This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 5, 2021

NEW ISSUE - FULL BOOK-ENTRY

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

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds (as defined herein) is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS" herein.

$3,250,000*
SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds
Election of 2016, Series D

$30,000,000*
SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2021 Refunding General Obligation Bonds

Dated: Date of Delivery **Due: As shown on inside front cover.**

Authority and Purpose. The captioned bonds (together, the "Bonds") are being issued by the San Leandro Unified School District (the "District") of Alameda County (the "County"), California, pursuant to applicable provisions of the California Government Code and two separate resolutions adopted by the Board of Education of the District on March 9, 2021. The General Obligation Bonds, Election of 2016, Series D (the "Series D Bonds") were authorized at an election of the registered voters of the District held on November 8, 2016, which authorized the issuance of $104,000,000 principal amount of general obligation bonds for the purpose of financing the renovation, construction and improvement of school facilities (the "2016 Bond Authorization"). The captioned 2021 Refunding General Obligation Bonds (the "Refunding Bonds") are being issued by the District for the purpose of refinancing certain outstanding general obligation bonds of the District as more particularly identified herein and paying related costs of issuance. See "THE FINANCING AND REFINANCING PLAN" and "THE BONDS – Authority for Issuance" herein.

Security. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property within the District and collected by the County. The County Board of Supervisors is empowered and is obligated to annually levy *ad valorem* taxes for the payment by the District of principal of and interest on the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates). The District has other series of general obligation bonds outstanding that are similarly secured by tax levies. See "SECURITY FOR THE BONDS."

Book-Entry Only. The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"). Purchasers will not receive physical certificates representing their interests in the Bonds. See "THE BONDS" and "APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Payments. The Bonds are dated the date of delivery and will accrue interest at the rates set forth on the inside cover page hereof, payable semiannually on each February 1 and August 1 until maturity, commencing August 1, 2021. Payments of principal of and interest on the Bonds will be made by U.S. Bank National Association, as the designated paying agent, registrar and transfer agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds. See "THE BONDS - Description of the Bonds."

Redemption. The Series D Bonds are not subject to redemption prior to maturity. The Refunding Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Optional Redemption" and "-Mandatory Sinking Fund Redemption."

MATURITY SCHEDULE
(See inside cover)

Cover Page. This cover page contains certain information for general reference only. It is not a summary of all the provisions of the Bonds. Prospective investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the District, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the District. Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, is serving as counsel to the Underwriter. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about May 6, 2021.*

PIPER | SANDLER

The date of this Official Statement is _____, 2021.

**Preliminary, subject to change.*

MATURITY SCHEDULES*

SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds
Election of 2016, Series D

Base CUSIP†: 798458

Maturity Date	Principal Amount	Interest Rate	Yield	Price	CUSIP†

$_____ - ____% Term Bonds maturing August 1, 20__; Yield: ___%; CUSIP†: ___

[continued on the next page]

**Preliminary; subject to change.*

† CUSIP Copyright 2021, CUSIP Global Services is a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Global Market Intelligence. Neither the District nor the Underwriter take any responsibility for the accuracy of the CUSIP data.

MATURITY SCHEDULES*
(continued)

SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2021 Refunding General Obligation Bonds

Base CUSIP†: 798458

2021 Refunding General Obligation Bonds

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†

**Preliminary; subject to change.*

† CUSIP Copyright 2021, CUSIP Global Services is a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Global Market Intelligence. Neither the District nor the Underwriter take any responsibility for the accuracy of the CUSIP data.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
ALAMEDA COUNTY
STATE OF CALIFORNIA

BOARD OF EDUCATION

Evelyn Gonzalez, *President*
Christian Rodriguez, *Vice President*
James Aguilar*, Clerk*
Peter Oshinski*, Member*
Diana Prola, Member
Leo Sheridan, *Member*
Monique Tate*, Member*

DISTRICT ADMINISTRATIVE STAFF

Michael McLaughlin, Ed.D., *Superintendent*
Kevin Collins, Ed.D., *Assistant Superintendent of Business and Operations*

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

Dale Scott & Company, Inc.
San Francisco, California

BOND COUNSEL AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

BOND REGISTRAR, TRANSFER AGENT, PAYING AGENT AND ESCROW AGENT

U.S. Bank National Association,
San Francisco, California

UNDERWRITER'S COUNSEL

Stradling Yocca Carlson & Rauth, a Professional Corporation
San Francisco, California

ESCROW VERIFICATION

Causey Demgen & Moore, P.C.
Denver, Colorado

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any Bond owner and the District or the Underwriter.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the District or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Information in Official Statement. The information set forth in this Official Statement has been furnished by the District and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the District in any press release and in any oral statement made with the approval of an authorized officer of the District or any other entity described or referenced herein, the words or phrases "will likely result," "are expected to", "will continue", "is anticipated", "estimate", "project," "forecast", "expect", "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the District or any other entity described or referenced herein since the date hereof.

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

Stabilization of and Changes to Offering Prices. The Underwriter may overallot or take other steps that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

Document Summaries. All summaries of the Bond Resolutions or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

No Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the District, the County, the other parties described in this Official Statement, or the condition of the property within the District since the date of this Official Statement.

Website. The District maintains a website and certain social media accounts. However, the information presented therein is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

TABLE OF CONTENTS

Page

INTRODUCTION 2
THE FINANCING AND REFINANCING PLAN 4
The Series D Bonds 4
The Refunding Bonds 4
The Refunded Bonds 4
Deposits in Escrow Fund 5
SOURCES AND USES OF FUNDS 6
THE BONDS 7
Authority for Issuance 7
Description of the Bonds 7
Book-Entry Only System 7
Optional Redemption 8
Mandatory Sinking Fund Redemption 8
Notice of Redemption 9
Partial Redemption of Bonds 9
Right to Rescind Notice of Redemption 9
Registration, Transfer and Exchange of Bonds 10
Defeasance 10
DEBT SERVICE SCHEDULES 12
APPLICATION OF PROCEEDS OF THE BONDS 15
Building Fund 15
Debt Service Funds 15
Escrow Funds 15
Investment of Proceeds of Bonds 16
SECURITY FOR THE BONDS 16
Ad Valorem Taxes 16
Debt Service Funds 17
Not a County Obligation 17
Disclosure Relating to COVID-19 17
PROPERTY TAXATION 21
Property Tax Collection Procedures 21
Taxation of State-Assessed Utility Property 22
Assessed Valuation 23
Reassessments and Appeals of Assessed Value 25
Tax Rates 26
Teeter Plan; Property Tax Collections 27
Major Taxpayers 29
Direct and Overlapping Debt 30
TAX MATTERS 32
Tax Exemption 32
Other Tax Considerations 33
Forms of Opinions 33
CERTAIN LEGAL MATTERS 33
Legality for Investment 33
Absence of Material Litigation 34
Compensation of Certain Professionals 34
CONTINUING DISCLOSURE 34
RATINGS 35
UNDERWRITING 35
VERIFICATION OF MATHEMATICAL ACCURACY 36
ADDITIONAL INFORMATION 36
EXECUTION 36

APPENDIX A - SAN LEANDRO UNIFIED SCHOOL DISTRICT AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2019-20 ..... A-1
APPENDIX B - GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT B-1
APPENDIX C - GENERAL INFORMATION ABOUT THE CITIES OF OAKLEY AND BRENTWOOD AND ALAMEDA COUNTY C-1
APPENDIX D - PROPOSED FORMS OF OPINIONS OF BOND COUNSEL D-1
APPENDIX E - FORM OF CONTINUING DISCLOSURE CERTIFICATE E-1
APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM F-1
APPENDIX G - ALAMEDA COUNTY INVESTMENT POOL – INVESTMENT POLICY AND INVESTMENT REPORT G-1

[THIS PAGE INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT

$3,250,000*
SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds
Election of 2016, Series D

$30,000,000*
SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2021 Refunding General Obligation Bonds

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the captioned General Obligation Bonds, Election of 2016, Series D (the **"Series D Bonds"**) and the captioned 2021 Refunding General Obligation Bonds (the **"Refunding Bonds"**, and together with the Series D Bonds, the **"Bonds"**) by the San Leandro Unified School District (the "**District**") of Alameda County (the "**County"**), State of California (the **"State"**).

