exempt][Series 2023] Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the [Tax-Exempt][Series

2023] Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the [Tax-Exempt][Series 2023] Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the [Tax-Exempt][Series 2023] Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the [Tax-Exempt][Series 2023] Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the [Tax-Exempt][Series 2023] Bonds may adversely affect the value of, or the tax status of interest on, the [Tax-Exempt][Series 2023] Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the [Tax-Exempt][Series 2023] Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the [Tax-Exempt][Series 2023] Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the [Tax-Exempt][Series 2023] Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the [Tax-Exempt][Series 2023] Bonds. Prospective purchasers of the [Tax-Exempt][Series 2023] Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the [Tax-Exempt][Series 2023] Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the [Tax-Exempt][Series 2023] Bonds ends with the issuance of the [Tax-Exempt][Series 2023] Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the [Tax-Exempt][Series 2023] Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the [Tax-Exempt][Series 2023] Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the [Tax-Exempt][Series 2023] Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

Payments on the [Tax-Exempt][Series 2023] Bonds generally will be subject to U.S. information reporting and possibly to “backup withholding.” Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of [Tax-Exempt][Series 2023] Bonds may be subject to backup withholding with respect to “reportable payments,” which include interest paid on the [Tax-Exempt][Series 2023] Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the [Tax-Exempt][Series 2023] Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number (“TIN”) to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a “notified payee underreporting” described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner’s federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

[Federally Taxable Bonds]

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

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

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

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

U.S. Holders

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

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

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

Defeasance of the Federally Taxable Bonds. If the District defeases any Federally Taxable Bond, the Federally Taxable Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any

accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted U.S. federal income tax basis in the Federally Taxable Bond.

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

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "*Information Reporting and Backup Withholding*" and "*Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders,*" payments of principal of, and interest on, any Federally Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation described in Section 881(c)(3)(C) of the Code, and (2) a bank which acquires such Federally Taxable Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the Beneficial Owner of the Federally Taxable Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "*Information Reporting and Backup Withholding,*" or an exemption is otherwise established.

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

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "*Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders,*" under current U.S. Treasury Regulations, payments of principal and interest on any Federally Taxable Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the Beneficial Owner of the Federally Taxable Bond or a financial institution holding the Federally Taxable Bond on behalf of the Beneficial Owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the

certification is false. If a Beneficial Owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

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

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

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

OTHER LEGAL MATTERS

Legal Opinion

The validity of the Series 2023 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Bond Counsel expects to deliver an opinion with respect to the Series 2023 Bonds at the time of issuance substantially in the form set forth in Appendix C. Bond Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, and for the Underwriter by Norton Rose Fulbright US LLP, as counsel to the Underwriter.

Legality for Investment in California

Under the provisions of the California Financial Code, the Series 2023 Bonds are legal investments for commercial banks in the State to the extent that the Series 2023 Bonds, in the informed opinion of the bank, are prudent for the investment of funds of depositors, and, under provisions of the California Government Code, the Series 2023 Bonds are eligible securities for deposit of public monies in the State.

Continuing Disclosure

The District will covenant under the Continuing Disclosure Certificate to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the “EMMA System”) certain annual financial information and operating data relating to the District (the “Annual Report”) by not later than nine months following the end of the District’s fiscal year (currently ending June 30), commencing with the report for fiscal year 2022-23 (such initial Annual Report due no later than March 31, 2024) and notice of the occurrence of certain enumerated events (“Notice Events”) in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made for the benefit of the holders and Beneficial Owners of the Series 2023 Bonds in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “Rule”).

[To be updated per results from Underwriter’s CD Report.]

Isom Advisors, a Division of Urban Futures, Inc. currently serves as the District’s dissemination agent in connection with each of the District’s prior continuing disclosure undertakings pursuant to the Rule and will serve as dissemination agent in connection with the continuing disclosure undertaking pursuant to the Rule relating to the Series 2023 Bonds.

Litigation

No litigation is pending or threatened concerning or contesting the validity of the Series 2023 Bonds or the District’s ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District’s ability to issue and retire the Series 2023 Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Series 2023 Bonds or District officials who will sign certifications relating to the Series 2023 Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriter at the time of the original delivery of the Series 2023 Bonds.

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

FINANCIAL STATEMENTS

The District’s audited financial statements for fiscal year ended June 30, 2022 are included in Appendix B. Such financial statements have been audited by Eide Bailly LLP, Rancho Cucamonga, California (“Eide Bailly”). The District has not requested nor has the District obtained the consent of Eide Bailly to the inclusion of its report in Appendix B. Eide Bailly has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Eide Bailly has not been requested to perform and has not performed any procedures relating to the Official Statement.

MISCELLANEOUS

Rating

Moody's Investors Service Inc. has assigned its [uninsured] rating of "[____]" to the Series 2023 Bonds. A rating agency generally bases its rating on its own investigations, studies and assumptions as well as information and materials furnished to it (which may include information and materials from the District, which are not included in this Official Statement). The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of the rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Series 2023 Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2023 Bonds. Neither the Underwriter nor the District has undertaken any responsibility after the offering of the Series 2023 Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

[In addition, S&P is expected to assign its insured rating of "[____]" to the Series 2023 Bonds, if any, with the understanding that, upon delivery of the Series 2023 Bonds, the Policy will be delivered by [____]. See "BOND INSURANCE." Such rating is expected to be assigned solely as a result of the issuance of the Policy and will reflect only the rating agency's view of the claims-paying ability and financial strength of [____]. Neither the District nor the Underwriter have made any independent investigation of the claims-paying ability of [____] and no representation is made that any insured rating of the Series 2023 Bonds based upon the purchase of the Policy will remain higher than the rating agency's underlying and uninsured rating of the Series 2023 Bonds described above, which did not take bond insurance into account. The existence of the Policy will not, of itself, negatively affect such underlying and uninsured rating. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Series 2023 Bonds and the claims paying ability of [____], particularly over the life of the investment. Without regard to any bond insurance, the Series 2023 Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal of and interest on the Series 2023 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS." However, any downward revision or withdrawal of any rating of [____] may have an adverse effect on the market price or the marketability (liquidity) for the Series 2023 Bonds.].

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Series 2023 Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Series 2023 Bonds. Isom Advisors, a Division of Urban Futures, Inc., is acting as the District's municipal advisor (the "Municipal Advisor") with respect to the Series 2023 Bonds. Norton Rose Fulbright US LLP, Los Angeles, California, is acting as counsel to the Underwriter with respect to the Series 2023 Bonds. Payment of the fees and expenses of the Municipal Advisor and counsel to the Underwriter is also contingent upon the sale and delivery of the Series 2023 Bonds.

Underwriting

The Series 2023 Bonds are being purchased for reoffering to the public by RBC Capital Markets, LLC (the "Underwriter") pursuant to the terms of a bond purchase agreement executed on _____, 2023 (the "Purchase Agreement"), by and between the Underwriter and the District. The Underwriter has

agreed to purchase the Series 2023 Bonds at a price of \$_____ (which represents the aggregate principal amount of the Series 2023 Bonds, [plus/less] [net] original issue [premium/discount] of \$_____, and less Underwriter's discount in the amount of \$_____). The Purchase Agreement provides that the Underwriter will purchase all of the Series 2023 Bonds, subject to certain terms and conditions set forth in the Purchase Agreement.

The Underwriter may offer and sell the Series 2023 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices set forth on the inside front cover page of this Official Statement. The public offering prices may be changed from time to time by the Underwriter.

The Underwriter has provided the following information for inclusion in this Official Statement. The District does not guarantee the accuracy or completeness of the following information, and the inclusion thereof should not be construed as a representation of the District.

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; provided, however, that potential investors are advised that the offering of the Series 2023 Bonds is made only by means of the Official Statement. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representation other than as contained in the Official Statement.

ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Series 2023 Bonds. Quotations from and summaries and explanations of the Series 2023 Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Series 2023 Bonds.

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

**SOUTH SAN FRANCISCO UNIFIED
SCHOOL DISTRICT**

By: _____
Superintendent

APPENDIX A

INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

TABLE OF CONTENTS

	Page
THE DISTRICT	A-1
Introduction.....	A-1
Board of Trustees.....	A-1
Superintendent and Business Services Personnel	A-2
Cybersecurity	A-2
DISTRICT FINANCIAL MATTERS	A-3
State Funding of Education; State Budget Process.....	A-3
Local Property Tax Revenues.....	A-18
Other District Revenues.....	A-20
Infectious Disease Outbreak	A-20
Significant Accounting Policies and Audited Financial Statements.....	A-23
District Budget Process and County Review	A-26
District Debt Structure	A-32
Employment.....	A-37
Retirement Benefits	A-38
Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures.....	A-42
CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS	A-43
Limitations on Revenues.....	A-43
Article XIII B of the California Constitution.....	A-44
Article XIII C and Article XIII D of the California Constitution	A-44
Statutory Limitations	A-45
Proposition 98 and Proposition 111.....	A-45
Assembly Bill No. 26 & <i>California Redevelopment Association v. Matosantos</i>	A-47
Proposition 30 and Proposition 55.....	A-47
Applications of Constitutional and Statutory Provisions	A-48
Proposition 2	A-48
Future Initiatives	A-49

The information in this appendix concerning the operations of the South San Francisco Unified School District (the “District”), the District’s finances, and State of California (the “State”) funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Series 2023 Bonds is payable from the general fund of the District or from State revenues. The Series 2023 Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and requirements of the Constitution of the State (the “California Constitution”), and required to be levied by the County of San Mateo (the “County”) on property within the District in an amount sufficient for the timely payment of principal of and interest on the Series 2023 Bonds. See “SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS” in the front portion of this Official Statement.

THE DISTRICT

Introduction

The District was founded in 1936 and originated from the unification of an elementary school district (founded in 1866) and a high school district (founded in 1913). The District is located in the northern part of the County, which is one of the counties that comprise the metropolitan San Francisco Bay Area, northwest of San Francisco International Airport. Its territory encompasses nearly all of the City of South San Francisco and portions of the City of Daly City, the Town of Colma, and the City of San Bruno and unincorporated areas of the County. The District extends from San Francisco Bay in the east to Skyline Boulevard in the western hills of the County. The District currently operates nine elementary schools, three middle schools, two comprehensive high schools, one continuation high school, one adult education school, four day-care schools, and one centrally located Children’s Center, which offers subsidized preschool programs and before and after school programs. Total enrollment in the District was approximately 7,933 students in fiscal year 2021-22. As of the preparation of the District’s second interim report for fiscal year 2022-23 (the “Fiscal Year 2022-23 Second Interim Report”), total enrollment in the District is projected to be approximately [7,901] students in fiscal year 2022-23. Since the District is a community funded district that is primarily funded by property tax revenues, changes in enrollment do not impact property tax revenues and have a negligible impact on State aid received by the District. For more information on enrollment and the District’s funding, see “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *Enrollment and A.D.A.*” The District operates under the jurisdiction of the San Mateo County Superintendent of Schools. Total assessed valuation of taxable property in the District in fiscal year 2022-23 is approximately \$29.0 billion.

Board of Trustees

The District is governed by a five-member Board of Trustees (the “Board of Trustees”), each member of which is a voting member. The members are elected by voters within their “area” of the District to four-year terms in alternate slates of two and three, and elections are held every two years. Each December, the Board of Trustees elects a President, Vice President, and Clerk to serve one-year terms. Current voting members of the Board of Trustees, together with their office, their trustee area, and the date their current term expires, are listed below.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)

Board of Trustees

Name	Office	Trustee Area	Term Expires
Chialin Hsieh	President	Area C	December 2026
Patricia A. Murray	Vice President	Area A	December 2024
Mina A. Richardson	Clerk	Area E	December 2026
Daina R. Lujan	Member	Area B	December 2024
Amanda Anthony	Member	Area D	December 2026

Superintendent and Business Services Personnel

General. The Superintendent of the District is appointed by the Board of Trustees. The Superintendent reports directly to the Board of Trustees. The Assistant Superintendent, Business Services is hired by and reports directly to the Superintendent. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators. The current Superintendent, Dr. Shawnterra Moore, has served in this position since August 2015. The Assistant Superintendent, Business Services is responsible for management of the District's finances and business operations. Ted O has served as Assistant Superintendent, Business Services since November 2018.

Dr. Shawnterra Moore, Superintendent. Dr. Moore is entering her 22nd year as an educator, the last eight of which she has served as the District's Superintendent. Prior to that she served as a Director and Associate Superintendent in the District. Before coming to the District, Dr. Moore served in a variety of administrative and teaching assignments, including as a high school principal, assistant principal and English teacher. Dr. Moore comes from a family of educators and she has appreciated and thoroughly enjoyed the various roles she has held. Dr. Moore earned a Bachelor of Arts degree from Santa Clara University. She holds a Master of Arts degree in Educational Leadership and a Doctorate of Educational Psychology degree, both from the University of the Pacific.

Ted O, Assistant Superintendent, Business Services. Mr. O joined the District in December 2015 as the Director of Business Services and was promoted to Assistant Superintendent, Business Services four years ago. Over the course of his 26-year career in K-12 education, Mr. O has worked in multiple school districts and county offices of education, and managed budgets ranging in size from under \$100 million to over \$300 million. He served in many business services management positions, including Director of Internal Business Services, Director of Budget, Audit & Attendance, Interim Director of Business Services, Budget Manager, and Budget Analyst/Accountant. Mr. O earned a Bachelor of Science degree from San Francisco State University and is also a graduate of the Fiscal Crisis & Management Assistance Team Chief Business Official Mentor Program and the Association of California School Administrators Business Academy.

Cybersecurity

School districts, like other governmental and business entities, face significant risks relating to the use and application of computer software and hardware for educational and operational and management purposes. The District also collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, and contractors. As the custodian of such information, the District may face cybersecurity threats from time to time. Given the importance of cybersecurity for school districts, federal lawmakers approved the K-12 Cybersecurity Act of 2021 to study cybersecurity risks that school districts face and develop recommended guidelines and an online training toolkit for school district officials to address such cybersecurity risks.

The District is not aware of any major cyberattack or breach of its systems during the last five years. The District has upgraded its existing network infrastructure, and implemented additional security systems to protect itself against cyberattacks. Such infrastructure and security systems include firewalls, malware detection tools, antivirus software, and network segmentation and segregation. As a result, the District expects that any such disruptions caused by a cyberattack would be temporary in nature. However, the District does not currently maintain cyber liability insurance. There can be no assurance that a future cyberattack or attempted cyberattack would not compromise the personal information that the District collects, processes and stores or cause a disruption in District operations, particularly given that students, teachers, and staff are accessing District computer systems and platforms remotely which may increase the risks of intrusion by third parties.

DISTRICT FINANCIAL MATTERS

State Funding of Education; State Budget Process

General. As is true for all school districts in the State, the District’s operating income consists primarily of two components: a State portion funded from the State’s general fund in accordance with the Local Control Funding Formula (the “Local Control Funding Formula” or “LCFF”) (see “– *Allocation of State Funding to School Districts; Local Control Funding Formula*”) and a local portion derived from the District’s share of the 1% local *ad valorem* tax authorized by the California Constitution (see “– Local Property Tax Revenues”). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. As of the Fiscal Year 2022-23 Second Interim Report, the District projects it will receive approximately [_____] % of its general fund revenues from State funds (not including the local portion derived from the District’s share of the local *ad valorem* tax), projected at approximately \$[_____] million in fiscal year 2022-23. Such amount includes both the State funding provided under the LCFF as well as other State revenues (see “– *Allocation of State Funding to School Districts; Local Control Funding Formula*,” “– *Enrollment and A.D.A.*” and “– *Other District Revenues – Other State Revenues*” below). Because the District is a community funded district, it receives a minimal amount of general fund financial support from the State, and the District is funded primarily by local property tax collections, which derive from the 1% countywide property tax levy required by statute. However, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may still affect the District’s revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by voters of the State in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the California Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State’s general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented the LCFF. Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See “– *Allocation of State Funding to School Districts; Local Control Funding Formula*” for more information.

State Budget Process. According to the California Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. The budget requires a simple majority vote of each house of the State Legislature for

passage. The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. A two-thirds vote of the State Legislature is required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2022-23 State budget on June 27, 2022, which was amended through a series of legislative bills, many of which were signed by the Governor on June 30, 2022 (as amended, the “2022-23 State Budget”).

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district’s State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a California Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the California Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per-capita personal income, and other factors. The State’s share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year’s budget, from the Governor’s initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as “settle-up.” If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as “maintenance factor.”

