SAN LEANDRO UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 12-25

RESOLUTION AUTHORIZING THE ISSUANCE OF STATE DEFERRAL ANTICIPATION NOTES FOR FISCAL YEAR 2011-12 IN THE PRINCIPAL AMOUNT NOT TO EXCEED $8,000,000, AND AUTHORIZING THE SALE THEREOF

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

WHEREAS, school districts organized and existing under the laws of the State of California are authorized by Article 7.6 (commencing with section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Law") to borrow money by the issuance of temporary notes, the proceeds of which may be used and expended for any purpose for which the school district is authorized to spend moneys; and

WHEREAS, pursuant to the Law, such notes may be issued in the name of such school district by the board of supervisors of the county, the county superintendent of which has jurisdiction over such school district, as soon as possible following receipt of a resolution of the governing board of such school district requesting such borrowing; and

WHEREAS, the District has determined that it is desirable that the District borrow funds in an amount not to exceed $8,000,000 with respect to fiscal year 2011-12 for authorized purposes of the District;

NOW, THEREFORE, it is hereby DETERMINED and ORDERED as follows:

Section 1. Request. The Board of Supervisors (the "County Board") of Alameda County (the "County") is hereby requested to issue State deferral anticipation notes in the name of the District in the principal amount of not to exceed $8,000,000 (the "Notes"), under and pursuant to the provisions of the Law.

Section 2. Pledge. The Notes shall be obligations of the District and shall be secured by a pledge of and first lien and charge against the taxes, income, revenue and other moneys intended as receipts for the general fund of the District allocable to fiscal year 2011-12 which are generally available for the payment of expenses and other obligations of the District attributable to such fiscal year, including the apportionments to be made to the District by the State of California which are allocable to fiscal year 2011-12 but are currently unpaid ("Deferred State Payments"), and which are scheduled to be paid during fiscal year 2012-13. The District hereby pledges the Deferred State Payments to repay the principal of and interest on the Notes. To the extent the Notes are not paid from the Deferred State Payments, they shall be paid from Unrestricted Moneys (as herein defined).

The term "Unrestricted Moneys" shall mean taxes, income, revenue and other moneys intended as receipts for the general fund of the District (other than Deferred

State Payments) received or accrued during Fiscal Year 2011-12 and which are generally available for the payment of current expenses and other obligations of the District.

Section 3. Repayment Fund; Investment of Repayment Fund. There is hereby created a special fund to be held on behalf of the District by the County Treasurer-Tax Collector (the "Treasurer"), separate and distinct from all other County and District funds and accounts, designated the "San Leandro Unified School District (Alameda County, California) 2011-12 State Deferral Anticipation Notes Repayment Fund" (the "Repayment Fund") and applied as directed in this Resolution. Any money placed in the Repayment Fund shall be for the benefit of the registered owners of the Notes, and until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Repayment Fund shall be applied solely for the purposes for which the Repayment Fund is created; provided, however, that any interest earned on amounts deposited in the Repayment Fund shall periodically be transferred to the general fund of the District.

On the maturity date of the Notes, the Treasurer shall transfer to the County the moneys in the Repayment Fund necessary to pay the principal of and interest on the Notes at maturity and, to the extent said moneys are insufficient therefor, an amount of Unrestricted Moneys from the District's general fund which will enable payment of the full principal of and interest on the Notes at maturity. Any moneys remaining in the Repayment Fund after the Notes and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the District's general fund.

Moneys held in the Repayment Fund shall be invested by the Treasurer in any one or more investments generally permitted to school districts under the laws of the State of California, consistent with the investment policy of the County.

Section 4. Deposits to the Repayment Fund. The District covenants to deposit all Deferred State Payments into the Repayment Fund when and as received, until the Repayment Fund contains an amount equal to the principal amount of the Notes, plus the interest due on the Notes at maturity. To the extent Deferred State Payments are not paid to the District in an aggregate amount equal to the principal amount of the Notes, plus the interest due on the Notes at maturity, the District covenants to deposit Unrestricted Moneys into the Repayment Fund to cure such shortfall.

Section 5. Limitation on Maximum Amount. The principal amount of Notes issued pursuant hereto, when added to the interest payable thereon, shall not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, revenue and other moneys of the District for the general fund of the District attributable to Fiscal Year 2011-2012, and available for the payment of said notes and the interest thereon (as hereinafter provided).

Section 6. Approval of County Resolution. The resolution entitled "Resolution Providing for the Borrowing of Funds in the Name of the San Leandro Unified School District for Fiscal Year 2011-12 and the Issuance and Sale of 2012 State Deferral Anticipation Notes Therefor" (the "County Resolution"), in substantially the form presented to the Board of Trustees at this meeting, together with any additions to or

changes therein deemed necessary or advisable by the County Board, is hereby approved.

Section 7. Sale of the Notes. The Board approves the sale of the Notes to the County on a negotiated basis, at a price equal to the par amount thereof, bearing interest at a rate of interest of not-to-exceed 2% per annum, in accordance with the terms of the Note Purchase Contract, dated as of the date of the execution of the Note Purchase Contract, between the County and the District, in substantially the form on file with the Assistant Superintendent Business & Operations, which Note Purchase Contract is hereby approved, and the Superintendent and Assistant Superintendent Business & Operations (each, an "Authorized Officer") are each separately authorized and directed to execute the Note Purchase Contract.

Section 8. No Temporary Transfers. It is hereby covenanted and warranted by the District pursuant to Article XVI, Section 6 of the Constitution of the State of California that it will not request the County Treasurer to make temporary transfers of funds in the custody of the County Treasurer to meet any obligations of the District during the 2011-12 fiscal year, until the full amount of funds needed to repay the principal of and interest on the Notes at maturity have been deposited into the Repayment Fund. In the event the full amount of funds needed to repay the principal of and interest on the Notes at maturity have been deposited into the Repayment Fund, the District covenants that it will not request the County Treasurer to make temporary transfers of funds in excess of eighty-five percent (85%) of the anticipated revenues accruing to the District during the 2011-12 fiscal year.

Section 9. Further Authorization. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Notes are hereby approved, and the Authorized Officer, the Clerk of the Board and any and all other officers of the District are hereby authorized and directed for and in the name and on behalf of the District, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with the County Resolution and this resolution.

The District hereby authorizes the Authorized Officer to execute an agreement for bond counsel services by and between the District and Jones Hall, A Professional Law Corporation, and an agreement for financial advisory services by and between the District and KNN Public Finance, which firms are hereby appointed to serve as bond and disclosure counsel and financial advisor, respectively, for the Notes. All costs incurred by the County Board or the District in connection with the issuance of the Notes, including but not limited to bond counsel fees and expenses, and any compensation owing to any officers or employees of the County Board, the County or the District for their services rendered in connection with the issuance of the Notes, shall be payable by District.

Section 10. Indemnification. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees (the "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 Notes. The District shall also reimburse the Indemnified

Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 11. Effective Date. This resolution shall take effect from and after its adoption.

* * * * * * * * *

I hereby certify that the foregoing resolution was duly adopted at a meeting of the Board of Trustees of the San Leandro Unified School District held on the 3rd day of April, 2012, by the following vote:

AYES, and in favor of, Board Members:

NOES, Board Members:

ABSENT, Board Members:

By _____
Clerk of the Board of Trustees