INTRODUCTION

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

The District. The District was established in 1902 and comprises an area of approximately 350 square The District includes approximately 12.4 square miles in the central part of Alameda County (the "**County**") and provides educational services for grades kindergarten through twelve to the residents of a portion of the City of San Leandro (the "**City**") and portions of the City of Oakland. The District operates 8 elementary schools, 2 middle schools, one comprehensive high school, one continuation high school (with an Independent Study Program) and one adult school. The District's enrollment for 2020-21 is 9,067 students. The total assessed value in the District in fiscal year 2020-21 is over $14 billion. For more information regarding the District and its finances, see APPENDIX A and APPENDIX B hereto. See also APPENDIX C for demographic and other statistical information regarding the City of San Leandro the County.

Purposes. The net proceeds of the Series D Bonds will be used to finance school construction and improvements to the school facilities as authorized by more than the requisite 55% of the voters of the District (the **"2016 Bond Authorization"**) at an election held in the District on November 8, 2016 (the **"Bond Election"**). The net proceeds of the Refunding Bonds will be used to refinance on a current basis certain general obligation bonds previously issued by the District. See "THE FINANCING AND REFINANCING PLAN" herein.

Authority for Issuance of the Bonds. The Bonds will be issued pursuant to the applicable provisions of the California Government Code and two separate resolutions adopted by the Board of Education of the District on March 9, 2021 (together, the "**Bond Resolutions**"). See "THE BONDS - Authority for Issuance" herein.

**Preliminary; subject to change.*

COVID-19 Statement. The COVID-19 pandemic has resulted in a public health crisis that is fluid and unpredictable with financial and economic impacts that cannot be predicted. As such, investors are cautioned that the District cannot at this time predict the impacts that the COVID-19 pandemic may have on its enrollment, average daily attendance, operations and finances, property values in the District, and economic activity in the District, the State and the nation, among others. For more disclosure regarding the COVID-19 emergency, see "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19" herein. See also references to COVID-19 in the sections herein entitled "PROPERTY TAXATION", and in APPENDIX B under the heading "GENERAL DISTRICT INFORMATION" and "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS."

Payment and Registration of the Bonds. The Bonds mature in the years and in the amounts as set forth on the inside cover page hereof. The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. See "THE BONDS" and "APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Redemption. The Series CD Bonds are not subject to redemption prior to maturity. The Refunding Bonds are subject to redemption prior to maturity as described herein. See "THE BONDS – Optional Redemption" and "– Mandatory Sinking Fund Redemption."

Security and Sources of Payment for the Bonds. The Bonds are general obligation bonds of the District payable by the District solely from *ad valorem* property taxes levied on taxable property located in the District and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* property taxes for the payment by the District of the principal of and interest on the Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except with respect to certain personal property which is taxable at limited rates). See "SECURITY FOR THE BONDS."

The District has other series of general obligation bonds outstanding that are payable from *ad valorem* property taxes levied on taxable property in the District. See "DEBT SERVICE SCHEDULES" and "DISTRICT FINANCIAL INFORMATION – Long-Term Indebtedness - General Obligation Bonds" in APPENDIX B.

The District can make no representation regarding the affect that the current COVID-19 outbreak may have on the assessed valuation of property within the District. See "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19."

Tax Matters. Assuming compliance with certain covenants and provisions of the Internal Revenue Code of 1986, in the opinion of Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS" herein.

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement and information concerning the Bonds are available by request to the Office of the District Superintendent at San Leandro Unified School District, 835 E. 14th Street, Room 200, San Leandro, California 94577, telephone: 510-667-3500. The District may impose a charge for copying, mailing and handling.

THE FINANCING AND REFINANCING PLAN

As described herein, the net proceeds of the Series D Bonds will be used to finance school facility improvements, and to pay related costs of issuance. Proceeds of the Refunding Bonds will be used to refund certain maturities of outstanding bonds as more particularly described below, and to pay related costs of issuance.

The Series D Bonds

The proceeds of the Series D Bonds will be used to finance projects approved by the voters at the Bond Election, which authorized the issuance of $104,000,000 principal amount of general obligation bonds for the purpose of financing the construction and improvement of school facilities, together with related costs of issuing the Series D Bonds. The abbreviated form of the 2016 Bond Authorization is as follows:

> *"To repair leaky roofs, faulty plumbing and electrical systems; improve heating and ventilation; improve student safety by upgrading security lighting, emergency communications, fire alarms and sprinklers; upgrade classrooms, libraries and science labs; replace deteriorating portables; and provide facilities and equipment needed to support instruction in math, science, engineering, arts and technology; shall San Leandro Unified School District issue $104,000,000 in bonds at legal interest rates, with citizens' oversight, annual audits and all money benefiting San Leandro children?"*

As part of the ballot materials presented to District voters at the Bond Election, the voters authorized a specific list of projects (the **"Project List"**) eligible to be funded with proceeds of bonds sold pursuant to the 2016 Bond Authorization, including the Series D Bonds described herein. The District makes no representation as to the specific application of the proceeds of the Series D Bonds, the completion of any projects listed on the Project List, or whether bonds authorized by the 2016 Bond Authorization will provide sufficient funds to complete any particular project listed in the Project List. The District has previously issued three series of bonds pursuant to the 2016 Bond Authorization in the combined amount of $100,750,000. The Series D Bonds will be the fourth and final series of general obligation bonds issued pursuant to the 2016 Bond Authorization.

The Refunding Bonds

The Refunded Bonds. The Refunding Bonds are being issued by the District to refund on a current basis certain maturities of the following bonds (the **"Prior Bonds"**, and with respect to the maturities to be refunded, the **"Refunded Bonds"**):

- San Leandro Unified School District (Alameda County, California) General Obligation Bonds, Election of 2010, Series A originally issued in the aggregate principal amount of $30,000,000 on May 24, 2011.

The Refunded Bonds are identified more particularly in the following table.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Identification of Refunded Bonds*

Maturities Payable from Escrow (August 1)	Principal Amount	Interest Rate	Redemption Date	Redemption Price	CUSIP†
2022	$295,000	4.000%	08/01/2021	100.0%	798458 LA1
2023	370,000	4.000	08/01/2021	100.0	798458 LB9
2024	445,000	4.250	08/01/2021	100.0	798458 LC7
2025	530,000	4.375	08/01/2021	100.0	798458 LD5
2026	615,000	4.500	08/01/2021	100.0	798458 LE3
2027	715,000	5.000	08/01/2021	100.0	798458 LF0
2028	820,000	5.000	08/01/2021	100.0	798458 LG8
2029	930,000	5.000	08/01/2021	100.0	798458 LH6
2030	1,050,000	5.000	08/01/2021	100.0	798458 LJ2
2031	1,180,000	5.000	08/01/2021	100.0	798458 LK9
2032	1,320,000	5.000	08/01/2021	100.0	798458 LL7
2033	1,465,000	5.200	08/01/2021	100.0	798458 LM5
2034	1,630,000	5.250	08/01/2021	100.0	798458 LN3
2035	1,800,000	5.250	08/01/2021	100.0	798458 LP8
2036	1,990,000	5.250	08/01/2021	100.0	798458 LQ6
2037	2,190,000	5.300	08/01/2021	100.0	798458 LS2
2041-T	11,075,000	5.750	08/01/2021	100.0	798458 LR4
Total:	$28,420,000	--	--	--	--

**Preliminary; subject to change.*
T: Term Bonds
† CUSIP Copyright American Bankers Association. CUSIP data herein is provided by Standard & Poor's CUSIP Service Bureau, a division of McGraw Hill Companies, Inc. Neither the District nor the Underwriter is responsible for the accuracy of such data.

Deposits in Escrow Fund. The District will deliver the net proceeds of the Refunding Bonds to U.S. Bank National Association, as escrow agent (the "**Escrow Agent**"), for deposit in an escrow fund (the "**Escrow Fund**") established under an Escrow Agreement (the "**Escrow Agreement**"), between the District and the Escrow Agent. The Escrow Agent will invest such funds in certain United States Treasury notes, bonds, bills or certificates of indebtedness, or obligations issued by any agency or department of the United States which are secured, directly or indirectly, by the full faith and credit of the United States ("**Escrow Fund Securities**") and will apply such funds, together with interest earnings on the investment of such funds in Escrow Fund Securities, to pay the principal of and interest on the Refunded Bonds, including the redemption price of the Refunded Bonds, as set forth above, together with accrued interest to the redemption date identified above.

Sufficiency of the deposits in the Escrow Fund for the foregoing purposes will be verified by Causey Demgen & Moore, P.C., Denver, Colorado (the **"Verification Agent"**). See "VERIFICATION OF MATHEMATICAL ACCURACY" herein. As a result of the deposit of funds with the Escrow Agent on the date of issuance of the Refunding Bonds, the Refunded Bonds will be legally defeased and will be payable solely from amounts held for that purpose under the Escrow Agreement, and will cease to be secured by *ad valorem* property taxes levied in the District.