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State’s response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers’ unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in

over \$4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State did in fiscal years 2019-20 and 2020-21; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the California Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Series 2023 Bonds, and the District takes no responsibility for informing owners of the Series 2023 Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

2022-23 State Budget. The 2022-23 State Budget reflects a strong State economy, which has strengthened the State's fiscal health and provided record levels of available general fund and Proposition 98 resources that the 2022-23 State Budget allocates. However, the 2022-23 State Budget notes economic warning signs indicating that challenging times may arrive in the coming years. Accordingly, with approximately \$37.2 billion in budgetary reserves, the 2022-23 State Budget continues building reserves by eliminating budgetary debt, reducing retirement liabilities, and focusing on one-time spending over ongoing investments to maintain structurally balanced budgets over the long term. Specifically, the 2022-23 State Budget allocates 92% of the discretionary surplus to one-time investments that can be adjusted in future years, if needed. Citing the record high inflationary conditions nationwide, the 2022-23 State Budget includes an added inflation adjustment beginning in fiscal year 2023-24 reflecting that State services are likely to cost more than currently estimated.

The 2022-23 State Budget projects total resources available in fiscal year 2021-22 of approximately \$265.4 billion, including revenues and transfers of approximately \$227.1 billion and a prior year balance of approximately \$38.3 billion, and total expenditures in fiscal year 2021-22 of approximately \$242.9 billion. The 2022-23 State Budget projects total resources available for fiscal year 2022-23 of approximately \$242.2 billion, inclusive of revenues and transfers of approximately \$219.7 billion and a prior year balance of approximately \$22.5 billion. The 2022-23 State Budget projects total expenditures in fiscal year 2022-23 of approximately \$234.4 billion, inclusive of non-Proposition 98 expenditures of approximately \$152.1 billion and Proposition 98 expenditures of approximately \$82.3 billion. The 2022-23 State Budget includes \$37.2 billion in reserves in fiscal year 2022-23 and allocates reserves as follows: approximately \$23.3 billion in the State Rainy Day Fund for fiscal emergencies, approximately \$9.5 billion in the Proposition 98 Rainy Day Fund (also known as the "Public School System Stabilization Account"), approximately \$900 million in the Safety Net Reserve, and approximately \$3.5 billion to the State's Special Fund for Economic Uncertainties. In addition, the 2022-23 State Budget allocates approximately \$4.3

billion of the State general fund's projected fund balance in fiscal year 2022-23 to the State's Reserve for Liquidation of Encumbrances. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues, requiring approximately \$465 million to be dedicated for infrastructure investments in fiscal year 2022-23. Over the multi-year forecast period, the 2022-23 State Budget reflects approximately \$8 billion in supplemental deposits split evenly between the State Rainy Day Fund and the Safety Net Reserve. Such deposits are above what is constitutionally required. The 2022-23 State Budget estimates that the State will be below its appropriations limit (referred to as the "Gann Limit") for fiscal year 2022-23 as a result of statutory changes in connection with the 2022-23 State Budget.

The 2022-23 State Budget includes total funding of \$128.6 billion for all K-12 education programs, including \$78.6 billion from the State's general fund and \$50 billion from other funds. Per-pupil funding is at the highest levels for school districts in California's history, totaling \$16,993 per pupil in Proposition 98 funding and \$22,893 per pupil when accounting for all funding sources.

Certain budgeted programs and adjustments for K-12 education set forth in the 2022-23 State Budget include the following:

- Proposition 98 Minimum Guarantee. The 2022-23 State Budget projects increased Proposition 98 funding, resulting in funding estimates of \$96.1 billion in fiscal year 2020-21, \$110.2 billion in fiscal year 2021-22, and \$110.4 billion in fiscal year 2022-23, due to a significant increase in projected revenues for fiscal years 2020-21 through 2022-23. Such funding represents a historically high three-year increase in the minimum guarantee of roughly \$35.8 billion over the level funded in the fiscal year 2021-22 State budget.
- Proposition 98 Rainy Day Fund (Public School System Stabilization Account). The 2022-23 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2020-21 through 2022-23 for a total account balance of \$9.5 billion at the end of fiscal year 2022-23. The balance of approximately \$7.1 billion in fiscal year 2021-22 triggers a cap on school district reserves beginning in fiscal year 2022-23. For more information, see "– School District Reserves" and "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751."
- Local Control Funding Formula. The 2022-23 State Budget includes a LCFF cost-of-living adjustment of 6.56%, which is the largest cost-of-living adjustment in the history of LCFF. The 2022-23 State Budget also includes approximately \$4.3 billion in ongoing Proposition 98 general fund resources to provide an approximately 6.28% discretionary increase in Base Grant funding to address ongoing fiscal pressures, staffing shortages, and other operational needs of local educational agencies. This discretionary increase, together with the cost-of-living adjustment, results in an increase of approximately 13% in Base Grant amounts from fiscal year 2021-22. Lastly, the 2022-23 State Budget includes approximately \$101.2 million in ongoing Proposition 98 general fund resources to augment LCFF funding for county offices of education, which face similar cost pressures to school districts and charter schools.
- Declining Enrollment Protections. To support the fiscal stability of all local educational agencies, including those with a declining student population, the 2022-23 State Budget allows school districts to use the greater of current year or prior year average daily attendance or an average of the three prior years' average daily attendance to calculate LCFF funding. Further, to minimize reductions in LCFF funding that would otherwise occur due to increased absences in fiscal year 2021-22, the 2022-23 State Budget enables all classroom-based local educational agencies that can demonstrate they provided independent study offerings to students in fiscal year 2021-22 to be funded at the greater of their average daily attendance or their enrollment adjusted for pre-COVID-19 absence rates in fiscal year 2021-22. The 2022-23 State Budget reflects approximately \$2.8

billion in ongoing Proposition 98 general fund resources and approximately \$413 million in one-time Proposition 98 general fund resources to implement such policies.

- Block Grants. The 2022-23 State Budget establishes the Learning Recovery Emergency Fund and appropriates approximately \$7.9 billion in one-time Proposition 98 general fund resources to support the Learning Recovery Emergency Block Grant, which will support local educational agencies in establishing learning recovery initiatives through the 2027-28 school year. Such funds may be expended on instructional learning time, closing learning gaps, pupil supports, instruction, and academic services. The 2022-23 State Budget also provides approximately \$3.6 billion in one-time Proposition 98 general fund resources for grants to be spent on arts and music programs, standards-aligned professional development, instructional materials, development of diverse book collections, operational costs, and expenses related to the COVID-19 pandemic through the 2025-26 school year.
- Expanded Learning Opportunities Program. The 2022-23 State Budget increases investments in the Expanded Learning Opportunities Program by approximately \$3 billion in ongoing Proposition 98 general fund resources, bringing the ongoing program total to \$4 billion. Beginning in fiscal year 2023-24, local educational agencies will be required to offer expanded learning opportunities to all low-income students, English language learners, and youth in foster care in the State. The 2022-23 State Budget assumes that full fiscal implementation of the program will take place by fiscal year 2025-26.
- Transitional Kindergarten. The 2022-23 State Budget provides approximately \$614 million in ongoing Proposition 98 general fund resources beginning in fiscal year 2022-23 to support the first year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2. The 2022-23 State Budget also provides approximately \$383 million in Proposition 98 general fund resources to provide one additional certificated or classified staff person in each transitional kindergarten classroom. Lastly, the 2022-23 State Budget increases the pipeline of qualified transitional kindergarten teachers by allowing the Commission on Teaching Credentialing to issue a one-year emergency specialist teaching permit in early childhood education to certain eligible individuals.
- State Preschool Program. The 2022-23 State Budget includes the following investments in pre-kindergarten education: approximately \$312.7 million in Proposition 98 general fund resources and \$172.3 million in general fund resources to increase State Preschool Program adjustment factors for students with disabilities, dual language learners, and childhood mental health; approximately \$300 million in one-time Proposition 98 general fund resources for planning and implementation of grants for all local educational agencies; approximately \$250 million in one-time Proposition 98 general fund resources to support a program that funds infrastructure to support general education and special education students in inclusive classrooms; approximately \$166.2 million in Proposition 98 general fund resources to support the full-year costs of State preschool rate increases that began January 1, 2022; and approximately \$10.5 million in one-time Proposition 98 general fund resources and \$10.8 million in one-time non-Proposition 98 general fund resources to waive the family share of cost for children participating in the State Preschool Program. The 2022-23 State Budget includes a hold harmless provision that allows State Preschool providers to receive reimbursement for maximum authorized care for the 2022-23 school year.
- Educator Workforce. The fiscal year 2021-22 State budget included \$2.9 billion to accelerate the preparation and support the training and retention of well-prepared educators. To further support such effort, the 2022-23 State Budget includes an additional \$48.1 million in general fund resources. In addition, the 2022-23 State Budget provides approximately \$250 million in one-time Proposition 98 general fund resources to expand residency slots for teachers and school counselors.

Lastly, the 2022-23 State Budget invests approximately \$85 million in one-time Proposition 98 general fund resources to create pre-kindergarten through 12th grade educator resources and professional learning to implement STEM educator support initiatives; and approximately \$35 million in one-time Proposition 98 general fund resources over three years to continue the work of the Educator Workforce Investment Grant program in the areas of computer science, special education, and support for English learners.

- School Transportation Programs. The 2022-23 State Budget includes approximately \$637 million in ongoing Proposition 98 general fund resources to support school transportation programs by reimbursing local education agencies for up to 60% of their transportation costs in the prior year. In addition, the 2022-23 State Budget includes approximately \$1.5 billion in one-time Proposition 98 general fund resources, available over five years, to support greening school bus fleets through programs that will be operated by the California Air Resources Board and the California Energy Commission.
- Nutrition. The 2022-23 State Budget includes the following investments related to school meals: approximately \$596 million in Proposition 98 general fund resources to fund universal access to subsidized school meals and an additional \$611.8 million in ongoing Proposition 98 general fund resources to augment the State meal reimbursement rate sufficient to maintain meal reimbursement rates beginning in fiscal year 2022-23; approximately \$600 million in one-time Proposition 98 general fund resources, available over three years, for school kitchen infrastructure and equipment upgrades and training for food service employees; approximately \$100 million in one-time Proposition 98 general fund resources to support local educational agency procurement practices for plant-based or restricted diet meals; and approximately \$30 million in one-time general fund resources to establish additional farm to school demonstration projects with priority towards high-need schools.
- Special Education. The 2022-23 State Budget includes approximately \$500 million in ongoing Proposition 98 general fund resources for the special education funding formula, paired with certain policy changes to further the State's commitment to improving special education instruction and services. In addition, the 2022-23 State Budget provides approximately \$2 million in Proposition 98 general fund resources to support families of pupils with disabilities and approximately \$2 million in Proposition 98 general fund resources to create resources for inclusionary practices for families and communities.
- K-12 School Facilities. On November 8, 2016, voters of the State approved Proposition 51, which authorized \$7 billion in State general obligation bonds to support K-12 school facilities construction. The 2022-23 State Budget allocates the remaining Proposition 51 bond funds in the amount of approximately \$1.4 billion to support school construction projects and provides an additional investment of \$1.3 billion in one-time general fund resources to support new construction and modernization projects through the School Facility Program.

The complete 2022-23 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Proposed 2023-24 State Budget. The Governor released the fiscal year 2023-24 proposed State budget (the "Proposed 2023-24 State Budget") on January 10, 2023, which reflects a revenue outlook that differs substantially from the last two years. Risks to the State's economic and revenue outlook highlighted in the 2022-23 State Budget have been realized, including continued high inflation, multiple federal reserve bank interest rate increases and further stock market declines. The last risk is particularly important to the

State, as market-based compensation greatly influences the incomes of high-income Californians. Combined with a progressive income tax structure, this can have an outsized effect, both good and bad, on State revenues. Prior to accounting for solutions, the Proposed 2023-24 State Budget forecasts general fund revenues will be approximately \$29.5 billion lower than at the 2022-23 State Budget projections, and the State now faces an estimated budget gap of approximately \$22.5 billion in fiscal year 2023-24.

The Proposed 2023-24 State Budget includes the following actions to address the substantial downward revision in general fund revenues and close the budget gap:

- \$7.4 billion in funding delays for multiple items across fiscal years 2021-22 through 2023-24. The Proposed 2023-24 State Budget spreads such funding across the multi-year projections without reducing the total amount of funding through the multi-year projections.
- \$5.7 billion in spending reductions for various items across fiscal years 2021-22 through 2023-24 and removal of certain measures that were included in the 2022-23 State Budget to provide additional budget resilience, such as eliminating the \$3.0 billion included in the 2022-23 State Budget as an inflationary adjustment.
- \$4.3 billion in fund shifts from the general fund to other funds in fiscal years 2022-23 and 2023-24.
- \$3.9 billion in funding reductions for certain items in fiscal years 2020-21 through 2023-24, which will be restored if it is determined that sufficient funds will be available to cover certain commitments, thus “triggering” such restoration.
- \$1.2 billion in limited revenue generation and borrowing in fiscal year 2023-24.

In addition, the Proposed 2023-24 State Budget utilizes a number of the resiliency measures in the 2022-23 State Budget to close shortfalls projected in the coming years, including eliminating planned redemption of certain callable bonds and deposits to reserve accounts. However, to preserve the State’s ability to respond to any potentially significant negative changes to the outlook in early 2023, the Proposed 2023-24 State Budget does not include draws on the State’s reserve accounts to close the budget gap.

The Proposed 2023-24 State Budget estimates total resources available in fiscal year 2022-23 of approximately \$261.6 billion, including revenues and transfers of approximately \$208.9 billion and a prior year balance of approximately \$52.7 billion, and total expenditures in fiscal year 2022-23 of approximately \$240.1 billion. The Proposed 2023-24 State Budget projects total resources available for fiscal year 2023-24 of approximately \$231.7 billion, inclusive of revenues and transfers of approximately \$210.2 billion and a prior year balance of approximately \$21.5 billion. The Proposed 2023-24 State Budget projects total expenditures in fiscal year 2023-24 of approximately \$223.6 billion, inclusive of non-Proposition 98 expenditures of approximately \$143.1 billion and Proposition 98 expenditures of approximately \$80.6 billion. The Proposed 2023-24 State Budget includes approximately \$35.6 billion in reserves in fiscal year 2023-24 and allocates reserves as follows: approximately \$22.4 billion in the State Rainy Day Fund for fiscal emergencies, approximately \$8.5 billion in the Proposition 98 Rainy Day Fund (Public School System Stabilization Account), approximately \$900 million in the Safety Net Reserve, and approximately \$3.8 billion in the State’s Special Fund for Economic Uncertainties. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues, requiring approximately \$951 million to be dedicated for infrastructure investments in fiscal year 2023-24.

The Proposed 2023-24 State Budget includes total funding of approximately \$128.5 billion for all K-12 education programs, including approximately \$78.7 billion from the State’s general fund and approximately \$49.8 billion from other funds. Per-pupil funding is at the highest levels for school districts

in the State's history, totaling \$17,519 per pupil in Proposition 98 funding and \$23,723 per pupil when accounting for all funding sources.

Certain budgeted programs and adjustments for K-12 education set forth in the Proposed 2023-24 State Budget include the following:

- Proposition 98 Minimum Guarantee. The revised estimates of general fund revenues in the Proposed 2023-24 State Budget modestly reduce the Proposition 98 minimum guarantee, resulting in funding estimates of approximately \$110.4 billion in fiscal year 2021-22, \$106.9 billion in fiscal year 2022-23, and \$108.8 billion in fiscal year 2023-24, representing a three-year decrease in the minimum guarantee of approximately \$4.7 billion over the level funded in the 2022-23 State Budget.
- Local Property Tax Adjustments. The Proposed 2023-24 State Budget includes a decrease of \$153 million in Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2022-23, and a decrease of \$1.3 billion in ongoing Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2023-24, as a result of increased offsetting property taxes.
- Proposition 98 Rainy Day Fund (Public School System Stabilization Account). The Proposed 2023-24 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2021-22 through 2023-24 for a total account balance of approximately \$8.5 billion at the end of fiscal year 2023-24. As indicated in the Proposed 2023-24 State Budget, the balance of approximately \$8.1 billion in fiscal year 2022-23 continues to trigger a cap on school district reserves in fiscal year 2023-24. For more information, see “– School District Reserves” and “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751.”
- Local Control Funding Formula and Equity Multiplier. The Proposed 2023-24 State Budget includes a LCFF cost-of-living adjustment of approximately 8.13%, which is the highest cost-of-living adjustment in recent history of the LCFF. When combined with growth adjustments, this increase will result in approximately \$4.2 billion in additional discretionary funds for local educational agencies. To fully fund this increase and to maintain the level of current year LCFF apportionments, the Proposed 2023-24 State Budget includes approximately \$613 million in one-time resources and \$1.4 billion in one-time resources to support the ongoing cost of LCFF in fiscal years 2022-23 and 2023-24, respectively. Lastly, the Proposed 2023-24 State Budget includes approximately \$300 million in ongoing Proposition 98 general fund resources to establish an equity multiplier as an add-on to the LCFF to accelerate learning gains and close opportunity gaps. Such funding will be allocated to local educational agencies based on school-site eligibility, using a more targeted methodology than the existing Supplemental Grant eligibility.
- Block Grants. The Proposed 2023-24 State Budget includes approximately \$7.9 billion in one-time Proposition 98 general fund resources to support the Learning Recovery Emergency Block Grant, which supports local educational agencies in establishing and expanding learning recovery initiatives. Such funds may be expended on expanded instructional time, tutoring, or other one-on-one or small group learning supports, and learning recovery programs. The Proposed 2023-24 State Budget also includes approximately \$1.5 billion in one-time general fund resources for the Educator Effectiveness Block Grant to train school staff in high-need topics, including literacy.
- Arts and Cultural Enrichment. On November 8, 2022, voters of the State approved Proposition 28, which requires approximately one percent of the Proposition 98 minimum guarantee to be allocated to schools to increase arts instruction and/or arts programs in public education. As a result, the

Proposed 2023-24 State Budget includes approximately \$941 million to fund Proposition 28. Given this investment and the need for one-time funds to cover the costs of the LCFF in fiscal years 2022-23 and 2023-24, the Proposed 2023-24 State Budget reflects a reduction of approximately \$1.2 billion from the Arts, Music, and Instructional Materials Discretionary Block Grant included in the 2022-23 State Budget, taking the one-time allocation from approximately \$3.5 billion to \$2.3 billion in Proposition 98 general fund resources. The Proposed 2023-24 State Budget also proposes approximately \$100 million in one-time Proposition 98 general fund resources to enable local educational agencies to provide high school seniors with access to cultural enrichment experiences across the State.

- Transitional Kindergarten. The Proposed 2023-24 State Budget revises estimates for the first-year investment in transitional kindergarten from \$614 million to approximately \$604 million to expand eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2 and revises the first-year investment from \$383 million to approximately \$337 million to add one additional certificated or classified staff person to every transitional kindergarten classroom. The Proposed 2023-24 State Budget also includes approximately \$690 million to implement the second year of transitional kindergarten expansion to all children turning five-years-old between September 2 and April 2 and approximately \$165 million to support the addition of one additional certificated or classified staff person to transitional kindergarten classrooms. According to the Proposed 2023-24 State Budget, full implementation of universal transitional kindergarten is expected in fiscal year 2025-26.
- State Preschool Program. The Proposed 2023-24 State Budget proposes the following investments in pre-kindergarten education: approximately \$64.5 million in Proposition 98 general fund resources and \$51.8 million in general fund resources to continue a multi-year plan to ramp up the State Preschool Program. The Proposed 2023-24 State Budget proposes expenditure of approximately \$152.7 million in one-time general fund resources to support reimbursement rate increases; and approximately \$112 million in Proposition 98 general fund resources and \$63.3 million in non-Proposition 98 general fund resources to support an 8.13% statutory cost-of-living adjustment.
- Grant Program for Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities. The Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (the “FDK Program”) supports the construction of new school facilities or retrofitting existing school facilities for the purpose of providing transitional kindergarten, full-day kindergarten, or preschool classrooms. The Proposed 2023-24 State Budget delays approximately \$550 million for the FDK Program from fiscal year 2023-24 to fiscal year 2024-25.
- Educator Workforce. The Proposed 2023-24 State Budget includes approximately \$500 million in one-time Proposition 98 general fund resources over five years for the Golden State Teacher Grant Program, which funds are available for expenditure until fiscal year 2025-26. The Proposed 2023-24 State Budget also includes approximately \$600 million in one-time Proposition 98 general fund resources over five years to establish or expand school counselor residency programs, which funds are available for expenditure until fiscal year 2025-26.
- K-12 School Facilities. On November 8, 2016, voters of the State approved Proposition 51, which authorized \$7.0 billion in State general obligation bonds to support K-12 school facilities construction. The Proposed 2023-24 State Budget proposes a decrease in planned support for the School Facility Program of approximately \$100 million in general fund resources, reducing the planned allocation in fiscal year 2023-24 from approximately \$2.1 billion to approximately \$2.0 billion.

- Special Education. The Proposed 2023-24 State Budget includes an increase of approximately \$669 million in ongoing Proposition 98 general fund resources to reflect an 8.13% cost-of-living adjustment for categorical programs that remain outside of the LCFF, including special education.

The complete Proposed 2023-24 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

LAO Overview of Proposed 2023-24 State Budget. The Legislative Analyst’s Office (“LAO”), a nonpartisan State office which provides fiscal and policy information and advice to the State Legislature, released its report on the Proposed 2023-24 State Budget entitled “The 2023-24 Budget: Overview of the Governor’s Budget” on January 13, 2023 (the “2023-24 Proposed Budget Overview”). In the 2023-24 Proposed Budget Overview, the LAO summarizes the condition of the Proposed 2023-24 State Budget and analyzes the budgetary challenges therein and the Governor’s proposal to address such challenges.

The Proposed 2023-24 Budget currently addresses the estimated budget gap without using funds from the State’s reserves. The LAO notes that, under the Proposed 2023-24 State Budget, the State would end fiscal year 2023-24 with approximately \$27.1 billion in total general purpose reserves. In addition, the State would have approximately \$8.5 billion in the Proposition 98 Rainy Day Fund, available only for K-14 education programs. Under the Proposed 2023-24 State Budget, the State would continue to make its otherwise constitutionally required deposits, including a deposit of approximately \$911 million into the State Rainy Day Fund and approximately \$365 million into the Proposition 98 Rainy Day Fund in fiscal year 2023-24. The LAO explains that the Governor’s approach to refrain from drawing on reserves is warranted given the manageable size of the budget gap and the downside risk to revenues posed by the presently heightened risk of recession.

The Proposed 2023-24 State Budget reflects operating deficits of approximately \$9.0 billion in fiscal year 2024-25, approximately \$9.0 billion in fiscal year 2025-26, and approximately \$4.0 billion in fiscal year 2026-27. Based on these projections, the LAO notes that additional budget solutions will be required in fiscal years 2024-25 through 2026-27. Instead of the State Legislature enacting a budget that plans for future deficits as is presented in the Proposed 2023-24 State Budget, the LAO recommends either reducing proposed spending delays and making more spending-related reductions or adding trigger reductions to trigger off more multi-year spending if needed.

The extent of the budget gap that is presented and addressed in the Proposed 2023-24 State Budget depends on how certain spending is accounted. The LAO observes that the Governor solved an \$18.0 billion budget gap in the Proposed 2023-24 State Budget, which is somewhat lower than the \$22.0 billion budget gap that the Governor has acknowledged with respect to the Proposed 2023-24 State Budget. The LAO explains that the difference stems from what is considered as baseline spending. While the Governor views baseline spending to include a \$3.0 billion unallocated set-aside for inflation-related costs and a shift of \$1.4 billion in authorized capital outlay projects from lease revenues bonds to cash, the LAO does not view such items as baseline spending because they were not approved in any budget-related legislation.

The LAO also estimates the budget gap to be higher – at approximately \$24.0 billion based on the LAO’s Fiscal Outlook, released in November 2022. Relative to the LAO’s Fiscal Outlook, released in November 2022, the Governor’s estimates include (i) \$13.6 billion in higher revenues across the three-year budget window, which reduces the size of the budget gap; (ii) \$2.6 billion in higher expenditures on K-14 education, which increases the size of the budget gap; (iii) a \$3.8 billion set-aside in the State’s Special Fund for Economic Uncertainties, which increases the size of the budget gap; (iv) \$2.0 billion in discretionary spending proposals, which increases the size of the budget gap; and (v) \$800 million in other differences from the LAO’s Fiscal Outlook, which reduces the size of the budget gap. The LAO estimates

there is a good chance that revenues will be lower than the Governor's projections for the budget window, particularly in fiscal years 2022-23 and 2023-24. Nonetheless, the trigger proposals in the Proposed 2023-24 State Budget implicitly place more emphasis on revenue upside, suggesting the Governor anticipates that revenues are more likely to be higher than their current projections. Given the greater downside risk, the LAO recommends that the State Legislature plan for a larger budget gap and address it by reducing more one-time and temporary spending.

The 2023-24 Proposed Budget Overview is available on the LAO website at www.lao.ca.gov. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Changes in State Budget. The final fiscal year 2023-24 State budget, which requires approval by a majority vote of each house of the State Legislature, may differ substantially from the Proposed 2023-24 State Budget. In May 2023, the Governor will revise the Proposed 2023-24 State Budget based on updated information available at such time. Such revision in May 2023 may also differ substantially from the Proposed 2023-24 State Budget. The final fiscal year 2023-24 State budget may be affected by national and State economic conditions and other factors which the District cannot predict. Accordingly, the District cannot provide any assurances that there will not be any changes in the final fiscal year 2023-24 State budget from the Proposed 2023-24 State Budget. The District cannot predict the impact that the final fiscal year 2023-24 State budget, or subsequent budgets, will have on its finances and operations.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District's ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State's ability to fund schools during the current fiscal year and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Series 2023 Bonds are payable from *ad valorem* property taxes, the Proposed 2023-24 State Budget and the final fiscal year 2023-24 State budget are not expected to have a material impact on the payment of the Series 2023 Bonds.

School District Reserves. Even though the State's economic and revenue outlook has changed, the State still projects deposits into the Proposition 98 Rainy Day Fund in fiscal years 2022-23 and 2023-24 (see "*2022-23 State Budget*" and "*Proposed 2023-24 State Budget*"); however, school districts may still need to access their local reserves in light of operational needs that may exceed expected property tax revenues in a given fiscal year. The District, which has an average daily attendance ("A.D.A.") of less than 30,000 (but greater than 1,001), is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. Nonetheless, the District has a practice of maintaining a minimum reserve of approximately 5% of its general fund expenditures and other financing uses. At the time of preparation of the Fiscal Year 2022-23 Second Interim Report, the District projects it will meet both the 3% statutory reserve requirement and its 5% reserve target in fiscal years 2022-23 through 2024-25. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects it [may/will not] need to use its existing general fund balance in fiscal years [2022-23 through 2024-25] to meet its obligations. ***[Information to be updated when Second Interim is available.]***

Payments allocated to the Proposition 98 Rainy Day Fund under the fiscal year 2021-22 State budget triggered a reserve cap for school districts beginning in fiscal year 2022-23. Such reserve cap is triggered when the amount of money in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total State general fund revenues appropriated for school districts Statewide. In accordance with Section 42127.01(a) of the California Education Code, once the reserve cap is triggered, a school

district's assigned and unassigned ending fund balance cannot exceed 10% of such school district's general fund balance. However, pursuant to Section 42127.01(c) of the California Education Code, community funded districts and small school districts with fewer than 2,501 units of A.D.A. are exempt from the reserve cap. Since the District is a community funded district, the District is exempt from the reserve cap. For more information on the reserve cap legislation, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751."

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund ("ERAF") in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the California Constitution, which voters of the State approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of an initiative constitutional amendment at the November 2010 election, known as "Proposition 22."

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. One effect of this amendment has been to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert \$1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of \$1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*"). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

Allocation of State Funding to School Districts; Local Control Funding Formula. Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, each school district received State funding based on a unique revenue limit multiplied by such school district's A.D.A. Under the revenue limit funding system, school districts also received funding for categorical programs based on the demographics and needs of the students in each school district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant ("Base Grant") per unit of A.D.A. with additional supplemental funding (referred to as a "Supplemental Grant" and a "Concentration Grant") allocated to local educational agencies based on their proportion of English

language learners, students from low-income families and foster youth. The LCFF was projected to have an eight-year implementation program to incrementally close the gap between actual funding and the target level of funding, but achieved full implementation ahead of schedule in fiscal year 2018-19. The LCFF includes the following components:

- A Base Grant for each local education agency (“LEA”). The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2022-23, the LCFF provided to school districts and charter schools: (a) a Base Grant for each LEA equivalent to \$10,119 per A.D.A. for kindergarten through grade 3; (b) a Base Grant for each LEA equivalent to \$9,304 per A.D.A. for grades 4 through 6; (c) a Base Grant for each LEA equivalent to \$9,580 per A.D.A. for grades 7 and 8; (d) a Base Grant for each LEA equivalent to \$11,391 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. The fiscal year 2022-23 Base Grant amount includes a cost-of-living adjustment of 6.56% in fiscal year 2022-23 and a 6.70% discretionary increase in Base Grant funding in fiscal year 2022-23, resulting in an increase of approximately 13.26% in Base Grant amounts from fiscal year 2021-22.
- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional Concentration Grant of up to 65% of a LEA’s Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.
- An Economic Recovery Target (the “ERT”) that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF in fiscal year 2018-19. Upon full implementation in fiscal year 2018-19, LEAs now receive the greater of the Base Grant or the ERT.

Prior to fiscal year 2022-23, school districts received their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. This apportionment method helped to temporarily mitigate the impact of LCFF funding losses on school districts that result from declining enrollment. To further mitigate the impact of LCFF funding losses in light of the COVID-19 pandemic, the fiscal year 2020-21 State budget included a temporary hold harmless provision for the purpose of calculating apportionments in fiscal year 2020-21 in which A.D.A. for fiscal year 2020-21 was based on fiscal year 2019-20 (specifically, the period July 1, 2019 through February 29, 2020). The fiscal year 2021-22 State budget did not extend the A.D.A. hold harmless provision to fiscal year 2021-22. Nonetheless, in fiscal year 2021-22, school districts still retained the ability to receive their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. in accordance with the LCFF.

The 2022-23 State Budget amends the LCFF calculation to consider the greater of a school district’s current fiscal year, prior fiscal year, or the average of three prior fiscal years’ A.D.A. to allow school districts more time to adjust to enrollment-related LCFF funding declines. See “– 2022-23 State Budget.” For purposes of fiscal year 2021-22, a school district that can demonstrate it provided independent study offerings to students in fiscal year 2021-22 may consider the greater of such school district’s fiscal year 2021-22 A.D.A. or such school district’s fiscal year 2021-22 enrollment adjusted for pre-COVID-19 absence rates. Such adjustment is applicable to fiscal year 2021-22 for purposes of calculating a school district’s prior year A.D.A. or the average of three prior years’ A.D.A. in fiscal year 2022-23 and future

fiscal years in accordance with the amendments made in connection with the 2022-23 State Budget. See “– 2022-23 State Budget.”

Under LCFF, for community funded districts, like the District, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts continue to receive the same level of State aid as allocated under the prior revenue limit funding system in fiscal year 2012-13.

[Remainder of page intentionally left blank.]

Enrollment and A.D.A. The following table sets forth the District’s actual A.D.A., and enrollment (including the percentage of students who are English language learners, from low-income families and/or foster youth (collectively, “EL/LI Students”)) for fiscal years 2017-18 through 2021-22, and the District’s projected A.D.A., and enrollment (including the percentage of EL/LI Students) for fiscal year 2022-23 at the time of preparation of the Fiscal Year 2022-23 [First] Interim Report. The A.D.A. and enrollment numbers reflected in the following table include special education students but exclude TK students.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Average Daily Attendance and Enrollment
Fiscal Years 2017-18 through 2022-23

Fiscal Year		A.D.A.					Enrollment ⁽⁵⁾	
		K-3	4-6	7-8	9-12	Total A.D.A	Total Enrollment	Unduplicated % of EL/LI Students
2017-18	Actual A.D.A. ⁽¹⁾ :	2,569.21	1,897.15	1,299.17	2,734.24	8,499.77	8,707	46.90%
2018-19	Actual A.D.A. ⁽¹⁾ :	2,508.31	1,779.41	1,254.61	2,526.28	8,068.61	8,485	47.15%
2019-20	Actual A.D.A. ⁽¹⁾⁽²⁾ :	2,456.76	1,765.72	1,240.34	2,468.93	7,931.75	8,438	48.59%
2020-21	Actual A.D.A. ⁽¹⁾⁽³⁾ :	2,456.76	1,765.72	1,240.34	2,468.93	7,931.75	8,182	47.06%
2021-22	Actual A.D.A. ⁽¹⁾ :	2,214.92	1,640.58	1,041.62	2,427.83	7,324.95	7,933	45.89%
2022-23 ⁽⁴⁾	A.D.A.:	2,241.07	1,669.22	1,077.53	2,424.44	[7,412.26]	[7,881]	[45.25]%

⁽¹⁾ A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a “material decrease” in attendance or attendance at Saturday school.

⁽²⁾ Condensed reporting period due to the COVID-19 pandemic. For more information on Senate Bill 117 (as defined herein), see “– Infectious Disease Outbreak – *State Legislation Relating to School Districts*” below.

⁽³⁾ Attendance reporting not required for fiscal year 2020-21. The fiscal year 2020-21 State budget included a hold harmless provision, providing that A.D.A. for fiscal year 2020-21 was based on A.D.A. for fiscal year 2019-20 (for the condensed reporting period), as discussed in more detail above.