The Escrow Fund Securities and cash held by the Escrow Agent in the Escrow Fund are pledged solely to the payment of the Refunded Bonds and will not be available for the payment of debt service with respect to the Refunding Bonds.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Bonds are as follows:

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Sources and Uses

The estimated sources and uses of funds with respect to the Bonds are as follows:

Sources of Funds	**Series D Bonds**	**Refunding Bonds**
Principal Amount of Bonds		
Plus Net Original Issue Premium		
Total Sources		
Uses of Funds		
Deposit to Building Fund		
Deposit to Escrow Fund		
Deposit to Debt Service Fund		
Costs of Issuance[(1)]		
Total Uses		

(1) Estimated costs of issuance include, but are not limited to, Underwriter's discount, printing costs, and fees of Bond Counsel, Disclosure Counsel, Municipal Advisor, Paying Agent, and the rating agencies.

See also "APPLICATION OF PROCEEDS OF THE BONDS" herein.

[Remainder of Page Intentionally Left Blank]

THE BONDS

Authority for Issuance

The Series D Bonds will be issued pursuant to the 2016 Authorization and under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53506 of said Code, and the applicable Bond Resolution authorizing the issuance of the Series D Bonds (the "**Series D Bond Resolution**").

The Refunding Bonds will be issued under the provisions of the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, and the applicable Bond Resolution authorizing the issuance of the Refunding Bonds (the **"Refunding Bond Resolution"**).

Description of the Bonds

The Bonds mature in the years and in the amounts and bear interest at the rates per annum all as set forth on the inside cover page hereof. Interest shall be computed based on a 360-day year of twelve 30-day months. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. See "Book-Entry Only System" below and "APPENDIX F – DTC and the Book-Entry Only System."

The Bonds will be issued in the denomination of $5,000 principal amount each or any integral multiple thereof. Interest on the Bonds is payable semiannually on each February 1 and August 1, commencing August 1, 2021 (each, an **"Interest Payment Date"**). Each Bond will bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it will bear interest from such date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the 15th calendar day of the month preceding the Interest Payment Date (each, a **"Record Date"**), in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to July 15, 2021, in which event it will bear interest from the date of delivery thereof identified on the cover page. Notwithstanding the foregoing, if interest on any Bond is in default at the time of authentication thereof, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants who will remit such payments to the beneficial owners of the Bonds.

See the maturity schedules on the inside cover page of this Official Statement and "DEBT SERVICE SCHEDULES" herein.

Book-Entry Only System

The Bonds will be issued in book-entry form only and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company ("**DTC**"). Purchasers of the Bonds (the "**Beneficial Owners**") will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by U.S. Bank National Association (the "**Paying Agent**") to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

As long as DTC's book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or of any other action premised on such notice. See "APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM."

The Paying Agent, the District, and the Underwriter of the Bonds have no responsibility or liability for payments made on account of beneficial ownership or any aspects of the records relating thereto, or for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests in the Bonds.

Optional Redemption

Series D Bonds. The Series D Bonds are not subject to redemption prior to maturity.'

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

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

Mandatory Sinking Fund Redemption

The Refunding Bonds maturing on August 1, 20__, and August 1, 20__ (the **"Term Bonds"**), are subject to mandatory sinking fund redemption on August 1 of each year in accordance with the schedules set forth below. The Term Bonds so called for mandatory sinking fund redemption will be redeemed in the sinking fund payments amounts and on the dates set forth below, without premium.

Term Bonds Maturing August 1, 20__

Redemption Date (August 1)	Sinking Fund Redemption

Term Bonds Maturing August 1, 20__

Redemption Date (August 1)	Sinking Fund Redemption

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

Notice of Redemption

The Paying Agent will cause notice of any redemption to be mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the respective owners of any Bonds designated for redemption, at their addresses appearing on the registration books maintained by the Paying Agent. Such notice may be a conditional notice of redemption and subject to rescission as set forth below. Such notice shall state the redemption date and the redemption price and, if less than all of the then outstanding Bonds are to be called for redemption, shall designate the serial numbers of the Bonds to be redeemed by giving the individual number of each Bond or by stating that all Bonds between two stated numbers, both inclusive, or by stating that all of the Bonds of one or more maturities have been called for redemption, and shall require that such Bonds be then surrendered at the office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest on the Bonds so called for redemption have been duly provided, the Bonds called for redemption will cease to be entitled to any benefit under the Bond Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice.

Partial Redemption of Bonds

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

Right to Rescind Notice of Optional Redemption

The District has the right to rescind any notice of the optional redemption of Bonds by written notice to the Paying Agent on or prior to the date fixed for redemption. Any notice of optional redemption will be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption. The District and the Paying Agent have no liability to the owners of the Bonds or any other party related to or arising from any such rescission of redemption. The Paying Agent will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Bond Resolution.

Registration, Transfer and Exchange of Bonds

If the book entry system is discontinued, the District will cause the Paying Agent to maintain and keep at its principal corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds.

If the book entry system is discontinued, the person in whose name a Bond is registered on the Bond Register will be regarded as the absolute owner of that Bond. Payment of the principal of and interest on any Bond will be made only to or upon the order of that person; neither the District, the County nor the Paying Agent will be affected by any notice to the contrary, but the registration may be changed as provided in the Bond Resolution.

Bonds may be exchanged at the principal corporate trust office of the Paying Agent in Dallas, Texas (or at such other office as is designated by the Paying Agent) for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity and series. Any Bond may, in accordance with its terms, but only if (i) the District determines to no longer maintain the book entry only status of the Bonds, (ii) DTC determines to discontinue providing such services and no successor securities depository is named or (iii) DTC requests the District to deliver Bond certificates to particular DTC Participants, be transferred, upon the books required to be kept pursuant to the provisions of the Bond Resolution, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed.

No exchanges of Bonds shall be required to be made (a) fifteen days prior to an Interest Payment Date or the date established by the Paying Agent for selection of Bonds for redemption until the close of business on the Interest Payment Date or day on which the applicable notice of redemption is given or (b) with respect to a Bond after such Bond has been selected or called for redemption in whole or in part.

Defeasance

The Bonds may be paid by the District, in whole or in part, in any one or more of the following ways:

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

(b) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Bond Resolution) to pay or redeem such Bonds; or

(c) by delivering such Bonds to the Paying Agent for cancellation by it.

Whenever in the Bond Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may be held by the Paying Agent or by any other fiduciary. Such money or securities may include money or securities held by the Paying Agent in the funds and accounts established under the Bond Resolution and will be:

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

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

Upon the deposit, in trust, at or before maturity, of money or Federal Securities in the necessary amount (as described above) to pay or redeem any outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption has been given as provided in the Bond Resolution or provision satisfactory to the Paying Agent has been made for the giving of such notice, then all liability of the District in respect of such Bond will cease and be completely discharged, except only that thereafter the owner thereof will be entitled only to payment of the principal of and interest on such Bond by the District, and the District will remain liable for such payment, but only out of such money or securities deposited with the Paying Agent for such payment.

As defined in the Bond Resolution, the term **"Federal Securities"** means (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; and (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

[Remainder of page intentionally left blank]

DEBT SERVICE SCHEDULES

The following tables show the annual debt service schedule with respect to the Bonds (assuming no optional redemptions).

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Series D Bonds Debt Service Schedule

Payment Date (August 1)	Principal	Interest	Total Debt Service
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
Total			

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Refunding Bonds Debt Service Schedule

Payment Date (August 1)	Principal	Interest	Total Debt Service
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
Total			

Combined General Obligation Bonds Debt Service. The District has other series of general obligation bonds and refunding bonds outstanding. The following table shows the combined debt service schedule with respect to the District's outstanding general obligation bonds and the Bonds, assuming no optional redemptions. See Appendix B under the heading "DISTICT FINANCIAL INFORMATION – Long-Term Indebtedness" for additional information.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Combined General Obligation Bonds Debt Service Schedule

Period Ending (Aug. 1)	Outstanding GO Bonds Annual Debt Service*	Bonds Annual Debt Service	Aggregate Annual Debt Service
2021	$19,414,439.72		
2022	29,061,289.74		
2023	29,292,257.27		
2024	23,994,406.99		
2025	24,152,449.67		
2026	22,671,466.53		
2027	24,042,531.25		
2028	23,931,575.00		
2029	22,081,975.00		
2030	21,875,500.00		
2031	22,580,343.75		
2032	22,433,168.75		
2033	23,134,331.25		
2034	18,472,251.25		
2035	18,998,276.25		
2036	28,262,901.25		
2037	29,344,226.25		
2038	30,453,606.25		
2039	27,896,443.75		
2040	16,958,268.75		
2041	17,534,506.25		
2042	14,697,306.25		
2043	15,217,856.25		
2044	3,617,018.75		
2045	3,726,743.75		
2046	3,836,200.00		
TOTAL	$537,681,339.92		

*Includes debt service on the Refunded Bonds.