⁽⁴⁾ Reflects projected A.D.A., enrollment, and percentage of unduplicated EL/LI Students as of the Fiscal Year 2022-23 [First] Interim Report.

⁽⁵⁾ Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district’s funded percentage of unduplicated EL/LI Students is based on a rolling average of such school district’s EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: South San Francisco Unified School District.

The District, like many school districts in the State, has experienced declining enrollment in the past several years. Based on projections in the Fiscal Year 2022-23 [First] Interim Report, the District expects that enrollment will continue to decline by approximately 2% in fiscal years 2023-24 and 2024-25. The District attributes declining enrollment to inflation, housing market fluctuations, declining birth rates, and ongoing effects of the COVID-19 pandemic. The District anticipates that the ongoing development of residential housing within the boundaries of the District will result in new student enrollment. In addition, the District plans to develop its curriculum and increase its test scores to support and retain its students and attract new students. However, since the District is a community funded district that is primarily funded by property tax revenues, declining enrollment does not reduce or increase property tax revenue and has a negligible impact on State aid. As such, declining enrollment does not impact the District’s funding adversely and may even eventually result in a reduction in operating expenses, which could be financially

beneficial to the District. For more information, see “– Local Property Tax Revenues – *Effect of Changes in Enrollment.*”

The District received approximately \$104.71 million in aggregate revenues reported under LCFF sources in fiscal year 2021-22 (or approximately 81.72% of its general fund revenues in fiscal year 2021-22), which was largely comprised of the District’s local property tax revenue. See “– Local Property Tax Revenues – *General*” below. As of the Fiscal Year 2022-23 Second Interim Report, the District projects to receive approximately \$[] million in aggregate revenues reported under LCFF sources in fiscal year 2022-23 (or approximately []% of its general fund revenues in fiscal year 2022-23), which is largely comprised of the District’s projected local property tax revenue. See “– Local Property Tax Revenues – *General*” below.

As a community funded district, the District is required to set aside the required amount for Supplemental Grants as if the District were receiving the funds from the State. Such funds must be used to address the educational challenges of EL/LI Students. The District set aside funds for Supplemental Grants for EL/LI Students totaling approximately \$[6.64 million] in fiscal year 2021-22. Based on the District’s Fiscal Year 2022-23 Second Interim Report, the District is setting aside funds for Supplemental Grants for EL/LI Students projected at approximately \$[7.27 million] in fiscal year 2022-23. The District does not receive Concentration Grants from the State because the unduplicated percentage of EL/LI Students served by the District comprises less than 55% of District’s total enrollment. For more information, see “– *Allocation of State Funding to School Districts; Local Control Funding Formula.*”

Local Control Accountability Plans. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year LCAP. Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district’s budget to ensure adequate funding is allocated for the planned actions.

Typically, each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district’s LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district’s budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the “Collaborative”), a newly established body of educational specialists, was created to advise and assist local education agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency’s LCAP.

Local Property Tax Revenues

General. The principal component of local revenues is a school district’s property tax revenues, i.e., each district’s share of the local 1% property tax, received pursuant to Sections 75 and following and

Sections 95 and following of the California Revenue and Taxation Code. The District's share of the local 1% property tax is separate from and in addition to the *ad valorem* tax pledged to the repayment of all general obligation bonds of the District, including the Series 2023 Bonds. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of \$120 per student per year guaranteed by Article IX, Section 6 of the California Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some State equalization aid were commonly referred to as "revenue limit districts." The District was a basic aid district and is now referred to as a community funded district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "– State Funding of Education; State Budget Process – *Allocation of State Funding to School Districts; Local Control Funding Formula*" for more information about the LCFF.

Based on the Fiscal Year 2022-23 Second Interim Report, local property tax revenues are projected to account for approximately [____]% of the District's aggregate revenues reported under LCFF sources in fiscal year 2022-23 and are projected to be approximately \$[____] million, or [____]% of total general fund revenues in fiscal year 2022-23.

For information about the property taxation system in the State and the District's property tax base, see "– Property Taxation System," "– Assessed Valuation of Property Within the District," and "– Tax Charges and Delinquencies" under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS" in the front portion of the Official Statement.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below.

Effect of Changes in Enrollment. Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently.

In a LCFF district, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In a community funded district, such as the District, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it a LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the \$120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that federal revenues, most of which are restricted, will comprise approximately [____]% (or approximately \$[____]) of the District's general fund projected revenues for fiscal year 2022-23.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the LCFF, the District receives other State revenues, consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into LCFF. Categorical funding for certain programs was excluded from LCFF, and school districts will continue to receive restricted State revenues to fund these programs. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that other State revenues will comprise approximately [____]% (or approximately \$[____]) of the District's general fund projected revenues for fiscal year 2022-23.

A portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects to receive approximately \$[____] in State lottery revenue for fiscal year 2022-23.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues from sources, such as interest income, leases and rentals, educational foundations, donations and sales of property. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that other local revenues will comprise approximately [____]% (or approximately \$[____]) of the District's general fund projected revenues for fiscal year 2022-23.

Infectious Disease Outbreak

General. In general, the outbreak of a highly contagious disease or epidemic disease could harm the District's financial results or result in a temporary shutdown of the District's facilities. As discussed above, many school districts in the State are funded based on the LCFF, which allocates a Base Grant per unit of average daily attendance with additional supplemental funding in the form of Supplemental Grants and Concentration Grants based on certain factors. See “– State Funding of Education; State Budget Process – *Allocation of State Funding to School Districts; Local Control Funding Formula.*” Thus, a temporary shutdown of a school or an entire school district would reduce the average daily attendance and could impact the funding a school district receives. However, for community funded districts, such as the District, changes in enrollment do not impact property tax revenues and have a negligible impact on State aid. Still, any impact on the State's tax and other revenue receipts as a result of a highly contagious or epidemic disease may in turn impact other educational funding that the District receives from the State. See “– State Funding of Education; State Budget Process – *Future Budgets and Budgetary Actions.*” In addition, the District may incur increased operational costs to conduct distance learning or to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease.

COVID-19 Background. The outbreak of the respiratory disease caused by COVID-19 has been declared a pandemic by the World Health Organization, a national emergency by former President Trump and a state of emergency by the Governor.

Federal Response. On March 22, 2020, former President Trump approved the Major Disaster Declaration for the State of California's COVID-19 pandemic, authorizing federal emergency aid related to COVID-19 administered through the Federal Emergency Management Agency (“FEMA”). Local

educational agencies may submit a request for FEMA public assistance through the California Office of Emergency Services for reimbursement of certain costs incurred as a result of COVID-19. The District has not submitted a FEMA request for public assistance, and does not plan to submit such request.

On March 27, 2020, the U.S. House of Representatives approved and former President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”). The CARES Act provided \$30 billion to education, specifically \$3 billion allocated to state governors to be used at their discretion to address the emergency, \$13.5 billion for K-12 education, and \$14.25 billion for postsecondary institutions. School districts are able to use their share of the \$13.5 billion K-12 education allocation under the CARES Act, which was based on the proportion of Title I funding received for the then most recent fiscal year, for purposes authorized by federal law and other specified uses.

The District received approximately \$6.29 million under the CARES Act, which is the full amount allocated to the District under the CARES Act and includes funding from the Elementary and Secondary School Emergency Relief Fund provided directly from the federal government to the District, from the Coronavirus Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, from the Governor’s Emergency Education Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, and from the State’s general fund for learning loss mitigation provided from CARES Act funding administered through the State.

On December 27, 2020, HR 133 was enacted, which includes a \$900 billion COVID-19 relief package. HR 133 provided approximately \$81.9 billion to education, specifically about \$4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which approximately \$2.75 billion was reserved for private K-12 education, about \$54.3 billion for public K-12 education, around \$22.7 billion for postsecondary institutions, and about \$819 million for outlying areas and Bureau of Indian Affairs schools. School districts are able to use their share of the approximately \$54.3 billion K-12 education allocation under HR 133, which was based on the proportion of Title I funding received for the then most recent fiscal year, for purposes authorized by federal law and other specified uses. The District received approximately \$2.76 million under HR 133, which is the full amount allocated to the District under HR 133.

On March 11, 2021, the American Rescue Plan Act of 2021 (“HR 1319”), a \$1.9 trillion COVID-19 relief package, was enacted. HR 1319 provided approximately \$165.15 billion to education, specifically about \$122.8 billion to public K-12 education, around \$2.75 billion to private K-12 education and about \$39.6 billion to postsecondary institutions. Of the approximately \$122.8 billion in K-12 funding, about \$7.2 billion was set aside for purchasing technology to support digital learning and around \$800 million was set aside for supporting homeless students. HR 1319 allocated K-12 funding to states and school districts according to the proportion of Title I funding received for the then most recent fiscal year. It further stipulated that of the K-12 funds received by states, 90% must be distributed to local educational agencies, 5% must be used to address learning loss, 1% must be used for summer enrichment programs and 1% must be used for comprehensive afterschool programs, and of the K-12 funds received by school districts, 20% must be used to address learning loss. HR 1319 allocated postsecondary funding based on the relative share of students receiving Federal Pell Grants at an institution. It also required that at least 50% of postsecondary funding must be spent on emergency, need-based financial aid grants to students and that a portion of remaining funds must be used to implement practices that monitor and suppress COVID-19. The District expects to receive approximately \$6.21 million under HR 1319. The District has received approximately \$3.20 million to date and expects to receive the remaining funding due under HR 1319 once it requests reimbursement for authorized COVID-19 expenditures.

State Legislation Relating to School Districts. On March 17, 2020, the Governor signed Senate Bill 117 (“SB 117”) as urgency legislation effective immediately. For purposes of school district funding for fiscal year 2019-20, SB 117 limited the A.D.A. reported to the California Department of Education to

include the full school months from July 1, 2019, to February 29, 2020. This condensed A.D.A. period applied to school districts that complied with Executive Order N-26-20, which provided that school districts that initiate a school closure to address COVID-19 will continue to receive State funding to support certain enumerated school functions during the period of closure. SB 117 further states the intent of the State Legislature is that a school district's employees and contractors be paid during the period of a school closure due to COVID-19. SB 117 also waived instructional time penalties that would otherwise accrue, as long as the school district superintendent, county superintendent or charter school administrator certify that the closure due to COVID-19 caused the school district to fall below applicable instructional time requirements. SB 117 also included \$100 million in additional funding to school districts for certain costs incurred as a result of COVID-19. The District received \$141,520 from such additional State funding in fiscal year 2019-20.

The Governor signed Assembly Bill 86 ("AB 86") into law on March 5, 2021. AB 86 provided approximately \$6.6 billion to local educational agencies to encourage a return to in-person education, with a focus on students who are younger (TK-2) and most disproportionately impacted by the COVID-19 pandemic. Funding was distributed as follows: \$725 per student, an additional \$1,000 per homeless student, and funds remaining after these apportionments are distributed proportionally based on LCFF. \$2 billion was set aside as incentive for school districts that returned to in-person instruction by March 31, 2021 for at least TK-2 and ramping up to include higher grades if county transmission rates allow. Beginning April 1, 2021, school districts' apportioned incentive funding was reduced by 1% for every academic calendar day they do not offer in-person education until May 15, 2021, after which school districts forfeit their entire apportionment of incentive funding. AB 86 also established reporting requirements to monitor COVID-19 cases and in-person education status and apportioned \$25 million to the State's "Safe Schools For All Team" to provide technical assistance, community engagement, oversight and accountability to school districts. AB 86 further set aside 10% of the State's vaccine supply for childcare and TK-12 education sector staff. Since the District utilized the distance learning model for the 2020-21 school year and did not offer in-person instruction, the District was not eligible to receive incentive funding under AB 86 related to returning to in-person instruction during such school year.

In addition to providing incentive funding, AB 86 allocated approximately \$4.6 billion to local educational agencies to support expanded learning opportunities that target learning loss resulting from the COVID-19 pandemic. To be eligible for such funding, school districts were required to implement learning recovery programs that included, at minimum, supplemental instruction, resources for social and emotional well-being and meal programs. Subsequent to enacting AB 86, the Governor signed Assembly Bill 130 ("AB 130") into law on July 9, 2021. AB 130 replaced approximately \$2.02 billion of State funding that AB 86 had allocated to support the expanded learning opportunities program with federal stimulus funds that the State received pursuant to the CARES Act, HR 133 and HR 1319. Pursuant to AB 86, the District expects to receive approximately \$5.31 million in expanded learning opportunities funding. The District has received approximately \$3.55 million to date and expects to receive the remaining funding due under AB 86 once it requests reimbursement for authorized COVID-19 expenditures.

District Response. As a result of the outbreak of COVID-19, the District closed its schools for in-person instruction in March 2020 for the remainder of the 2019-20 school year and implemented a distance learning model. The District utilized the distance learning model for the 2020-21 school year. The District resumed in-person instruction for the 2021-22 school year and has continued in-person instruction since then. The District partners with a third-party company to offer a virtual independent study program to students who do not wish to participate in in-person instruction.

The District has experienced higher than usual levels of teacher retirements largely due to the COVID-19 pandemic, which has impacted the District's operations in fiscal years 2019-20 through 2022-23. In such fiscal years, the District has experienced substitute teacher shortages and an increase in vacant teacher positions. As a result, the District has resorted to contracting with third-party providers to obtain

substitute teachers and, in some cases, District staff has assisted in classrooms at District school sites. In addition, the District has been working to hire new teachers to decrease the number of vacant positions. While such increases in retirement levels have an impact on the District's operations, such impact is not expected to have a material adverse effect on the District's finances in fiscal year 2022-23.

[In August 2021, the California Department of Public Health issued a public health order requiring all school employees in the State to either show proof of full vaccination or be tested at least once a week effective October 15, 2021. As of September 17, 2022, such public health order is no longer effective, so the District does not presently require proof of vaccination or weekly testing for school employees. In October 2021, the Governor announced plans to add the COVID-19 vaccine to the list of vaccinations required for students to attend school in-person when the vaccine receives full approval from the Food and Drug Administration for middle and high school grades. Since the Food and Drug Administration did not fully approve the COVID-19 vaccine for individuals of all ages within the 7-12 grade span until summer 2022, such Statewide vaccination requirement will not be implemented for the 2022-23 school year; thus any Statewide student vaccination requirement, if implemented, would not take effect before July 1, 2023. Accordingly, the District currently plans to continue following State requirements for student vaccinations.]
[Disclosure to be updated.]

Pursuant to the COVID-19 relief measures described above, the District has been allocated approximately \$20.72 million in State and federal funding to mitigate the impact of the COVID-19 pandemic from fiscal year 2019-20 through September 30, 2024. As of February 2023, the District has received approximately \$15.94 million in State and federal funding for COVID-19 related expenditures, such as personal protective equipment, wireless internet hotspots, cleaning supplies, technology, software, consultants and staffing. The District currently expects such funding will cover the increased expenditures relating to COVID-19 that the District has incurred and expects to incur through September 30, 2024.

While State and federal one-time COVID-19 relief funding has provided and will continue to provide some immediate relief to school districts, including the District, the short-term and long-term impacts of the COVID-19 outbreak on the District's operations and finances are not fully known as the situation continues to evolve. The District cannot predict whether similar legislation providing State and federal one-time relief funding would be enacted in the future in the event the outbreak of COVID-19 continues or a similar or other outbreak of a highly contagious disease or epidemic disease were to occur in the future.

Monkeypox. In August 2022, Governor Newsom declared a state of emergency with respect to the orthopoxvirus (known more commonly as "monkeypox") outbreak. Unlike COVID-19, monkeypox is not spread through the air and requires a prolonged period of contact. At this time, the risk of monkeypox in children and adolescents in the United States is considered to be low by public health officials. Consistent with this and as of the date hereof, the District has not experienced any material impact to its operations or finances as a result of the monkeypox outbreak.

Significant Accounting Policies and Audited Financial Statements

The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are required to be accounted for in accordance with the Department of Education's California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all State school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the District's audited financial statements for the fiscal year ended June 30, 2022, which are included as Appendix B to the Official Statement.

Independently audited financial statements are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. Typically, school districts in the State are required to file their audited financial statements for the preceding fiscal year with the State Controller's Office, the State Superintendent of Public Instruction, and the county superintendent of schools by December 15 of each year. However, in response to the COVID-19 pandemic and the challenges it presents for school district operations, Senate Bill 98 (Chapter 24, enacted on June 29, 2020, as an urgency bill) provided that a school district's audited financial statements for fiscal year 2019-20 were not due until March 31, 2021. Accordingly, the District filed its audited financial statements for fiscal year 2019-20 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Mateo County Superintendent of Schools by March 31, 2021. Pursuant to Assembly Bill 130 (Chapter 44, enacted on July 9, 2021), the deadline for school districts to file their audited financial statements for fiscal year 2020-21 was extended to January 31, 2022. Accordingly, the District filed its audited financial statements for fiscal year 2020-21 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Mateo County Superintendent of Schools by January 31, 2022. The deadline for school districts to file their audited financial statements for fiscal year 2021-22 was not extended.