APPLICATION OF PROCEEDS OF THE BONDS

Building Fund

Pursuant to the Series D Bond Resolution, the net proceeds from the sale of the Series D Bonds will be paid and credited to fund established and held by the Alameda County Treasurer (the **"County Treasurer"**) and designated as the "San Leandro Unified School District, Election of 2016, Series D Building Fund" (the **"Building Fund"**). Amounts credited to the Building Fund will be expended by the District for the purpose of financing any of the projects for which the Series D Bond proceeds are authorized to be expended under the bond authorization, including the capital facility and technology projects described therein, and further including all incidental expenses and related costs of issuance. All interest and other gain arising from the investment of proceeds of the Series D Bonds will be retained in the Building Fund and used for the purposes thereof. All moneys held in the Building Fund will be invested in accordance with the investment policies of the County, as such policies exist at the time of investment. Pursuant to the Bond Resolution and applicable provisions of the Education Code, a portion of the proceeds of the Series D Bonds may be deposited with a fiscal agent for the purpose of paying costs of issuance. See also "APPENDIX G - ALAMEDA COUNTY INVESTMENT POOL - INVESTMENT POLICY AND INVESTMENT REPORT" herein.

Debt Service Funds

As further described herein under the heading "SECURITY FOR THE BONDS - Debt Service Funds," the County will establish debt service funds for each series of the Bonds (the **"Debt Service Funds"**). Accrued interest and premium, if any, received by the County from the sale of the Series D Bonds will be deposited in the Debt Service Fund for the Series D Bonds. Said funds, together with the collections of *ad valorem* property taxes, will be used only for payment of principal of and interest on the related series of the Bonds. Interest earnings on the investment of monies held in the Debt Service Funds will be retained in the applicable Debt Service Fund and used to pay the principal of and interest on applicable series of the Bonds when due. Pursuant to the Bond Resolutions, the District has pledged funds on deposit in each Debt Service Fund to the payment of the respective series of Bonds. Any moneys remaining in the Debt Service Funds after the applicable series of Bonds including the interest thereon have been paid, will be transferred to any other interest and sinking fund for general obligation bond indebtedness of the District, and in the event there is no such debt outstanding, will be transferred to the District's general fund upon the order of the County Auditor, as provided in Section 15234 of the Education Code.

Escrow Fund

A portion of the proceeds of the Refunding Bonds will be deposited in escrow to provide for the redemption of the Refunded Bonds on the redemption date. See "THE FINANCING AND REFINANCING PLAN - Deposits to Escrow Fund" herein.

Investment of Proceeds of Bonds

All moneys held in any of the funds or accounts established with the County under the Bond Resolutions will be invested in Authorized Investments (as defined in the Bond Resolution) in accordance with the investment policies of the County, as such policies exist at the time of investment. Obligations purchased as an investment of moneys in any fund or account will be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts established under the respective Bond Resolution will be deposited in the fund or account from which such investment was made, and will be expended for the purposes thereof.

In accordance with Government Code Section 53600 *et seq*., the County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq*. In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See "APPENDIX G - ALAMEDA COUNTY INVESTMENT POOL-INVESTMENT POLICY AND INVESTMENT REPORT."

SECURITY FOR THE BONDS

Ad Valorem Taxes

***Bonds Payable from Ad Valorem Property Taxes*.** The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes levied on taxable property in the District and collected by the County. The County is empowered and is obligated to annually levy *ad valorem* property taxes for the payment by the District of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates).

Other Bonds Payable from Ad Valorem Property Taxes. The District has a number of general obligation bond issues outstanding which are payable from *ad valorem* property taxes on a parity basis. In addition to the general obligation bonds issued by the District, there is other debt issued by entities with jurisdiction in the District, which is payable from *ad valorem* property taxes levied on parcels in the District. See "PROPERTY TAXATION – Tax Rates" and "- Direct and Overlapping Debt" below.

Levy and Collection. The County will levy and collect such *ad valorem* property taxes in such amounts and at such times as is necessary to ensure the timely payment by the District of debt service. Such taxes, when collected, will be deposited into a debt service fund for the Bonds, which is maintained by the County and which is irrevocably pledged by the District for the payment by it of principal of and interest on the Bonds when due.

District property taxes are assessed and collected by the County in the same manner and at the same time, and in the same installments as other *ad valorem* taxes on real property, and will have the same priority, become delinquent at the same times and in the same proportionate amounts, and bear the same proportionate penalties and interest after delinquency, as do the other *ad valorem* taxes on real property.

Statutory Lien on* Ad Valorem *Tax Revenues. Pursuant to Senate Bill 222 effective January 1, 2016, voter approved general obligation bonds which are secured by *ad valorem* tax collections, including the Bonds, are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien attaches automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the District, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act.

Annual Tax Rates. The amount of the annual *ad valorem* tax levied by the County for the District to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the District and the amount of debt service due on the Bonds. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the District may cause the annual tax rate to fluctuate.

Economic and other factors beyond the District's control, such as economic recession, deflation of property values, a relocation out of the District or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire, outbreak of disease or other natural disaster or man-made disaster, could cause a reduction in the assessed value within the District and necessitate a corresponding increase in the annual tax rate. See "PROPERTY TAXATION – Assessed Valuations – Factors Relating to Increases/Decreases in Assessed Value." See also below under the heading "--Disclosure Relating to COVID-19."

Debt Service Funds

As previously described here (see "APPLICATION OF PROCEEDS OF THE BONDS – Debt Service Fund"), the County will establish the Debt Service Funds, into which will be deposited all taxes levied by the County for the payment by the District of the principal of and interest on the Bonds. The Debt Service Funds are pledged by the District for the payment by it of the principal of and interest and premium (if any) on the respective series of Bonds when and as the same become due. The County will transfer amounts in the Debt Service Funds to the Paying Agent to the extent necessary to enable the District to pay the principal of and interest and premium (if any) on the applicable series of Bonds as the same becomes due and payable.

Not a County Obligation

No part of any fund or account of the County is pledged or obligated to the payment of the Bonds. The Bonds are payable solely from the proceeds of an *ad valorem* property tax levied and collected by the County, for the payment by the District of principal of and interest on the Bonds. Although the County is obligated to collect the *ad valorem* property tax for the payment of the Bonds, the Bonds are not a debt (or a pledge of the full faith and credit) of the County.

Disclosure Relating to COVID-19

Background. The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (**"COVID-19"**), which was first detected in China and has spread to other countries, including the United States, was declared a pandemic by the World Health Organization, a national emergency by the President of the United States (the "**President**") and a state of emergency by the Governor of the State (the "**Governor**"). There has been tremendous volatility

in the markets in the United States and globally, resulting in the onset of a national and global recession.

The President's declaration of a national emergency on March 13, 2020 made available more than $50 billion in federal resources to combat the spread of the virus. A multi-billion-dollar relief package was signed into law by the President on March 18, 2020, providing for Medicaid expansion, unemployment benefits and paid emergency leave during the crisis. In addition, the Federal Reserve lowered its benchmark interest rate to nearly zero, introduced a large bond-buying program and established emergency lending programs to banks and money market mutual funds.

On March 27, 2020, the United States Congress passed a $2 trillion relief package, being the largest stimulus bill in history, referred to as the Coronavirus Aid, Relief, and Economic Security Act (the **"CARES Act"**). The package provided direct payments to taxpayers, jobless benefits, assistance to hospitals and healthcare systems, $367 billion for loans to small businesses, a $500 billion fund to assist distressed large businesses, including approximately $30 billion for emergency grants to educational institutions and local educational agencies. This funding allocation included approximately $13.5 billion in formula funding to make grants available to each state's educational agency in order to facilitate K-12 schools' responses to the COVID-19 pandemic.