Effective fiscal year 2018-19, the District's audit firm changed from Vavrinek, Trine, Day & Co., LLP, Rancho Cucamonga, California ("VTD") to Eide Bailly LLP, Rancho Cucamonga, California ("Eide Bailly") after VTD joined Eide Bailly on July 22, 2019. The following tables contain data extracted from general fund financial statements prepared by the District's former independent auditor, VTD, for fiscal year 2017-18, and by the District's current independent auditor, Eide Bailly, for fiscal years 2018-19 through 2021-22. VTD and Eide Bailly have not been requested to consent to the use or to the inclusion of their respective reports in this Official Statement, and they have not audited or reviewed this Official Statement. The following tables are only a summary of the general fund financial statements of the District for the fiscal years shown. The District's audited financial statements for fiscal year 2021-22 (the "Fiscal Year 2021-22 Audit") are included as Appendix B to this Official Statement. The complete audited financial statements of the District, including the notes to the audited financial statements, are an integral part of this Official Statement.

[In connection with its review of the District's financial statements for fiscal year 2021-22, Eide Bailly presented an audit finding regarding internal controls that revealed a material overstatement of accounts receivable in the District's general fund in the amount of \$2,341,813 for such fiscal year. Such overstatement was due to a last-minute grant reduction to the one-time stimulus grant by the California Department of Education, which staff did not catch in time before closing the books. The District has taken steps to establish procedures to remedy such findings, including double-checking grant amounts before closing the books. For more information on the audit finding, see the Fiscal Year 2021-22 Audit in Appendix B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."] ***[Disclosure to be updated.]***

The table on the following page sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2017-18 through 2021-22.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Years 2017-18 through 2021-22⁽¹⁾

	Fiscal Year 2017-18 Audited Actuals ⁽²⁾	Fiscal Year 2018-19 Audited Actuals	Fiscal Year 2019-20 Audited Actuals ⁽³⁾	Fiscal Year 2020-21 Audited Actuals ⁽³⁾⁽⁴⁾	Fiscal Year 2021-22 Audited Actuals ⁽⁴⁾⁽⁵⁾
REVENUES					
LCFF sources	\$86,043,944	\$97,121,918	\$107,828,877	\$109,671,219	\$104,711,927
Federal sources	3,685,927	3,893,314	3,572,208	10,127,839	7,605,434
Other State sources	7,575,039	12,710,997	8,783,663	14,142,085	13,503,634
Other local sources	6,338,557	4,920,561	7,327,381	5,001,410	2,319,550
Total Revenues	103,643,467	118,646,790	127,512,129	138,942,553	128,140,545
EXPENDITURES					
Current:					
Instruction	58,864,888	63,766,384	65,546,621	74,436,709	82,725,492
Instruction-related activities:					
Supervision of instruction	3,541,419	4,020,822	4,348,738	5,645,710	3,252,672
Instructional library, media, and technology	2,687,102	2,480,613	2,798,482	3,294,188	3,532,349
School site administration	6,979,406	7,417,375	7,708,911	7,947,804	8,998,396
Pupil services:					
Home-to-school transportation	1,670,366	1,787,231	1,414,021	199,267	1,981,227
Food services	-	244	7,805	13,172	2,110
All other pupil services	8,585,553	9,159,737	9,524,639	10,004,207	11,951,373
Administration:					
Data processing	104,503	108,580	124,669	150,819	15,128
All other administration	4,702,526	5,131,784	5,281,486	5,427,172	6,152,035
Plant services	10,439,546	11,002,789	10,898,780	10,876,469	12,541,875
Facility acquisition and construction	4,824,563	1,439,765	1,770,033	7,633,897	20,000
Community services	130,550	163,139	114,909	47,361	65,748
Other outgo	3,331,247	3,404,979	4,024,251	4,939,065	1,899,430
Debt service:					
Principal	392,557	248,188	195,000	205,000	291,988
Interest and other	117,524	86,213	78,886	74,482	75,598
Total Expenditures	106,371,750	110,217,843	113,837,231	130,895,322	133,505,421
Excess (Deficiency) of Revenues Over Expenditures	(2,728,283)	8,428,947	13,674,898	8,047,231	(5,364,876)
OTHER FINANCING SOURCES (USES)					
Transfers in ⁽⁶⁾	13,301	13,301	13,301	13,301	13,301
Transfers out ⁽⁶⁾	(3,932,618)	(2,280,349)	(1,654,563)	(2,558,621)	(1,919,321)
Net Financing Sources (Uses)	(3,919,317)	(2,267,048)	(1,641,262)	(2,545,320)	(1,906,020)
NET CHANGE IN FUND BALANCES	(6,647,600)	6,161,899	12,033,636	5,501,911	(7,270,896)
Fund Balance – Beginning, as restated⁽⁴⁾	56,503,202	49,855,602	56,017,501	68,532,224	63,061,840
Fund Balance – Ending	\$49,855,602	\$56,017,501	\$68,051,137	\$74,034,135	\$55,790,944

⁽¹⁾ Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 54, the District’s audited financial statements include the financial activity of the special reserve fund for other than capital outlay projects, the foundation private-purpose trust fund (see footnote ⁽³⁾), and the deferred maintenance fund (see footnote ⁽⁴⁾) with the District’s general fund.

⁽²⁾ Expenditures exceeded revenues in fiscal year 2017-18 due to a textbook adoption and installation of security cameras.

⁽³⁾ The difference in the ending fund balance for fiscal year 2019-20 and the beginning fund balance for fiscal year 2020-21 is due to a reclassification of the District’s foundation private-purpose trust fund that is now consolidated with the general fund effective with the District’s audited financial statements for fiscal year 2020-21, in accordance with GASB Statement No. 84.

⁽⁴⁾ The difference in the ending fund balance for fiscal year 2020-21 and the beginning fund balance for fiscal year 2021-22 is due to an overstatement of accounts receivable by approximately \$2.34 million, and the reclassification of the District’s deferred maintenance fund that is no longer consolidated with the general fund effective with the Fiscal Year 2021-22 Audit, in accordance with GASB Statement No. 54. For information regarding the overstatement, see the discussion herein of Eide Bailly’s finding with respect to the Fiscal Year 2021-22 Audit, which precedes this table of Statement of General Fund Revenues, Expenditures and Changes in Fund Balance. For information on the reclassification, see Note 18 to the Fiscal Year 2021-22 Audit in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

⁽⁵⁾ Expenditures exceeded revenues due in part to one-time COVID-19 related expenses and one-time learning loss mitigation expenses.

⁽⁶⁾ The District makes transfers to and from the cafeteria fund, the child development fund and the special reserve fund for capital outlay projects for operating costs.

Source: South San Francisco Unified School District Audited Financial Statements for fiscal years 2017-18 through 2021-22.

The following table sets forth the general fund balance sheet of the District for fiscal years 2017-18 through 2021-22.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Summary of General Fund Balance Sheet
Fiscal Years 2017-18 through 2021-22

	Fiscal Year 2017-18 Audited Actuals	Fiscal Year 2018-19 Audited Actuals	Fiscal Year 2019-20 Audited Actuals	Fiscal Year 2020-21 Audited Actuals	Fiscal Year 2021-22 Audited Actuals
ASSETS					
Deposits and investments	\$51,939,295	\$54,550,002	\$65,856,165	\$69,250,057	\$57,246,310
Receivables	1,429,482	3,185,713	4,055,374	8,470,497	5,209,683
Due from other funds	1,852,053	833,521	280,788	1,487,872	842,229
Prepaid expenditures	310,145	248,280	115,831	164,258	134,974
Stores inventories	67,742	51,569	55,196	66,185	52,820
Lease receivable	-	-	-	-	16,797
Total Assets	\$55,598,717	\$58,869,085	\$70,363,354	\$79,438,869	\$63,502,813
LIABILITIES:					
Accounts payable	\$2,052,749	\$2,556,689	\$1,624,943	\$3,856,714	\$3,268,149
Due to other funds	3,317,504	164,576	201,520	125,960	3,022,691
Unearned revenue	372,862	130,319	485,754	1,422,060	1,391,049
Total Liabilities	5,743,115	2,851,584	2,312,217	5,404,734	7,681,889
DEFERRED INFLOWS OF RESOURCES⁽¹⁾:	-	-	-	-	29,980
FUND BALANCES:					
Nonspendable	410,987	332,949	200,008	259,818	217,567
Restricted	5,419,034	7,015,545	11,051,683	17,174,845	19,005,166
Assigned	34,442,080	35,881,682	39,515,625	35,903,630	26,287,130
Unassigned	9,583,501	12,787,325	17,283,821	20,695,842	10,281,081
Total Fund Balance	49,855,602	56,017,501	68,051,137	74,034,135	55,790,944
Total Liabilities and Fund Balances	\$55,598,717	\$58,869,085	\$70,363,354	\$79,438,869	\$63,502,813

⁽¹⁾ Included beginning in fiscal year 2021-22 in accordance with GASB Statement No. 87. For more information on GASB Statement No. 87, see “– District Debt Structure – Leases” below and the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

Source: South San Francisco Unified School District Audited Financial Statements for fiscal years 2017-18 through 2021-22.

District Budget Process and County Review

Budget Process. State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the San Mateo County Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget

for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction (the "State Superintendent") may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations. If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

Interim Reporting. A State law adopted in 1991 (known as "A.B. 1200") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the California Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then-current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then-current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then-current projections, may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its

second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable.

County and State Response to School Districts Under Financial Distress. For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

[The District's Interim Reporting and Recent Correspondence from San Mateo County Office of Education.] In the past five years, the District has not received a negative or qualified certification for an interim financial report. In its communications regarding the District's recent budgets and interim reports for fiscal years 2021-22 and 2022-23, the San Mateo County Office of Education ("SMCOE") has noted that the District is projecting deficit spending in fiscal years 2022-23 through 2024-25. [In its most recent letter regarding the District's original adopted budget for fiscal year 2022-23, SMCOE explains that the District's total projected deficit spending has been reduced by \$7.3 million since the District's second interim report for fiscal year 2021-22. SMCOE notes that the District implemented a budget reduction plan for fiscal year 2022-23 and is being conservative in property tax projections in fiscal years 2023-24 and 2024-25. SMCOE cautions that the District must identify and implement measures to address operating deficits and maintain adequate reserves to provide the District flexibility for any unforeseen events in future fiscal years. [In the Fiscal Year 2022-23 Second Interim Report, the District is projecting ____].] For more

information, see “State Funding of Education; State Budget Process – *School District Reserves.*”] ***[Updates to be provided based on COE letter re FY 2022-23 First Interim Report, when available.]***

District’s Fiscal Year 2022-23 Budget and Second Interim Report. The District’s original adopted general fund budget for fiscal year 2022-23 (the “Fiscal Year 2022-23 Budget”), which was adopted by the Board of Trustees on June 23, 2022, is included in the table that follows. The Fiscal Year 2022-23 Budget reflects the assumptions contained in the Governor’s May revision to the proposed fiscal year 2022-23 State budget. However, such assumptions and any changes thereto reflected in the 2022-23 State Budget do not significantly impact the District’s budgeting because the District is a community funded district that receives a minimal amount of general financial support from the State, and local property tax collections are the primary funding source for the District.

The Fiscal Year 2022-23 Budget does not contain historical facts but consist of forecasts and “forward-looking statements.” The achievement of certain results or other expectations contained in the Fiscal Year 2022-23 Budget involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2022-23 Budget are expressly qualified in their entirety by the foregoing and the other cautionary statements.

The District revises its projections of revenues, expenditures, and ending fund balances contained in the Fiscal Year 2022-23 Budget as more financial data becomes available throughout the fiscal year. Accordingly, the Fiscal Year 2022-23 Second Interim Report reflects actual financial data for the period ending January 31, 2023 and projections for the remainder of fiscal year 2022-23 based on such data. The Fiscal Year 2022-23 Second Interim Report, which was approved by the Board of Trustees on March [___], 2023, is also included in the table that follows and described throughout this Appendix A. The achievement of certain results or other expectations contained in the Fiscal Year 2022-23 Second Interim Report involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2022-23 Second Interim Report are expressly qualified in their entirety by the foregoing and the other cautionary statements.

The table on the following page sets forth the District’s original adopted general fund budgets for fiscal years 2020-21 through 2022-23, unaudited actuals for fiscal years 2020-21 and 2021-22, and the Fiscal Year 2022-23 Second Interim Report.

[Remainder of page intentionally left blank.]

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
General Fund Budgets for Fiscal Years 2020-21 through 2022-23,
Unaudited Actuals for Fiscal Years 2020-21 and 2021-22,
and Second Interim Report for Fiscal Year 2022-23⁽¹⁾

	2020-21 Original Budget	2020-21 Unaudited Actuals	2021-22 Original Budget ⁽²⁾	2021-22 Unaudited Actuals ⁽²⁾⁽³⁾	2022-23 Original Budget	2022-23 Second Interim Report ⁽⁴⁾
REVENUES						
LCFF Sources	\$ 96,322,568.00	\$106,328,274.62	\$104,941,552.00	\$104,711,927.60	\$115,074,522.83	
Federal Revenue	3,562,089.00	10,342,468.82	9,453,293.81	7,371,753.43	3,179,975.28	
Other State Revenue	6,385,203.00	14,142,085.42	7,902,089.00	13,503,634.24	14,148,801.03	
Other Local Revenue	2,502,621.00	4,474,442.29	2,354,874.40	3,864,204.32	3,133,102.30	
Total Revenues	108,772,481.00	135,287,271.15	124,651,809.21	129,451,519.59	135,536,401.44	
EXPENDITURES						
Certificated Salaries	46,413,933.00	51,059,329.60	52,307,418.00	55,039,553.93	55,000,333.06	
Classified Salaries	17,567,252.00	17,450,262.39	19,673,293.44	19,823,403.62	20,993,842.01	
Employee Benefits	27,265,772.95	28,809,508.14	32,462,012.89	32,755,110.33	36,043,323.68	
Books and Supplies	5,466,120.87	6,271,462.16	10,694,086.08	4,707,287.40	4,312,213.11	
Services, Other Operating Expenses	13,118,952.39	13,959,191.63	13,793,541.87	18,539,941.05	16,120,986.78	
Capital Outlay	137,331.00	1,212,118.18	278,018.66	346,429.22	529,935.88	
Other Outgo (excluding Transfers of Indirect Costs)	3,769,847.00	5,218,547.26	4,299,162.00	2,174,340.77	4,398,715.00	
Other Outgo - Transfers of Indirect Costs	(202,559.00)	(227,757.39)	(202,317.00)	(267,107.28)	(194,203.90)	
Total Expenditures	113,536,650.21	123,752,661.97	133,305,215.94	133,118,959.04	137,205,145.62	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,764,169.21)	11,534,609.18	(8,653,406.73)	(3,667,439.45)	(1,668,744.18)	
OTHER FINANCING SOURCES (USES)						
Inter-fund Transfers In ⁽⁵⁾	13,301.00	13,301.00	13,301.00	13,301.00	13,301.00	
Inter-fund Transfers Out ⁽⁵⁾	(1,000,000.00)	(2,558,620.70)	(1,850,000.00)	(1,919,320.71)	(1,500,000.00)	
Other Sources (Uses)	-	-	-	-	-	
Contributions	-	-	-	-	-	
Total, Other Financing Sources (Uses)	(986,699.00)	(2,545,319.70)	(1,836,699.00)	(1,906,019.71)	(1,486,699.00)	
NET INCREASE (DECREASE) IN FUND BALANCE	(5,750,868.21)	8,989,289.48	(10,490,105.73)	(5,573,459.16)	(3,155,443.18)	
BEGINNING BALANCE, as of July 1	31,000,340.41	39,855,466.70	36,767,429.73	48,844,756.18	26,040,098.58	
Audit Adjustments⁽³⁾	-	-	-	(2,341,813.00)	-	
As of July 1 - Audited	31,000,340.41	39,855,466.70	36,767,429.73	46,502,943.18	26,040,098.58	
Adjusted Beginning Balance	31,000,340.41	39,855,466.70	36,767,429.73	46,502,943.18	26,040,098.58	
ENDING BALANCE	\$ 25,249,472.20	\$ 48,844,756.18	\$ 26,277,324.00	\$ 40,929,484.02	\$ 22,884,655.40	

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
General Fund Budgets for Fiscal Years 2020-21 through 2022-23,
Unaudited Actuals for Fiscal Years 2020-21 and 2021-22,
and Second Interim Report for Fiscal Year 2022-23⁽¹⁾
(Continued)

	2020-21 Original Budget	2020-21 Unaudited Actuals	2021-22 Original Budget ⁽²⁾	2021-22 Unaudited Actuals ⁽²⁾⁽³⁾	2022-23 Original Budget	2022-23 Second Interim Report ⁽⁴⁾
FUND BALANCE						
Nonspendable	\$ 200,100.00	\$ 259,818.99	\$ 250,100.00	\$ 217,567.28	\$ 250,100.00	
Restricted	3,850,608.11	17,174,845.16	5,398,072.28	19,005,165.53	5,590,525.38	
Committed	-	-	-	-	-	
Assigned	10,839,189.00	11,198,726.86	9,831,000.00	10,059,153.64	9,615,000.00	
Reserved for Economic Uncertainties	5,726,833.00	6,315,564.13	6,757,761.00	6,751,913.99	6,935,257.00	
Unassigned/Unappropriated	4,632,742.09	13,895,801.04	4,040,390.72	4,895,683.58	493,773.02	
	<u>\$ 25,249,472.20</u>	<u>\$ 48,844,756.18</u>	<u>\$ 26,277,324.00</u>	<u>\$ 40,929,484.02</u>	<u>\$ 22,884,655.40</u>	

⁽¹⁾ Pursuant to GASB Statement No. 54, the District's audited financial statements reflect the unrestricted and restricted general fund, the deferred maintenance fund, the special reserve fund for other than capital outlay projects, and the foundation private-purpose trust fund, but the District's unaudited actuals, adopted budgets, and interim reports reflect only the unrestricted and restricted general fund without the inclusion of the deferred maintenance fund, the special reserve fund for other than capital outlay projects, and the foundation private-purpose trust fund.