On April 9, 2020, the Federal Reserve took actions aimed at providing up to $2.3 trillion in loans to support the national economy, including supplying liquidity to participating financial institutions in the Small Business Administration's (**"SBA"**) Paycheck Protection Program (**"PPP"**), purchasing up to $600 billion in loans through the Main Street Lending Program and offering up to $500 billion in lending to states and municipalities.

On April 24, 2020, an additional $484 billion federal aid package was signed, providing additional funding for the PPP, the SBA disaster assistance loans and grant program, hospital grants and funding for a COVID-19 testing program.

On December 27, 2020, the President signed the Coronavirus Response and Relief Supplemental Appropriations Act (the **"CRRSA Act"**), an additional $900 billion federal relief package intended to follow and expand on provisions of the CARES Act. The second largest stimulus bill in history, the measure includes another round of direct stimulus payments to individuals and families, extends unemployment benefits, expands the PPP, and provides approximately $82 billion in supplemental aid to support the educational needs of states, school districts, and institutions of higher education, among other stimulus measures.

At the State level, on March 15, 2020, the Governor ordered the closing of California bars and nightclubs, the cancellation of gatherings of more than 250. On March 16, 2020, the State legislature passed $1.1 billion in general purpose spending authority providing emergency funds to respond to the pandemic. On March 19, 2020, the Governor issued a state-wide blanket shelter-in-place order, ordering all California residents to stay home except for certain essential purposes. The restrictions began to be rolled back in May 2020 in accordance with State and local guidelines.

On August 28, 2020, the Governor released a system entitled "Blueprint for a Safer California" (the **"State Blueprint"**) aimed at reducing the spread of COVID-19. The State Blueprint places the State's 58 counties into four color-coded tiers – purple, red, orange, and yellow, in descending order of severity – generally based on test positivity and adjusted case rate

in the county. Each tier imposes restrictions on certain activities to reduce the spread. Tier 1 (Purple) is the most restrictive. Counties can be assigned to a tier any day of the week.

On December 3, 2020, as supplemented December 6, 2020, in response to a surge of hospitalizations due to COVID-19, a regional stay at home order was announced by the Governor, adding additional restrictions in regions with less than 15% projected intensive care unit (**"ICU"**) bed capacity. The order divided the State into five regions in which ICU bed capacity was measured. For regions that fell below the projected ICU bed capacity minimum, certain activities such as gatherings of any size and operations other than critical infrastructure and retail were prohibited. The order also required masking and physical distancing. This order was ended on January 25, 2021, based on projected ICU bed capacity in each region. As such, counties are now subject to the applicable restrictions of the State Blueprint.

On February 23, 2021, the Governor signed legislation providing $7.6 billion in State funding aimed at helping individuals and businesses that were not included in federal aid. It includes sending a $600 rebate to low-income, disables and undocumented persons when 2020 taxes are filed, $2 billion in grants to help small business, $35 million for food and diaper banks and $400 million in subsidies for childcare providers. It also reverses cuts made last summer to public universities and State courts when the State experienced a record-breaking budget deficit.

The COVID-19 outbreak is ongoing, and the ultimate geographic spread of the virus, the duration and severity of the outbreak, the economic impacts and actions that may be taken by governmental authorities to contain the outbreak or to treat its impacts are uncertain and cannot be predicted. Additional information with respect to events surrounding the outbreak of COVID-19 and responses thereto can be found on State and local government websites, including but not limited to: the Governor's office (http://www.gov.ca.gov) and the California Department of Public Health (https://covid19.ca.gov/). *The District has not incorporated by reference the information on such websites, and the District does not assume any responsibility for the accuracy of the information on such website*s.

Impacts of COVID-19 Pandemic on Global and Local Economies Cannot be Predicted; Potential Declines in State and Local Revenues. The COVID-19 public health emergency is altering the behavior of businesses and people in a manner that will have negative impacts on global and local economies, including the economy of the State. A substantial increase in unemployment and a decline in State revenues including derived from personal income tax receipts have occurred. The District cannot predict the short or long term impacts the COVID-19 emergency and the responses of federal, State or local governments thereto, will have on global, State-wide and local economies, which could impact District operations and finances, and local property values. For more detail regarding the State's current budget, and related reports and outlooks, see Appendix B under the heading "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS."

In addition, the District cannot predict the legislative changes that might result as a result of the COVID-19 pandemic which could impact its operations and finances. In an attempt to mitigate the effects of the COVID-19 pandemic on State property taxpayers, on May 6, 2020, the Governor signed an executive order suspending penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. See "PROPERTY TAXATION – Property Tax Collection Procedures – Waiver of State Laws Relating to Penalties for Non-Payment of Property Taxes."

Impact of COVID-19 Pandemic on Education. The State's and other local (if any) shelter-in-place orders suspended in-person classroom instruction throughout schools in the State from March 2020 through the end of the academic year. School districts in the State generally commenced the 2020-21 academic year in accordance with the Governor's order of July 17, 2020 (Pandemic Plan for Learning and Safe Schools) and the State's Blueprint. Under the State's Blueprint, schools located in counties in Tier 2 or lower were permitted to have in-person instruction under certain conditions. In addition, K-6 schools could apply for and be granted a waiver and permitted to conduct in-person education based on satisfying certain required criteria. More recently, on December 30, 2020, the Governor announced the Safe Schools for All Plan, a plan aimed at incentivizing schools to offer in-person learning by offering between $450 and $700 in per pupil grant funding if the schools reopen for their youngest students by February 16, 2021. The plan reduces the restrictions on in-person instruction if certain conditions are met, including in tier 1 counties. The pillars identified in the plan are (1) funding for safe reopening, (2) safety and mitigation measures relating to testing, protective gear and contact tracing, (3) hands-on oversight and assistant to be provided by the State, and (4) transparency and accountability for families and staff in the form of an accessible State dashboard to include data such as reopening status of local schools and data on outbreaks, and a web-based hotline for staff and parents to report concerns to the State. Related State funding in the amount of $2 billion is proposed by the Governor as immediate action by the State legislature, to permit school openings to commence as soon as February 2021. The proposal requires districts to continue to offer remote-only instruction and is dependent on numerous factors including the submittal of safety plans by districts, local infection rates, the ability to provide regular COVID-19 testing and availability of State funding.

With respect to school funding in light of the COVID-19 pandemic, State law allows school districts to apply for a waiver to hold them harmless from the loss of State apportionment funding based on attendance and state instructional time penalties when they are forced to close schools due to emergency conditions. In addition, the Governor's Executive Order N-26-20 provides for continued State funding to support distance learning or independent study, providing subsidized school meals to low-income students, continuing payment for school district employees, and, to the extent practicable, providing for attendance calculations supervision of students during school hours. In addition, Senate Bill 117 (March 17, 2020) addresses attendance issues and instructional hour requirements, among other items, and effectively holds schools harmless from funding losses that could result from these issues under existing education funding formulas. See Appendix B under the heading "DISTRICT FINANCIAL INFORMATION – Education Funding Generally." In addition, federal funding to school districts has been made available to most school districts under the CARES Act and the CRRSA Act.

Information on the District's response to the COVID-19 pandemic can be found in Appendix B under the heading "GENERAL INFORMATION - District's Response to COVID-19 Pandemic."

Impacts of COVID-19 Emergency Uncertain. The possible impacts that the COVID-19 pandemic might have on the District's finances, programs, credit ratings on its debt obligations, local property values and the economy in general are uncertain at this time. In addition, there may be unknown consequences of the COVID-19 pandemic, which the District is unable to predict.

General Obligation Bonds Secured by* Ad Valorem *Tax Revenues. Notwithstanding the impacts the COVID-19 pandemic may have on the economy in the State, the County and the District or on the District's general purpose revenues, the Bonds described herein are voter-

approved general obligations of the District payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the general fund of the District. The District cannot predict the impacts that the COVID-19 pandemic might have on local property values or tax collections. See "SECURITY FOR THE BONDS – *Ad Valorem* Taxes" and "PROPERTY TAXATION – Teeter Plan; Tax Levies and Delinquencies" herein.

PROPERTY TAXATION

Property Tax Collection Procedures

Generally. In California, property which is subject to *ad valorem* property taxes is classified as "secured" or "unsecured." The "secured roll" is that part of the assessment roll containing state assessed public utilities' property and real property, the taxes on which create a lien on such property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1-1/2% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

Property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. A bill enacted in 1983, SB813 (Statutes of 1983, Chapter 498), however, provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A 10% penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1-1/2% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the superior court clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder's office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive

means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes for the amount of taxes which are delinquent.