⁽²⁾ The operating deficit in fiscal year 2021-22 is due in part to one-time COVID-19 related expenses and one-time learning loss mitigation expenses.

⁽³⁾ [For information regarding the reconciliation between the District's unaudited actuals for fiscal year 2021-22 and the Fiscal Year 2021-22 Audit, see the discussion of Eide Bailly's finding with respect to the Fiscal Year 2021-22 Audit in "Significant Accounting Policies and Audited Financial Statements" above.]

⁽⁴⁾ Figures are projections.

⁽⁵⁾ The District makes transfers to and from the cafeteria fund, the child development fund and the special reserve fund for capital outlay projects for operating costs.

⁽⁶⁾ [Fiscal Year 2022-23 Second Interim Report [] component of the general fund ending balance includes \$[] set aside to cover salary and benefit increases for employees represented by CSEA (as defined herein) in fiscal year 2022-23. For information on the status of negotiations, see "Employment" below.]

Source: South San Francisco Unified School District original adopted general fund budgets for fiscal years 2020-21 through 2022-23; unaudited actuals for fiscal years 2020-21 and 2021-22; and Fiscal Year 2022-23 Second Interim Report.

District Debt Structure

Long-Term Debt Summary. A schedule of changes in the District’s long-term liabilities, other than other post-employment benefits (“OPEB”) and pension obligations, for the fiscal year ended June 30, 2022, consisted of the following:

Long-Term Liabilities	Balance July 1, 2021, as restated	Additions	Deductions	Balance June 30, 2022	Due in One Year
General obligation bonds ⁽¹⁾⁽²⁾	\$154,766,242	\$26,759,359	\$(23,378,890)	\$158,146,711	\$1,050,000
Unamortized premiums	8,316,107	-	(1,602,062)	6,714,045	-
Revenue bonds ⁽³⁾	12,440,000	-	(3,850,000)	8,590,000	4,225,000
Unamortized debt premiums	210,714	-	(210,714)	-	-
Finance purchase agreement	3,185,000	-	(205,000)	2,980,000	210,000
Leases ⁽⁴⁾	229,228	-	(86,988)	142,240	81,534
Compensated absences	895,143	323,721	-	1,218,864	-
Total	<u>\$180,042,434</u>	<u>\$27,083,080</u>	<u>\$(29,333,654)</u>	<u>\$177,791,860</u>	<u>\$5,566,534</u>

(1) Does not reflect the issuance of the Series 2023 Bonds.

(2) Excludes the 2006 District Bonds. See “THE SERIES 2023 BONDS – Aggregate Debt Service” in the front portion of this Official Statement for more information.

(3) Reflects the then outstanding principal amount of the 2006 Financing Authority Bonds. See “THE SERIES 2023 BONDS – Outstanding Bonds” in the front portion of this Official Statement for more information.

(4) Included as a long-term liability pursuant to GASB Statement No. 87. For more information on the District’s leases and GASB Statement No. 87, see “– Leases” below and the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

Source: South San Francisco Unified School District Audited Financial Statements for fiscal year 2021-22.

General Obligation Bonds. Prior to the issuance of the Series 2023 Bonds, the District has outstanding four series of general obligation bonds, each of which is secured by *ad valorem* taxes levied upon all property subject to taxation by the District on a parity with the Series 2023 Bonds.

See “THE SERIES 2023 BONDS – Outstanding Bonds” and “– Aggregate Debt Service” in the front portion of this Official Statement for more information about such outstanding bonds.

Finance Purchase Agreement. On November 30, 2016, in order to finance a variety of energy projects, including the installation of renewable energy, implementation of energy efficiency measures, and installation of athletic field lighting, the District and the South San Francisco Unified School District School Facilities Financing Authority (the “Financing Authority”) entered into a Ground Lease, dated as of November 1, 2016 (the “Ground Lease”), pursuant to which the District leased certain land and improvements, consisting of the District administration site (the “Property”). The Financing Authority and the District entered into a Lease Agreement, dated as of November 1, 2016 (the “Lease Agreement”), pursuant to which the Financing Authority subleased the Property to the District. The Financing Authority assigned certain of its right, title and interest in and to the Ground Lease and the Lease Agreement, including its right to receive base rental payments due under the Lease Agreement to Banc of America Public Capital Corp, pursuant to the Assignment Agreement, dated as of November 1, 2016. Under the Lease Agreement, the District owes semiannual base rental payments on March 1 and September 1 of each year, commencing on September 1, 2017. As of June 30, 2022, the aggregate amount of base rental payments (including principal and interest components) due under the Lease Agreement was \$2,980,000.

The base rental payments are due through September 1, 2034 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2023	\$210,000	\$65,283	\$275,283
2024	210,000	60,600	270,600
2025	220,000	55,862	275,862
2026	220,000	50,956	270,956
2027	230,000	45,994	275,994
2028-2032	1,225,000	150,804	1,375,804
2033-2035	665,000	22,355	687,355
Total	<u>\$2,980,000</u>	<u>\$451,854</u>	<u>\$3,431,854</u>

Source: South San Francisco Unified School District Audited Financial Statements for fiscal year 2021-22.

For more information regarding Finance Purchase Agreements for fiscal year 2021-22, see Note 11 to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Leases. The District has entered into various operating leases for equipment with lease terms in excess of one year.

In January 2018, the District entered into an agreement with Xerox Financial Services LLC for the lease of copiers in the amount of \$26,528 ("Xerox Lease I"). In March 2018, the District entered into an agreement with Xerox Financial Services LLC for the lease of copiers in the amount of \$1,180 ("Xerox Lease II" and collectively with Xerox Lease I, the "Xerox Leases"). The Xerox Leases include an option to purchase the copiers at the end of the lease term for fair market value. The Xerox Leases call for monthly payments for five years at 3.00% interest.

In February 2018, the District entered into two lease agreements with MailFinance Inc. for the lease of mail machines in the aggregate amount of \$59,481 (the "Mail Machine Leases"). The Mail Machine Leases call for monthly payments for five years at 3.00% interest.

In August 2018, the District entered into an agreement with KBA Docusys Inc. for the lease of copiers in the amount of \$9,024 (the "KBA I Lease"). The KBA I Lease has monthly required payments for a term of five years at 3.00% interest. In May 2019, the District entered into an agreement with KBA Docusys Inc. for the lease of copiers in the amount of \$368,344.80 (the "KBA II Lease"). The KBA II Lease has monthly required payments for a term of five years at 3.00% interest.

At June 30, 2022, pursuant to GASB Statement No. 87 (as defined below), the District has recognized a right-to-use leased asset of \$143,099 (net of accumulated amortization) and a lease liability of \$142,240 related to such operating leases. The District is required to make principal and interest payments through fiscal year 2024. The remaining principal and interest payment requirements for the lease obligation debt as of June 30, 2022 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$81,534	\$3,096	\$84,630
2024	60,706	836	61,542
Total	<u>\$142,240</u>	<u>\$3,932</u>	<u>\$146,172</u>

Source: South San Francisco Unified School District Audited Financial Statements for fiscal year 2021-22.

For more information regarding Leases, see Note 11 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

In June 2017, GASB issued Statement No. 87, Leases (“Statement No. 87”), which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognizes as inflows of resources or outflows of resources based on the payment provisions of the contract. Under Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District has implemented Statement No. 87 in its financial statements beginning with fiscal year 2021-22. For more information on Statement No. 87, see Note 1 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

Compensated Absences. Total unpaid employee compensated absences (unpaid employee vacation) for the District as of June 30, 2022, amounted to \$1,218,864.

For more information regarding compensated absences for fiscal year 2021-22, see Note 11 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

Other Post-Employment Benefits (OPEBs). In addition to the retirement plan benefits with California State Teachers’ Retirement System (“CalSTRS”) and California Public Employees’ Retirement System (“CalPERS”), the District provides OPEB under two different plans: (1) the District’s single-employer defined OPEB plan (the “District Plan”) and (2) the cost-sharing multiple-employer OPEB plan administered by CalSTRS through the Teachers’ Health Benefits Fund (the “MPP Plan”). For fiscal year 2021-22, the District reported the net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the District Plan and the MPP Plan as follows:

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	\$23,915,148	\$5,586,761	\$10,155,713	\$2,256,865
MPP Plan	549,645	-	-	(101,895)
Total	<u>\$24,464,793</u>	<u>\$5,586,761</u>	<u>\$10,155,713</u>	<u>\$2,154,970</u>

District Plan. The District Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the District Plan. As of the June 30, 2022 valuation date, the District Plan membership consisted of 1,291 total employees, which included 882 active employees and 409 inactive employees or beneficiaries currently receiving benefits payments. The Board of Trustees administers the District Plan and has the

authority to establish and amend the benefit terms as contained within the negotiated labor agreements between the District, and its represented and unrepresented bargaining units.

The benefit payments are based on projected pay-as-you-go financing requirements as determined annually through such labor agreements. The District paid approximately \$756,163 in benefits in fiscal year 2021-22 and, based on the Fiscal Year 2022-23 Second Interim Report, projects that it will pay \$[_____] in benefits in fiscal year 2022-23, both on a pay-as-you-go basis. No assets are accumulated in a trust that meets the criteria of Statement No. 75 (as defined below).

Total Compensation Systems, Inc. prepared an actuarial valuation for the District Plan, dated October 5, 2022, using the June 30, 2022 valuation and measurement date (the “Actuarial Valuation”). According to the Actuarial Valuation, the District’s total and net OPEB liability as of June 30, 2022 is \$23,915,148, since there are no assets accumulated in a trust to prefund benefits due under the District Plan. Such total and net OPEB liability reflect a decrease from the total and net OPEB liability from the prior actuarial valuation, as of June 30, 2021, that provides a total and net OPEB Liability of \$30,485,124, since there are no assets accumulated in a trust to prefund benefits due under the District Plan. The Actuarial Valuation uses the following assumptions: a discount rate of 3.54% per year net of expenses (previously 2.16% as of June 30, 2021), an inflation rate of 2.50% per year (previously 2.75% as of June 30, 2021), a payroll growth rate of 2.75% per year (same rate as of June 30, 2021), and a healthcare cost trend rate of 4.00% for 2022 (same rate for 2021).

The following table summarizes changes in the District’s total OPEB liability, fiduciary net position, and net OPEB liability during the fiscal year ended June 30, 2022:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2021 Measurement Date	\$30,485,124	\$0	\$30,485,124
Service cost	\$1,998,339	\$0	\$1,998,339
Interest on total OPEB liability / Return on fiduciary net position	\$671,894	\$0	\$671,894
Employer contributions	\$0	\$756,163	\$(756,163)
Benefit payments	\$(756,163)	\$(756,163)	\$0
Administrative expense	\$0	\$0	\$0
Experience (gains)/losses	\$(2,727,187)	\$0	\$(2,727,187)
Changes in assumptions	\$(5,756,859)	\$0	\$(5,756,859)
Other	\$0	\$0	\$0
Net change	\$(6,569,976)	\$0	\$(6,569,976)
Actual Balance at June 30, 2022 Measurement Date	\$23,915,148	\$0	\$23,915,148

Source: Actuarial Valuation.

MPP Plan. The MPP Plan is established pursuant to Chapter 1032, Statutes of 2000 (SB 1435), and CalSTRS administers the MPP Plan through the Teachers’ Health Benefit Fund (“THBF”). A full description of the MPP Plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <http://www.calstrs.com/member-publications>. The information referred to at such website is prepared and maintained by CalSTRS and not by the District, and the District can take no responsibility for the continued accuracy of the internet address or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

The MPP Plan pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the Defined Benefit Program (“DB Program”) who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (“CMS”) on a monthly basis. The MPP Plan is closed to new entrants as members who retire on or after July 1, 2012, are not eligible for coverage under the MPP Plan.

The MPP Plan is funded on a pay-as-you-go basis from a portion of monthly District benefit payments. In accordance with Section 25930 of the California Education Code, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Plan to fund monthly program and administrative costs. Total redirections to the MPP Plan are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

At June 30, 2022, the District reported a liability of \$549,645 for its proportionate share of the net OPEB liability for the MPP Plan. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The District’s proportion of the net OPEB liability was based on a projection of the District’s long-term share of contributions to the MPP Plan relative to the projected contributions of all participating school districts, actuarially determined. The District’s proportionate share for the measurement period June 30, 2021 and June 30, 2020, respectively, was 0.1378% and 0.1537%, resulting in a net decrease in the proportionate share of 0.0159%. For the year ended June 30, 2022, the District recognized an OPEB expense of \$(101,895).

For more information regarding the District’s OPEB obligations and liabilities for fiscal year 2021-22, see Note 12 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022.”

In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (“Statement No. 75”). OPEBs generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long-term care benefits. The objective of Statement No. 75 is to improve accounting and financial reporting by the State and local governments for OPEB by requiring the recognition of entire OPEB liability, a more comprehensive measure of OPEB expense, new note disclosures and certain required supplementary information. In addition, Statement No. 75 sets forth additional accounting methods to improve the usefulness of information about OPEB included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. Statement No. 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. Statement No. 75 replaces GASB Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented Statement No. 75 in its financial statements beginning with fiscal year 2017-18.

Early Retirement Incentive Payment. The District routinely offers an annual “Early Tell” Retirement Incentive in the form of a \$5,000 one-time payment for eligible employees (the “Retirement Incentive”). To be eligible for the Retirement Incentive, employees must have at least ten years of service with the District and submit their signed irrevocable letter of resignation to the District by a specified deadline. In fiscal year 2018-19, approximately 6 employees elected to participate in the Retirement Incentive, resulting in a total cost to the District of approximately \$30,000. In fiscal year 2019-20, approximately 13 employees elected to participate in the Retirement Incentive, resulting in a total cost to

the District of approximately \$65,000. In fiscal year 2020-21, approximately 14 employees elected to participate in the Retirement Incentive, resulting in a total cost to the District of approximately \$70,000. While the number of eligible employees electing to participate in the Retirement Incentive has more than doubled since fiscal year 2018-19, it is not the case that retirements have more than doubled since such fiscal year. Prior to the COVID-19 pandemic, employees would often make retirement decisions following the deadline for the Retirement Incentive. The District did not offer the Retirement Incentive in fiscal year 2021-22[, and does not plan to offer the Retirement Incentive in fiscal year 2022-23].

Tax and Revenue Anticipation Notes. The District did not issue tax and revenue anticipation notes (“TRANS”) or borrow funds to supplement the District’s cash flow in fiscal years 2020-21 and 2021-22. The District does not currently plan to issue TRANS in fiscal year 2022-23. The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

Employment

General. As of February 2023, the District employs approximately 962.1 full-time equivalent (“FTE”) employees, including approximately 544.5 FTE certificated (credentialed teaching) staff, approximately 361.6 FTE classified (non-teaching) staff, and approximately 56 FTE management personnel. For fiscal year 2021-22, the total certificated and classified salaries (including management personnel who are either counted as certificated or classified) [paid from all applicable funds of the District] were approximately \$[55.04] million and \$[19.82] million, respectively. As of the Fiscal Year 2022-23 Second Interim Report, the District projects that the total certificated and classified salaries (including management personnel who are either counted as certificated or classified) [paid from all applicable funds of the District] will be approximately \$[] million and \$[] million, respectively, in fiscal year 2022-23. These employees, except management employees, are represented by the South San Francisco Classroom Teachers Association (“SSFCTA”), the California School Employees Association, Chapter #197 (“CSEA”) and the South San Francisco Federation of Adult School Educators, Local 6179 (the “Federation of Adult Educators”), as described in more detail below.

SSFCTA. SSFCTA represents approximately 544.5 FTE certificated (credentialed) employees in the District, which includes teachers, nurses, counselors and psychologists. The District and SSFCTA entered into a multi-year contract effective July 1, 2022 that expires on June 30, 2025 (the “SSFCTA Agreement”). Salary and benefit increases for fiscal year 2022-23 are settled and, in accordance with the terms of the SSFCTA Agreement, there are no reopeners for salary or benefits in fiscal years 2023-24 and 2024-25. The financial impact of the SSFCTA Agreement for fiscal years 2022-23 through 2024-25 are budgeted and reflected in the Fiscal Year 2022-23 Second Interim Report.

CSEA. CSEA represents approximately 361.6 FTE classified (non-credentialed) employees in the District. In February 2023, the District and CSEA entered into a multi-year contract effective July 1, 2022 that expires on June 30, 2025 (the “CSEA Agreement”). Salary and benefit increases for fiscal year 2022-23 are settled as a part of the CSEA Agreement and, in accordance with the terms of the CSEA Agreement, there are no reopeners for salary or benefits in fiscal years 2023-24 and 2024-25. The CSEA Agreement provides for a 5.00% salary schedule increase, retroactive to July 1, 2022 for fiscal year 2022-23, a 5.00% salary schedule increase for fiscal year 2023-24, and a 3.00% salary schedule increase for fiscal year 2024-25. The CSEA Agreement also includes retroactive longevity schedule increases, effective July 1, 2022. Lastly, the CSEA Agreement provides for certain stipend increases and additions, including but not limited to an increase to the overnight stipend from \$125 to \$150 dollars retroactive to July 1, 2022 for fiscal year 2022-23, an increase to the paraeducator workload stipend from \$60 to \$80 per day effective July 1, 2023, and a new annual stipend for bilingual positions of \$1,500 effective July 1, 2023. The cost of the longevity increases and stipends are roughly equivalent to an additional 1% salary schedule increase in fiscal year 2022-23.

According to the District's A.B. 1200 disclosure regarding the CSEA Agreement, the District estimates that the financial impact of such salary and benefits will increase its general fund operating expenditures by approximately \$1.40 million, \$1.24 million and \$781,622 in fiscal years 2022-23, 2023-24 and 2024-25, respectively, which the District expects to pay with funds from its unrestricted general fund balance. The financial impact of such multi-year contract is not reflected as expenditures in the Fiscal Year 2022-23 Second Interim Report. The District has, however, set aside funds for salary and benefit increases for fiscal year 2022-23 in the amount of \$[_____] in the [assigned] component of its general fund reserve ending fund balance in the Fiscal Year 2022-23 Second Interim Report. For more information, see "– District Budget Process and County Review – *District's Fiscal Year 2022-23 Budget and Second Interim Report*" and the table that follows.

The Federation of Adult Educators. The Federation of Adult Educators represents approximately 8 FTE certificated (credentialed teaching) employees that are adult educators in the District. The District and the Federation of Adult Educators entered into a multi-year contract effective July 1, 2022 that expires on June 30, 2025 (the "FAF Agreement"). Salary and benefit increases for fiscal year 2022-23 are settled and, in accordance with the terms of the FAF Agreement, there are no reopeners for salary or benefits in fiscal years 2023-24 and 2024-25. Bargaining unit members of the Federation of Adult Educators are paid out of the adult education fund. The financial impact to the District of the FAF Agreement for fiscal years 2022-23 through 2024-25 are reflected in the Fiscal Year 2022-23 Second Interim Report.

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, including teachers and administrators, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Assembly Bill 1469, signed into law by former Governor Brown as part of the fiscal year 2014-15 State budget, increased employee, employer and State contributions to CalSTRS as part of a plan to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014.

The employee contribution rate for CalSTRS members first hired on or before December 31, 2012 to perform CalSTRS creditable activities (i.e. CalSTRS 2% at 60 members) was 10.25% for fiscal years 2016-17 through 2021-22 and will remain 10.25% for fiscal year 2022-23. The employee contribution rate for CalSTRS members first hired on or after January 1, 2013 to perform CalSTRS creditable activities (i.e., CalSTRS 2% at 62 members) was 9.205% for fiscal years 2016-17 and 2017-18, 10.205% for fiscal years 2018-19 through 2021-22, and will remain 10.205% for fiscal year 2022-23. Under Assembly Bill 1469, employer contribution rates increased in fiscal year 2014-15 to 8.88% of payroll, with such rate increasing by 1.85% each year thereafter, plateauing at 19.10% of payroll in July 2020. On behalf of employers, the State made supplemental pension payments to CalSTRS in fiscal year 2019-20 to help pay down long-term unfunded liabilities, but in fiscal year 2020-21, the State redirected approximately \$1.6 billion of such funding to reduce employer contribution rates in fiscal years 2020-21 and 2021-22. As a result, the employer contribution rate for fiscal year 2021-22 was 16.92%, which reflects a 2.18% reduction from the

statutorily prescribed rate. For fiscal year 2022-23, the employer contribution rate is expected to be approximately 19.10% of covered payroll. The employer contribution rate is inclusive of the employer base contribution of 8.25% of payroll provided by the California Education Code. The State's total contribution was increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, and to 10.828% of payroll in fiscal year 2021-22. The State's contribution rate is expected to be 10.828% of payroll for fiscal year 2022-23. The State's contribution includes an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program.

The following table sets forth the District's employer contributions from [all applicable funds/the general fund] of the District to CalSTRS as well as the State's non-employer contributions to CalSTRS on behalf of the District for fiscal years 2018-19 through 2021-22, and the projected contributions for fiscal year 2022-23.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Contributions to CalSTRS for Fiscal Years 2018-19 through 2022-23

<u>Fiscal Year</u>	<u>District Contribution</u>	<u>State On-Behalf Contribution</u>
2018-19	7,440,316	6,962,792
2019-20	8,235,843	4,260,715
2020-21	8,231,546	4,988,379
2021-22	8,971,297	5,895,875
2022-23 ⁽¹⁾	[_____]	[_____]

⁽¹⁾ Figures are projections based on Fiscal Year 2022-23 Second Interim Report.
Source: South San Francisco Unified School District.

The District's total employer contributions to CalSTRS for fiscal years 2018-19 through 2021-22 were equal to 100% of the required contributions for each year. The State Teachers' Retirement Board is authorized to modify the percentages paid by employers and employees beginning fiscal year 2021-22 to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. The District cannot predict the impact of State, national, and international events on investment earnings and employer contribution rates. However, under existing law, the State Teachers' Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers' Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. The District is unable to predict what the amount of pension liabilities will be beyond the fiscal years set forth in AB 1469 or the amount the District will be required to pay for pension related costs, as these amounts are subject to future rate actions taken by CalSTRS. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not significantly increase in the future above levels currently approved under State law.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2021 (the "2021 CalSTRS Actuarial Valuation") showed an estimated unfunded actuarial liability of \$89.7 billion, a decrease of approximately \$16.2 billion from the June 30, 2020 valuation. Such estimated unfunded actuarial liability was projected to increase in the June 30, 2020 valuation, which projected an unfunded actuarial liability of \$108.0 billion as of June 30, 2021. The actual unfunded actuarial liability as of June

30, 2021 represents a net actuarial gain of approximately \$18.2 billion. Such net actuarial gain is due primarily to member salary increases being less than assumed and market value returns (estimated at 27.1%) being greater than assumed (7.0%). The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2021 and June 30, 2020, based on the actuarial assumptions, were approximately 73.0% and 67.1%, respectively. According to the 2021 CalSTRS Actuarial Valuation, the funded ratio increased by 5.9% during the past year. As described in the 2021 CalSTRS Actuarial Valuation, the primary causes for the increase in the funded ratio are investment returns being greater than expected, salary increases being less than assumed, additional State contributions made in the prior fiscal year, and contributions to pay down the unfunded actuarial liability under the State Teachers' Retirement Board's valuation policy.

The following are certain of the actuarial assumptions set forth in the 2021 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2021 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See "Governor's Pension Reform" below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

On July 29, 2022, after the release of the 2021 CalSTRS Actuarial Valuation, CalSTRS reported a negative 1.3% net return on investments for fiscal year 2021-22, which is CalSTRS' first negative return on investments since fiscal year 2008-09. The negative 1.3% net return on investments is less than the assumed annual rate of return on investments of 7.00%. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not significantly increase in the future.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings

may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of State, national or international events on investment earnings and school district contributions. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2021-22, which is expected to increase to 8.00% in fiscal year 2022-23. School districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.062% of eligible salary expenditures for fiscal year 2018-19 and originally 20.733% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the fiscal year 2020-21 State budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions is expected to be 25.37% for fiscal year 2022-23.

The following table sets forth the District's total employer contributions from [all applicable funds/the general fund] of the District to CalPERS for fiscal years 2018-19 through 2021-22, and the projected contribution for fiscal year 2022-23.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(San Mateo County, California)
Contributions to CalPERS for Fiscal Years 2018-19 through 2022-23

Fiscal Year	District Contribution
2018-19	\$2,994,717
2019-20	3,648,465
2020-21	4,029,360
2021-22	5,167,720
2022-23 ⁽¹⁾	[]

⁽¹⁾ Figures are projections based on Fiscal Year 2022-23 Second Interim Report.
Source: South San Francisco Unified School District.

The District's total employer contributions to CalPERS for fiscal years 2018-19 through 2021-22 were equal to 100% of the required contributions for each year.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2021 (the "2021 CalPERS Schools Pool Actuarial Valuation") reported an actuarial accrued liability of \$110.5 billion with the market value of assets at \$86.5 billion, and a funded status of 78.3%. The actuarial funding method used in the 2021 CalPERS Schools Pool Actuarial Valuation is the "Entry Age Normal Cost Method." The 2021 CalPERS Schools Pool Actuarial Valuation assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2021 CalPERS Schools Pool Actuarial Valuation reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2021. The CalPERS Board adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. The net impact of these assumption changes on the required employer contribution rate in fiscal year 2022-23 is an increase of 0.54%, which accounts for the increase in normal cost and unfunded liability to be paid over 20 years.

On July 20, 2022, CalPERS reported a negative 6.1% net return on investments for fiscal year 2021-22, which is CalPERS' first negative return on investments since fiscal year 2008-09. The negative

6.1% net return on investments is less than the assumed annual rate of return on investments of 6.80%. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District's required contributions to CalPERS will not significantly increase in the future.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

Social Security. As established by federal law, all public sector employees who are not members of their employer's existing retirement system (CalPERS) must be covered by social security or an alternative plan. The District has elected to use Social Security as its alternative plan (the "Alternative Plan"). The District makes contributions to the Alternative Plan for all classified staff. The District contributes 6.2% of an employee's gross earnings. An employee is also required to contribute 6.2% of his or her gross earnings to the Alternative Plan. The District contributed approximately \$1.5 million to the Alternative Plan for fiscal year 2021-22 and, based on the Fiscal Year 2022-23 Second Interim Report, projects it will contribute approximately \$1.6 million to the Alternative Plan for fiscal year 2022-23.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make. CalSTRS, CalPERS and the Alternative Plan are more fully described in Note 15 to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Governor's Pension Reform. On August 28, 2012, Governor Brown and the State Legislature reached agreement on a law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is \$147,000 for 2022, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires State employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law.

Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures

The District is a member of the San Mateo County Schools Insurance Group ("SMCSIG") and CalPERS public entity risk pools (collectively, the "JPAs"). The District pays an annual premium to each entity (as applicable) for its workers' compensation, property and liability, and health coverage. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes. The JPAs have budgeting and financial reporting requirements independent of member units, such as the District, and their financial statements are not presented in the District's financial statements; however, fund transactions between the JPAs and the District are included in the District's financial statements.

Property and Liability Coverage. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2021-22, the District contracted with SMCSIG for property and liability insurance coverage.

Workers' Compensation Coverage. For fiscal year 2021-22, the District participated in SMCSIG entity risk pool. The intent of SMCSIG is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in SMCSIG. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts. Each participant pays its workers' compensation premium based on its individual rate.

Employee Medical Benefits. The District has contracted with CalPERS to provide employee medical insurance and with SMCSIG for dental and vision benefits. CalPERS and SMCSIG are shared risk pools. Rates are set through an annual calculation process. The District pays a monthly contribution, which is placed in a common fund from which claim payments are made for all participating districts.

During the fiscal year ended June 30, 2022, the District made aggregate payments of \$4,386,841 and \$10,035,954 to SMCSIG and CalPERS, respectively, for its property and liability, workers' compensation, and medical benefits coverage.

See Notes 14 and 17 to the Fiscal Year 2021-22 Audit in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022" for more information.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

On June 6, 1978, voters of the State approved Proposition 13 ("Proposition 13"), which added Article XIII A to the California 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) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article 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.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the California Revenue and Taxation Code permits county assessors who have reduced the assessed valuation

of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new “base year value” for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIII A. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the California Supreme Court declined to review the ruling, leaving the recapture law in place.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situation.” Any such allocation made to a local agency continues as part of its allocation in future years.

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

Article XIII B of the California Constitution

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

Article XIII C and Article XIII D of the California Constitution

On November 5, 1996, voters of the State 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 (“Article XIII C” and “Article XIII D,” respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIIC 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 XIIC 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. Article XIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIC or XIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the California Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Statutory Limitations

On November 4, 1986, voters of the State approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency’s governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the California Supreme Court’s decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters of the State approved Proposition 98, a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). The Accountability Act changed State funding of public education below the university level, and the operation of the State’s appropriations limit. The Accountability Act guarantees State funding for K-12 districts and community college districts (collectively, “K-14 districts”) at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the appropriations limit for K-14 districts and the K-14 districts 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 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 schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, voters of the State approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the California Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the appropriations limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the "first test") or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the "second test"). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a "credit" to be paid in future years when general fund revenue growth exceeds personal income growth.

Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*

On February 1, 2012, pursuant to the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, Assembly Bill No. 26 (First Extraordinary Session) ("AB1X 26") dissolved all redevelopment agencies in existence and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency were transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

It is possible that there will be additional legislation proposed and/or enacted to clarify various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a "tax claw back" provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This "tax claw back" provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Proposition 30 and Proposition 55

On November 6, 2012, voters of the State approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2019 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see "– Proposition 98 and Proposition 111" above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative ("Proposition 55"), approved by voters of the State on November 8, 2016, extends by 12 years the temporary personal income tax increases on incomes over \$250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales and use tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see “DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process.”

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by voters of the State in the November 2014 election.

State Rainy Day Fund. The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year’s deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year’s deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multi-year budget forecast; and (vi) create a Proposition 98 reserve (the “Proposition 98 Rainy Day Fund”) to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Proposition 98 Rainy Day Fund unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. Senate Bill 858 (“SB 858”) became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Proposition 98 Rainy Day Fund, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the California Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the California Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

SB 751. Senate Bill 751 (“SB 751”), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

Since the District is a community funded district, the District is not impacted by the reserve requirements imposed by SB 858. For more information on the District's reserves, current projections with respect to such reserves, and related policies, see "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *School District Reserves*."

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 2, 30, 55, 62, 98, 111 and 218, were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenue.

APPENDIX B

**FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the issuance and delivery of the Series 2023 Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, proposes to render its final approving opinion with respect to the Series 2023 Bonds in substantially the following form:

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E

COUNTY OF SAN MATEO INVESTMENT POLICIES AND PRACTICES; DESCRIPTION OF INVESTMENT POOL

In accordance with California Education Code Section 41001, substantially all District operating funds are required to be held by the Treasurer/Tax Collector of the County of San Mateo (the “County Treasurer”). The Investment Policy describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the County Treasurer and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Treasurer/Tax Collector, 555 County Center 1st Floor, Redwood City, CA 94063.

The District and the Underwriter have not made an independent investigation of the investments in the Pool and have made no assessment of the current Investment Policy. The value of the various investments in the Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the County Treasurer, with the consent of the Treasury Oversight Committee and the County Board of Supervisors, may change the Investment Policy at any time. Therefore, there can be no assurance that the values of the various investments in the Pool will not vary significantly from the values described herein.