Waiver of State Laws Relating to Penalties for Non-Payment of Property Taxes. In an attempt to mitigate the effects of the COVID-19 pandemic on State property taxpayers, on May 6, 2020, the Governor signed Executive Order N-61-20 ("**Order N-61-20").** Under Order N-61-20, certain provisions of the State Revenue and Taxation Code are suspended until May 6, 2021 to the extent said provisions require a tax collector to impose penalties, costs or interest for the failure to pay secured or unsecured property taxes, or to pay a supplemental bill, before the date that such taxes become delinquent. Said penalties, costs and interest shall be cancelled under the conditions provided for in Order N-61-20, including if the property is residential real property occupied by the taxpayer or the real property qualifies as a small business under certain State laws, the taxes were not delinquent prior to March 4, 2020, the taxpayer files a claim for relief with the tax collector, and the taxpayer demonstrates economic hardship or other circumstances that have arisen due to the COVID-19 pandemic or due to a local, state, or federal governmental response to COVID-19.

Disclaimer Regarding Property Tax Collection Procedures. The property tax collection procedures described above are subject to amendment based on legislation or executive order, including Order N-61-20, which may be enacted by the State legislature or declared by the Governor from time to time. The District cannot predict the impact of Order N-61-20 on property tax revenues in the County or the District, whether future amendments or orders will occur, and what impact, if any, said future amendments or orders could have on the procedures relating to the levy and collection of property taxes, and related interest and penalties.

Taxation of State-Assessed Utility Property

The State Constitution provides that most classes of property owned or used by regulated utilities be assessed by the State Board of Equalization ("**SBE**") and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as "unitary property," a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and "operating nonunitary" property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuation

Assessed Valuation History. The table below shows a recent history of the District's assessed valuation as of the date the equalized assessment tax roll is established in August of each year, excluding any exemptions granted after such date in each year.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Assessed Valuations
Fiscal Year 2006-07 through Fiscal Year 2020-21

Fiscal Year	Local Secured	Utility	Unsecured	Total	Percent Change
2006-07	$7,317,048,283	$4,969,893	$1,244,784,886	$8,566,803,062	--
2007-08	7,815,158,726	1,450,187	1,339,229,332	9,155,838,245	6.9%
2008-09	8,227,713,627	1,450,187	1,426,996,506	9,656,160,320	5.5
2009-10	7,881,536,752	1,450,187	1,277,336,461	9,160,323,400	(5.1)
2010-11	7,840,252,345	1,530,805	1,149,591,658	8,991,374,808	(1.8)
2011-12	7,897,225,670	1,530,805	1,121,208,822	9,019,965,297	0.32
2012-13	8,351,661,910	1,530,805	1,085,620,246	9,438,812,961	4.6
2013-14	8,871,526,705	1,530,805	1,175,332,422	10,048,389,932	6.5
2014-15	8,724,085,470	1,688,672	1,202,206,448	9,927,980,590	(1.2)*
2015-16	9,385,757,755	1,688,672	1,191,559,565	10,579,005,992	6.6
2016-17	9,773,440,516	1,688,672	1,501,109,880	11,276,239,068	6.6
2017-18	10,374,251,905	2,689,000	1,581,368,261	11,958,309,166	6.0
2018-19	10,982,014,862	2,689,000	1,842,424,401	12,827,128,263	7.3
2019-20	11,722,971,554	2,689,000	1,905,807,924	13,631,468,478	5.5
2020-21	12,305,990,872	2,689,000	1,838,559,682	14,147,239,554	3.8

*Decrease attributed to property tax exemption granted to Kaiser Foundation Hospitals for new hospital opened in 2014.
Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. Economic Conditions; Disasters. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and man-made or natural disasters such as earthquakes, fires, floods and drought. Seismic activity is also a risk in the region where the District is located. Notable natural disasters in recent years include drought conditions throughout the State, which ended in 2017 due to record-level precipitation in late 2016 and early 2017, and wildfires in different regions of the State, and related flooding and mudslides. The most destructive of the recent wildfires, which have burned thousands of acres and destroyed thousands of homes and structures, have originated in wildlands adjacent to urban areas. In addition, according to the U.S. Drought Monitor, as of January 2021, parts of the State, including within the County, are experiencing moderate to extreme drought conditions. The District cannot predict or make any representations regarding the effects that wildfires, droughts, or any other type of natural or manmade disasters, including the COVID-19 pandemic (see next paragraph), and related conditions have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have on economic activity in the District or throughout the State.

Currently the world is experiencing a global pandemic as a result of the outbreak of COVID-19 which has resulted in an economic recession that could cause general marked declines in property values. For disclosure relating to the COVID-19 pandemic, see also "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19."

The District cannot predict or make any representations regarding the effects that any disasters and related conditions, have or may have on the value of taxable property within the District, or to what extent the effects said disasters might have had on economic activity in the District or throughout the State.

Assessed Valuation by Land Use. The table below shows the land use of property within the District, as measured by assessed valuation and the number of parcels.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Assessed Valuation and Parcels by Land Use
Fiscal Year 2020-21

Non-Residential:	**2020-21 Assessed Valuation(1)**	**% of Total**	**No. of Parcels**	**% of Total**
Commercial	$1,509,659,496	12.27%	740	3.61%
Vacant Commercial	30,390,048	0.25	61	0.30
Industrial	2,389,529,318	19.42	621	3.03
Vacant Industrial	282,099,195	2.29	68	0.33
Recreational	1,666,784	0.01	3	0.01
Government/Social/Institutional	7,989,646	0.06	449	2.19
Subtotal Non-Residential	$4,221,334,487	34.30%	1,942	9.49%
Residential:				
Single Family Residence	$6,233,861,816	50.66%	14,857	72.57%
Condominium/Townhouse	640,949,556	5.21	2,052	10.02
Mobile Home	892,815	0.01	69	0.34
Mobile Home Park	25,173,733	0.20	5	0.02
2-4 Residential Units	472,768,765	3.84	1,123	5.49
5+ Residential Units/Apartments	697,756,093	5.67	297	1.45
Vacant Residential	13,253,608	0.11	129	0.63
Subtotal Residential	$8,084,656,385	65.70%	18,532	90.51%
Total	$12,305,990,872	100.00%	20,474	100.00%

(1) Local secured assessed valuation; excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Assessed Valuation of Single-Family Residential Parcels. The table below shows the breakdown of the assessed valuations of improved single-family residential parcels in the District, including the median and average assessed value per parcel.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Per Parcel 2020-21 Assessed Valuation of Single Family Homes

	No. of Parcels	2020-21 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential	14,857	$6,233,861,816	$419,591	$396,287

2020-21 Assessed Valuation	No. of Parcels (1)	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $49,999	44	0.296%	0.296%	1,632,199	0.026%	0.026%
$50,000 - $99,999	1,469	9.888	10.184	109,484,261	1.756	1.782
$100,000 - $149,999	617	4.153	14.337	76,624,591	1.229	3.012
$150,000 - $199,999	693	4.664	19.001	121,000,589	1.941	4.953
$200,000 - $249,999	1,034	6.960	25.961	234,850,166	3.767	8.720
$250,000 - $299,999	1,344	9.046	35.007	369,013,229	5.919	14.639
$300,000 - $349,999	1,150	7.740	42.748	373,047,434	5.984	20.624
$350,000 - $399,999	1,145	7.707	50.454	429,299,642	6.887	27.510
$400,000 - $449,999	1,042	7.014	57.468	441,798,150	7.087	34.597
$450,000 - $499,999	1,047	7.047	64.515	497,566,938	7.982	42.579
$500,000 - $549,999	893	6.011	70.526	468,157,402	7.510	50.089
$550,000 - $599,999	874	5.883	76.408	502,552,101	8.062	58.151
$600,000 - $649,999	824	5.546	81.955	515,199,551	8.265	66.415
$650,000 - $699,999	728	4.900	86.855	490,705,125	7.872	74.287
$700,000 - $749,999	637	4.288	91.142	459,828,303	7.376	81.663
$750,000 - $799,999	429	2.888	94.030	331,375,388	5.316	86.979
$800,000 - $849,999	321	2.161	96.190	264,316,684	4.240	91.219
$850,000 - $899,999	189	1.272	97.462	164,983,849	2.647	93.865
$900,000 - $949,999	141	0.949	98.412	129,823,308	2.083	95.948
$950,000 - $999,999	93	0.626	99.037	90,733,137	1.455	97.403
$1,000,000 and greater	143	0.963	100.000	161,869,769	2.597	100.000
	14,857	100.000%		$6,233,861,816	100.000%	

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Reassessments and Appeals of Assessed Value

Reassessment or appeals of assessed values could adversely impact property tax revenues within the District.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution" in APPENDIX B.

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as

residential home prices) cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the County Assessor.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA.

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

The District cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers or blanket reassessments initiated by the County Assessor. Any reduction in aggregate District assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding general obligation bonds) may be paid.

Tax Rates

The table below summarizes the total *ad valorem* tax rates levied by all taxing entities in Tax Rate Area 10-001 (a typical tax rate area in the District) for recent fiscal years. The 2020-21 assessed valuation of TRA 10-001 is $3,751,573,777.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Typical Total Tax Rates per $100 of Assessed Valuation (TRA 10-001)

	2016-17	2017-18	2018-19	2019-20	2020-21
General	$1.0000	$1.0000	$1.0000	$1.0000	$1.0000
Alameda County	-	-	-	-	.0036
San Leandro Unified School District	0.1179	0.1406	0.1335	.1325	.1770
Chabot-Las Positas Community College District	0.0246	0.0445	0.0443	.0422	.0214
Bay Area Rapid Transit District	0.0080	0.0084	0.0070	.0120	.0139
East Bay Regional Park District	0.0032	0.0021	0.0057	.0060	.0139
Total	$1.1537	$1.1956	$1.1905	1.1927	1.1927

Source: California Municipal Statistics Inc.

Teeter Plan; Property Tax Collections

For the District's share of the 1% general fund apportionment, the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the **"Teeter Plan"**) as provided for in the State Revenue and Taxation Code, which requires the County to pay 100% of such secured property taxes due to local agencies in the fiscal year such taxes are due. Pursuant to these provisions, each county operating under the Teeter Plan establishes a delinquency reserve and assumes responsibility for all secured delinquencies, assuming that certain conditions are met.

Because of this method of tax collection, the K-12 districts located in counties operating under the Teeter Plan and participating in the Teeter Plan currently are assured of 100% collection of their secured tax levies for the 1% general fund apportionment if the conditions established under the applicable county's Teeter Plan are met. However, such districts are no longer entitled to share in any penalties due to delinquent payments. This method of tax collection and distribution is subject to future discontinuance at the County's option or if demanded by the participating taxing agencies. Particularly, under the statute creating the Teeter Plan, the Board of Supervisors could under certain circumstances terminate the Teeter Plan in its entirety and, in addition, the Board of Supervisors could terminate the Teeter Plan with respect to the District if the delinquency rate for all *ad valorem* property taxes levied within the District in any year exceeds 3%.

Because the County does not participate in the Teeter Plan with respect to tax levies for debt service on general obligation bonds, secured property taxes actually collected for such purpose are allocated to political subdivisions for which the County acts as tax-levying or tax-collecting agency, including the District, when such secured property taxes are actually collected. As a consequence, the District's receipt of taxes levied for its general obligation bonds, including the Bonds, is subject to delinquencies. With respect to levies for general obligation bonds, California law permits the County to levy for debt service coming due in each year, plus an amount to create a reserve for payments. Counties vary in their practices regarding the amount of reserves maintained, if any.

The following tables show recent history of secured tax charges and delinquencies in the District.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Secured Tax Charges and Delinquencies
Fiscal Years 2008-09 through 2018-19

Fiscal Year	Secured Tax Charge[(1)]	Amt. Del. June 30	% Del. June 30
2008-09	$10,738,553	$579,970	5.40%
2009-10	9,991,005	377,205	3.78
2010-11	9,785,805	284,455	2.91
2011-12	9,798,163	240,868	2.46
2012-13	10,342,360	178,737	1.73
2013-14	11,035,410	149,633	1.36
2014-15	10,761,962	138,373	1.29
2015-16	11,342,018	174,996	1.54
2016-17	12,099,684	162,098	1.34
2017-18	12,881,550	139,317	1.08
2018-19	13,692,721	147,535	1.08
2019-20	14,346,216	190,592	1.33

Fiscal Year	Secured Tax Charge[(2)]	Amt. Del. June 30	% Del. June 30
2008-09	$5,681,334	$215,765	3.80%
2009-10	6,022,263	144,204	2.39
2010-11	6,999,632	145,971	2.09
2011-12	8,700,148	135,774	1.56
2012-13	8,949,463	116,596	1.30
2013-14	10,452,028	114,567	1.10
2014-15	11,308,567	112,249	0.99
2015-16	11,181,335	96,924	0.87
2016-17	11,417,156	86,405	0.76
2017-18	14,476,926	57,722	0.40
2018-19	14,554,440	109,989	0.76
2019-20	15,462,093	128,005	0.83

(1) 1% General Fund apportionment.
(2) District's general obligation bond debt service levy (not covered under the County's Teeter Plan).
Source: California Municipal Statistics, Inc.

The District cannot provide any assurances that the County will continue to maintain the Teeter Plan described above or will have sufficient funds available to distribute the full amount of the District's share of property tax collections to the District. The ability of the County to maintain the Teeter Plan may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District's or the County'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 the spread of COVID-19 or other outbreak of disease or natural or manmade disaster. See "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19."

Major Taxpayers

The following table shows the 20 largest owners of secured taxable property in the District as determined by secured assessed valuation.

The more property (by assessed value) which is owned by a single taxpayer in the District, the greater the amount of tax collections that are exposed to weaknesses in the taxpayer's financial situation and ability or willingness to pay property taxes. Each taxpayer listed below is a unique name listed on the tax rolls. The District cannot determine from County assessment records whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Top Twenty Secured Property Taxpayers
Fiscal Year 2020-21

	Property Owner	Primary Land Use	2020-21 Assessed Valuation	% of Total (1)
1.	Ghirardelli Chocolate Company	Industrial	$ 148,846,800	1.21%
2.	Waste Management of Alameda County Inc.	Industrial	132,358,023	1.08
3.	Kaiser Foundation Hospitals	Industrial	108,085,010	0.88
4.	Colfin 2018 2 Industrial Owner LLC	Industrial	104,560,200	0.85
5.	100 Halcyon Owner LLC	Industrial	96,758,996	0.79
6.	SLTC LLC	Office Building	94,642,948	0.77
7.	BRE Westgate Property Owner LLC	Shopping Center	88,915,587	0.72
8.	BPP Pacific Industrial CA REIT Owner 2	Industrial	85,368,123	0.69
9.	Safeway Stores Incorporated	Industrial	83,935,602	0.68
10.	MM PG Bayfair Properties LLC	Shopping Center	83,549,647	0.68
11.	AMB US Logistics Fund LP	Industrial	73,782,739	0.60
12.	BG8 Williams Street LLC	Industrial	70,635,000	0.57
13.	AMB-SGP CIF-I LLC	Industrial	57,842,575	0.47
14.	Prologis USLV Newca 7 LLC	Industrial	55,300,401	0.45
15.	Chill Build San Leandro LLC	Industrial	55,274,915	0.45
16.	Woodchase Owner LLC	Apartments	55,187,473	0.45
17.	2000 Marina LLC	Industrial	50,510,309	0.41
18.	Creekside Plaza Partners LLC	Office Building	48,863,474	0.40
19.	Lone Oak San Leandro LLC	Industrial	46,818,000	0.38
20.	Gateway Buena Park Inc.	Shopping Center	41,850,912	0.34
			$1,583,086,734	12.86%

(1) 2020-21 local secured assessed valuation: $12,305,990,872.
Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the "**Debt Report**") prepared by California Municipal Statistics, Inc. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

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

[Remainder of page intentionally left blank]

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Statement of Direct and Overlapping Bonded Debt
Dated as of March 1, 2021

2020-21 Assessed Valuation: $14,147,239,554

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 3/1/21
Alameda County	4.268%	$ 8,164,684
Bay Area Rapid Transit District	1.652	30,923,623
Chabot-Las Positas Community College District	10.069	59,738,370
San Leandro Unified School District	**100.**	**317,491,547**(1)
City of Oakland	1.827	8,222,870
City of San Leandro Cherrywood Community Facilities District	100.	1,855,000
East Bay Regional Park District	2.643	3,542,942
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$429,939,036
OVERLAPPING GENERAL FUND DEBT:		
Alameda County General Fund Obligations	4.268%	$33,987,471
Alameda-Contra Costa Transit District Certificates of Participation	5.054	589,044
City of Oakland General Fund Obligations	1.827	1,579,213
City of Oakland Pension Obligation Bonds	1.827	3,627,752
City of San Leandro General Fund Obligations	86.021	34,177,956
City of San Leandro Pension Obligation Bonds	86.021	7,230,065
TOTAL OVERLAPPING GENERAL FUND DEBT		$81,191,501
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):		$21,722,180
COMBINED TOTAL DEBT		$532,852,717(2)

Ratios to 2020-21 Assessed Valuation:

Direct Debt ($317,491,547)	**2.24%**
Total Direct and Overlapping Tax and Assessment Debt	3.04%
Combined Total Debt	3.77%

Ratios to 2019-20 Redevelopment Incremental Valuation ($3,052,668,667):

Total Overlapping Tax Increment Debt	0.71%

(1) Excludes the Bonds but includes the Refunded Bonds as described herein. See "THE FINANCING AND REFINANCING PLAN."
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

TAX MATTERS

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

Tax Treatment of Original Issue Discount and Premium – Bonds. If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not

deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Other Tax Considerations

Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or may cause the interest on the Bonds to be subject to or exempted from state income taxation, or cause the Bonds to not be "qualified tax-exempt obligations," or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Bonds, as applicable. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

Forms of Opinions

A copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix D.