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Series 2023 Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Series 2023 Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2023 Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com which is not incorporated herein by reference.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant

through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this appendix concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent – Business Services

DATE: March 9, 2023

RE: Approval of J-13A Request for Allowance of Attendance Due to Emergency Conditions (Waiver)

BACKGROUND:

As per Education Code (EC) Section 41422, when one or more schools are closed due to Emergency Conditions, the District must complete the Form J-13A waiver request, also called “Request for Allowance of Attendance Due to Emergency Conditions”, to obtain approval of attendance and instructional time credit from the California Department of Education. This waiver must be approved by the school board.

On January 3, 2023, the County of San Mateo declared Local State of Emergency due to ongoing storms. On January 4, 2023, Governor Gavin Newsom proclaimed a State of Emergency to exist in California as a result of the severe winter storms.

On Thursday, January 5, 2023, school districts in San Mateo County, including South San Francisco Unified School District, had to close their schools due to anticipated severe storms related to an Atmospheric River, which could result in heavy rain, flooding, downed trees, and power outages.

The California State Superintendent of Public Instruction confirmed that school districts that have closed schools due to winter storms may apply for a waiver to ensure there is no loss of funding due to the school closure.

FISCAL IMPLICATIONS:

N/A

RECOMMENDATION:

It is recommended the South San Francisco Unified School District Board of Trustees approve the waiver request for SSFUSD school closure due to winter storms.

CALIFORNIA DEPARTMENT OF EDUCATION
REQUEST FOR ALLOWANCE OF ATTENDANCE DUE TO EMERGENCY CONDITIONS
FORM J-13A, REVISED DECEMBER 2017

SECTION E: AFFIDAVIT

PART I: AFFIDAVIT OF SCHOOL DISTRICT, COUNTY OFFICE OF EDUCATION, OR CHARTER SCHOOL GOVERNING BOARD MEMBERS - All applicable sections below must be completed to process this J-13A request.
We, members constituting a majority of the governing board of SOUTH SAN FRANCISCO USD, hereby swear (or affirm) that the foregoing statements are true and are based on official records.

Board Members Names

Ms. Chialin Hsieh

Ms. Daina R. Lujan

Ms. Patricia A. Murray

Ms. Mina A. Richardson

Ms. Amanda Anthony

Board Members Signatures

At least a majority of the members of the governing board shall execute this affidavit.

Subscribed and sworn (or affirmed) before me, this _____ day of _____,

Witness:

(Name)

(Signature)

Title:

of

County, California

PART II: APPROVAL BY SUPERINTENDENT OF CHARTER SCHOOL AUTHORIZER (Only applicable to charter school requests)

Superintendent (or designee):

(Name)

(Signature)

Authorizing LEA Name:

PART III: AFFIDAVIT OF COUNTY SUPERINTENDENT OF SCHOOLS

The information and statements contained in the foregoing request are true and correct to the best of my knowledge and belief.

County Superintendent of Schools (or designee):

(Name)

(Signature)

Subscribed and sworn (or affirmed) before me, this _____ day of _____,

Witness:

(Name)

(Signature)

Title:

of

County, California

COE contact/individual responsible for completing this section:

Name:

Title:

Phone:

E-mail:

CALIFORNIA DEPARTMENT OF EDUCATION
REQUEST FOR ALLOWANCE OF ATTENDANCE DUE TO EMERGENCY CONDITIONS
FORM J-13A, REVISED DECEMBER 2017

March 9, 2023

SECTION A: REQUEST INFORMATION

- This form is used to obtain approval of attendance and instructional time credit pursuant to *Education Code (EC)* sections 41422, 46200, 46391, 46392 and *California Code of Regulations (CCR)*, Title 5, Section 428.
- Only schools that report Principal Apportionment average daily attendance (ADA) for the purpose of calculating a K-12 Local Control Funding Formula (LCFF) entitlement should submit this form.
- Refer to the instructions and frequently asked questions at <https://www.cde.ca.gov/fg/aa/pal/f13a.asp> for information regarding the completion of this form.

PART I: LOCAL EDUCATIONAL AGENCY (LEA)

LEA NAME: South San Francisco Unified School District	COUNTY CODE: 41	DISTRICT CODE: 69070	CHARTER NUMBER (IF APPLICABLE):
LEA SUPERINTENDENT OR ADMINISTRATOR NAME: Dr. Shawnterra Moore	FISCAL YEAR: 2022-23		
ADDRESS: 398 B Street	COUNTY NAME: San Mateo		
CITY: South San Francisco	STATE: CA	ZIP CODE: 94080	
CONTACT NAME: Rajpal	TITLE: Bal	PHONE: 650-877-8745	E-MAIL: rbal@ssfusd.org

PART II: LEA TYPE AND SCHOOL SITE INFORMATION APPLICABLE TO THIS REQUEST (Choose only one LEA type):

☒ SCHOOL DISTRICT Choose one of the following: ☒ All district school sites ☐ Select district school sites	☐ COUNTY OFFICE OF EDUCATION (COE) Choose one of the following: ☐ All COE school sites ☐ Select COE school sites	☐ CHARTER SCHOOL
---	--	---

PART III: CONDITION(S) APPLICABLE TO THIS REQUEST:

☒ SCHOOL CLOSURE: When one or more schools were closed because of conditions described in EC Section 41422. LCFF apportionments should be maintained and instructional time credited in Section B for the school(s) without regard to the fact that the school(s) were closed on the dates listed, due to the nature of the emergency. Approval of this request authorizes the LEA to disregard these days in the computation of ADA (per EC Section 41422) without applicable penalty and obtain credit for instructional time for the days and the instructional minutes that would have been regularly offered on those days pursuant to EC Section 46200, et seq. ☒ There was a Declaration of a State of Emergency by the Governor of California during the dates associated with this request.
☐ MATERIAL DECREASE: When one or more schools were kept open but experienced a material decrease in attendance pursuant to EC Section 46392 and CCR, Title 5, Section 428. Material decrease requests that include all school sites within the school district must demonstrate that the school district as a whole experienced a material decrease in attendance. Material decrease requests for one or more but not all sites within the school district must show that each site included in the request experienced a material decrease in attendance pursuant to EC Section 46392 and CCR, Title 5, Section 428. The request for substitution of estimated days of attendance for actual days of attendance is in accordance with the provisions of EC Section 46392. Approval of this request will authorize use of the estimated days of attendance in the computation of LCFF apportionments for the described school(s) and dates in Section C during which school attendance was materially decreased due to the nature of the emergency. ☐ There was a Declaration of a State of Emergency by the Governor of California during the dates associated with this request.
☐ LOST OR DESTROYED ATTENDANCE RECORDS: When attendance records have been lost or destroyed as described in EC Section 46391. Requesting the use of estimated attendance in lieu of attendance that cannot be verified due to the loss or destruction of attendance records. This request is made pursuant to EC Section 46391: "Whenever any attendance records of any district have been lost or destroyed, making it impossible for an accurate report on average daily attendance for the district for any fiscal year to be rendered, which fact shall be shown to the satisfaction of the Superintendent of Public Instruction by the affidavits of the members of the governing board of the district and the county superintendent of schools, the Superintendent of Public Instruction shall estimate the average daily attendance of such district. The estimated average daily attendance shall be deemed to be the actual average daily attendance for that fiscal year for the making of apportionments to the school district from the State School Fund."

CALIFORNIA DEPARTMENT OF EDUCATION
REQUEST FOR ALLOWANCE OF ATTENDANCE DUE TO EMERGENCY CONDITIONS
FORM J-13A, REVISED DECEMBER 2017

SECTION B: SCHOOL CLOSURE

PART I: NATURE OF EMERGENCY (Describe in detail.)

- ☐ Not Applicable (Proceed to Section C)
☒ Supplemental Page(s) Attached

Anticipated severe storms related to an Atmospheric River, which will result in heavy rain, flooding, downed trees, and power outages.

PART II: SCHOOL INFORMATION (Use the supplemental Excel form at <https://www.cde.ca.gov/fg/aa/pa/f13a.asp> if more than 10 lines are needed for this request. Attach a copy of a school calendar. If the request is for multiple school sites, and the sites have differing school calendars, attach a copy of each different school calendar to the request.)

A	B	C	D	E	F	G	H	I
School Name	School Code	Site Type	Days in School Calendar	Emergency Days Built In	Built In Emergency Days Used	Date(s) of Emergency Closure	Closure Dates Requested	Total Number of Days Requested
Buri Buri Elementary	6045041	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Junipero Serra Elementary	6068282	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Los Cerritos Elementary	6045082	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Martin Elementary	6045090	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Monte Verde Elementary	6045108	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Ponderosa Elementary	6045116	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Skyline Elementary	6045132	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Spruce Elementary	6045140	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Sunshine Garden Elementary	6045157	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Hillside Elementary	0131730	Special. Ed.	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1

PART III: CLOSURE HISTORY (List closure history for all schools in Part II. Refer to the instructions for an example.)

A	B	C	D	E	F
School Name	School Code	Fiscal Year	Closure Dates	Nature	Weather Related Yes/No
Buri Buri Elementary	6045041	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Junipero Serra Elementary	6068282	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Los Cerritos Elementary	6045082	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Martin Elementary	6045090	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Monte Verde Elementary	6045108	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Ponderosa Elementary	6045116	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Skyline Elementary	6045132	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Spruce Elementary	6045140	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Sunshine Elementary	6045157	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Hillside Elementary	0131730	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No

CALIFORNIA DEPARTMENT OF EDUCATION
REQUEST FOR ALLOWANCE OF ATTENDANCE DUE TO EMERGENCY CONDITIONS
 FORM J-13A, REVISED DECEMBER 2017

SECTION B: SCHOOL CLOSURE

PART I: NATURE OF EMERGENCY (Describe in detail.) ☐ Not Applicable (Proceed to Section C) ☒ Supplemental Page(s) Attached

Anticipated severe storms related to an Atmospheric River, which will result in heavy rain, flooding, downed trees, and power outages. Alta Loma Middle School had an additional day of close closure on January 6th, 2023, due to underground main water pipe rupture, which resulted in flooding and shutting down water at that site

PART II: SCHOOL INFORMATION (Use the supplemental Excel form at <https://www.cde.ca.gov/fg/aa/pa/pa13a.asp> if more than 10 lines are needed for this request. Attach a copy of a school calendar. If the request is for multiple school sites, and the sites have differing school calendars, attach a copy of each different school calendar to the request.)

A	B	C	D	E	F	G	H	I
School Name	School Code	Site Type	Days in School Calendar	Emergency Days Built In	Built In Emergency Days Used	Date(s) of Emergency Closure	Closure Dates Requested	Total Number of Days Requested
Alta Loma Middle	6059976	Traditional	180	0	0	Thursday, January 5th & 6th, 2023	January 5th & 6th, 2023	2
Parkway Middle	6059984	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Westborough Middle	6067128	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Baden	4130324	Continuation	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
El Camino High	4132551	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
South San Francisco High	4137279	Traditional	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1
Community Day	0127563	Comnty. Day	180	0	0	Thursday, January 5th, 2023	January 5th, 2023	1

PART III: CLOSURE HISTORY (List closure history for all schools in Part II. Refer to the instructions for an example.)

A	B	C	D	E	F
School Name	School Code	Fiscal Year	Closure Dates	Nature	Weather Related Yes/No
Alta Loma Middle	6059976	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Parkway Middle	6059984	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Westborough Middle	6067128	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Baden	4130324	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
El Camino High	4132551	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
South San Francisco High	4137279	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No
Community Day	0127563	2018-19	11/16/18	Hazardous air quality due to Camp Fire in Butte County	No

CALIFORNIA DEPARTMENT OF EDUCATION
REQUEST FOR ALLOWANCE OF ATTENDANCE DUE TO EMERGENCY CONDITIONS
FORM J-13A, REVISED DECEMBER 2017

SECTION C: MATERIAL DECREASE

- ☒ Not Applicable (Proceed to Section D)
☐ Supplemental Page(s) Attached

PART I: NATURE OF EMERGENCY (Describe in detail.)

March 9, 2023

PART II: MATERIAL DECREASE CALCULATION (Use the supplemental Excel file at <https://www.cde.ca.gov/fq/aa/pa/13a.asp> if more than 10 lines are needed for this request. Refer to the instructions for information on completing the form including the definition of "normal" attendance.)

A	B	C	D	E	F	G*	H
School Name	School Code	"Normal" Attendance (October/May)	Dates Used for Determining "Normal" Attendance	Date of Emergency	Actual Attendance	Qualifier: 90% or Less (F/C)	Net Increase of Apportionment Days (C-F)
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
			-			0.00%	0.00
Total:		0.00			0		0.00

PART III: MATERIAL DECREASE CALCULATION FOR CONTINUATION HIGH SCHOOLS (Provide the attendance in hours. Use the supplemental Excel file at <https://www.cde.ca.gov/fq/aa/pa/13a.asp> if more than 5 lines are needed for this request. Refer to the instructions for information on completing the form including the definition of "normal" attendance.)

A	B	C	D	E	F	G*	H
School Name	School Code	"Normal" Attendance Hours	Date Used for Determining "Normal" Attendance	Date of Emergency	Actual Attendance Hours	Qualifier: 90% or Less (F/C)	Net Increase of Hours (C-F)
						0.00%	0.00
						0.00%	0.00
						0.00%	0.00
						0.00%	0.00
						0.00%	0.00
Total:		0.00			0.00		0.00

*Qualifier should be 90% or less except when the governor declares a state of emergency or in the case of a Necessary Small School (NSS) site.

SECTION D: LOST OR DESTROYED ATTENDANCE RECORDS

PART I: PERIOD OF REQUEST The entire period covered by the lost or destroyed records commences with _____ up to and including _____ ☐ **Not Applicable (Proceed to Section E)**

PART II: CIRCUMSTANCES (Describe below circumstances and extent of records lost or destroyed.)

PART III: PROPOSAL (Describe below the proposal to reconstruct attendance records or estimate attendance in the absence of records.)

March 9, 2023

South San Francisco Unified School District

FISCAL YEAR: 2022-23

Page 1 of 3

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

Memorandum

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent - Business Services
Wazi Chowdhury - Director of Facilities and Safety

DATE: March 9, 2023

RE: Award of Contract for Roof Replacement for South San Francisco High School M-Wing

BACKGROUND:

South San Francisco High School's M-Wing has some major roof leaks, resulting in flooding in the band room as well as the adjacent rooms whenever it rains. The roof requires immediate replacement to prevent additional damage to the interior of this wing. Currently, the band class, including the instruments, has to be relocated to another temporary room until the leaks are repaired.

The District solicited bids from four contractors and bids were opened on January 11, 2023. Due to a minor disparity in the description, another bid was done on February 10, 2023 and opened on February 21, 2023. The bids are as follows:

San Francisco Roofing Services, Inc.	\$ 81,500.00
Dubois Roofing	\$ 84,110.00
Waterproofing Associates	\$ 94,600.00
Pioneer Contractors, Inc.	\$117,455.00
SG Engineering, Inc.	\$123,898.00

The responsive and responsible bidder is San Francisco Roofing Services at \$81,500. San Francisco Roofing Services is based in San Francisco.

FISCAL IMPLICATIONS:

By this action: **\$81,500**. This will be paid from Facilities Fund 40 (Deferred Maintenance).

RECOMMENDATION:

It is recommended that the South San Francisco Unified School District Board of Trustees award a contract to the lowest responsive, responsible bidder, San Francisco Roofing Services, for the SSFHS M-Wing roof replacement, in the amount of \$81,500.

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Shawnterra Moore, Ed.D., Superintendent

THRU: Ted O, Assistant Superintendent - Business Services
Keith B. Irish, Assistant Superintendent – Educational Services and Categorical Programs

DATE: March 9, 2023

RE: Approval to set dates for the 2023-24 Local Control Accountability Plan (LCAP) Hearing, 2022-23 Budget Hearing, 2023-24 LCAP Adoption, and 2023-24 Budget Adoption

BACKGROUND:

With the State adoption of the Local Control Funding Formula (LCFF) and the Local Control Accountability Plan (LCAP), there are requirements for the 2023-24 Budget/LCAP hearing dates and 2023-24 Budget/LCAP approval dates.

Both the 2023-24 Budget and the 2023-24 LCAP require public hearings that must be held at a separate meeting from the adoption of same. Therefore, districts must plan to have the draft LCAP ready and presented at a public hearing during a board meeting before the LCAP can be adopted at a subsequent meeting. The same is true for the hearing and adoption of the Budget.

FISCAL IMPLICATIONS:

N/A

RECOMMENDATION:

Staff recommends that the Board of Trustees approve the following:

- 2023-24 LCAP Hearing to take place on June 8, 2023, at the regular meeting of the Board.
- 2023-24 Budget Hearing to take place on June 8, 2023, at the regular meeting of the Board.
- 2023-24 LCAP Adoption to take place on June 22, 2023, at the regular meeting of the Board.
- 2023-24 Budget Adoption to take place on June 22, 2023, at the regular meeting of the Board.