CERTAIN LEGAL MATTERS

Legality for Investment

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

Absence of Material Litigation

No litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to purchasers at the time of the original delivery of the Bonds. The District is not aware of any litigation pending or threatened that (i) questions the political existence of the District, (ii) contests the District's ability to receive *ad valorem* taxes or to collect other revenues or (iii) contests the District's ability to issue and retire the Bonds.

The District is subject to lawsuits and claims that arise in the regular course of operating a public school district. 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.

Compensation of Certain Professionals

Payment of the fees and expenses of Jones Hall, A Professional Law Corporation, San Francisco, California as Bond Counsel and Disclosure Counsel to the District, Stradling Yocca Carlson & Rauth, a Professional Corporation, San Francisco, California, as Underwriter's Counsel, and Dale Scott & Company, Inc., as Municipal Advisor to the District, is contingent upon issuance of the Bonds.

CONTINUING DISCLOSURE

The District will execute a Continuing Disclosure Certificate in connection with the issuance of the Bonds in the form attached hereto as APPENDIX E. The District has covenanted therein, for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the District to the Municipal Securities Rulemaking Board (an **"Annual Report"**) not later than nine months after the end of the District's fiscal year (which currently would be March 31), commencing March 31, 2022 with the report for the 2020-21 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. Such notices will be filed by the District with the Municipal Securities Rulemaking Board (the **"MSRB**"). The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in "APPENDIX E – FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter of the Bonds in complying with S.E.C. Rule 15c2-12(b)(5) (the **"Rule"**).

The District has existing disclosure undertakings that have been made pursuant to the Rule in connection with the issuance of the District's outstanding general obligation bonds and other indebtedness (see information in APPENDIX B under the heading "DISTRICT FINANCIAL INFORMATION – Long-Term Indebtedness"). [In the previous five years, specific instances of non-compliance with prior undertakings are that the District did not timely file event notices regarding insured rating changes, as well as a change to the District's rating, in a timely manner, and the District did not associate the filing for fiscal year 2015-16 with one series of outstanding general obligation bonds by the required filing date. Remedial filings have been made.]

In order to assist in future timely compliance with its disclosure undertakings for its outstanding obligations and the Bonds, the District has contracted with Dale Scott & Company, Inc. to serve as dissemination agent for the Bonds and the outstanding obligations of the District.

Neither the County nor any other entity other than the District shall have any obligation or incur any liability whatsoever with respect to the performance of the District's duties regarding continuing disclosure.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("**S&P**"), has assigned a rating of "__" to the Bonds and Moody's Investors Service, Inc. ("**Moody's**") has assigned a rating of "___" to the Bonds.

Such ratings reflect only the views of S&P and Moody's, respectively, and an explanation of the significance of such ratings may be obtained only from S&P and Moody's. The District has provided certain additional information and materials to S&P and Moody's (some of which does not appear in this Official Statement because it is not material for purposes of making an investment decision). There is no assurance that such ratings will continue for any given period of time or that the ratings will not be revised downward or withdrawn entirely by S&P or Moody's, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

The Bonds are being purchased by Piper Sandler & Co. (the "**Underwriter**"). The Underwriter has agreed to purchase the Bonds at the following respective prices:

***Series D Bonds*.** $_____, which is equal to the initial principal amount of the Series D Bonds of $_____, plus net original issue premium of $_____, less an Underwriter's discount of $_____.

***Refunding Bonds*.** $_____, which is equal to the initial principal amount of the Refunding Bonds of $_____, less an Underwriter's discount of $_____.

The purchase contracts relating to the Bonds provides that the Underwriter will purchase all of the Bonds (if any are purchased) and provides that the Underwriter's obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel.

The Underwriter may offer and sell Bonds to certain securities dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed by the Underwriter.

The Underwriter has entered into a distribution agreement (the "**Schwab Agreement**") with Charles Schwab & Co., Inc. ("**CS&Co**.") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Schwab Agreement, CS&Co. will purchase the Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

VERIFICATION OF MATHEMATICAL ACCURACY

The Verification Agent, upon delivery of the Refunding Bonds, will deliver a report of the mathematical accuracy of certain computations, contained in schedules provided to them on behalf of the District, relating to the sufficiency of the anticipated amount of proceeds of the Refunding Bonds and other funds available to pay upon prior redemption, principal and premium, if any, on the applicable Refunded Bonds upon their redemption, and interest requirements thereon to and including the applicable redemption date, of the Refunded Bonds described under the heading "THE FINANCING AND REFINANCING PLAN."

The report of the Verification Agent will include the statement that the scope of their engagement is limited to verifying mathematical accuracy, of the computations contained in such schedules provided to them, and that they have no obligation to update their report because of events occurring, or data or information coming to their attention, subsequent to the date of their report.

ADDITIONAL INFORMATION

The discussions herein about the Bond Resolution and the Continuing Disclosure Certificate are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and for full and complete statements of such provisions reference is made to such documents. Copies of these documents mentioned are available from the Underwriter and following delivery of the Bonds will be on file at the offices of the Paying Agent in Dallas, Texas.

References are also made herein to certain documents and reports relating to the District; such references are brief summaries and do not purport to be complete or definitive. Copies of such documents are available upon written request to the District.

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

EXECUTION

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

SAN LEANDRO UNIFIED SCHOOL DISTRICT

By: _____

Assistant Superintendent of
Business and Operations

APPENDIX A

SAN LEANDRO UNIFIED SCHOOL DISTRICT

AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2019-20

APPENDIX B

GENERAL AND FINANCIAL INFORMATION ABOUT THE DISTRICT

The information in this and other sections concerning the District's operations, financial information, and operating budget is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds are payable from the general fund of the District. The Bonds are payable solely from the proceeds of an ad valorem *tax required to be levied by the County in an amount sufficient for the payment thereof. See "SECURITY FOR THE BONDS" in the front half of the Official Statement.*

DISTRICT GENERAL INFORMATION

The District

The San Leandro Unified School District (the "**District**") was formed in 1952 and includes approximately 12.4 square miles in the central part of Alameda County. The District currently operates 13 schools, consisting of 8 elementary school (grades K-5), 2 middle schools (grades 6-8), 1 comprehensive high school (grades 9-12), 1 continuation high school, 1 adult school and 1 independent study program. The District's enrollment for 2020-21 is approximately 9,067 students.

Superintendent and Administrative Personnel

The District is governed by a seven-member Board of Education, with each member elected to a four-year term in staggered years. The District is divided into six trustee areas, and trustees are nominated from each trustee area, with one trustee nominated from the District at large. Current members of the Board of Education, together with their office and the date their term expires, are listed below:

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Board of Education

Name	Office	Term Expires
Evelyn Gonzalez	President	December 2024
Christian Rodriguez	Vice President	December 2022
James Aguilar	Clerk	December 2022
Peter Oshinski	Member	December 2024
Diana J. Prola	Member	December 2024
Leo Sheridan	Member	December 2022
Monique Tate	Member	December 2024

The day-to-day operations are managed by a board-appointed Superintendent of Schools. Michael McLaughlin, Ed.D. is serving in this capacity. Kevin Collins, Ed.D., is the Assistant Superintendent of Business and Operations.

Enrollment

The following table shows recent and projected enrollment history for the District.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Annual Enrollment
Fiscal Years 2007-08 through 2020-21

School Year	Enrollment	Percent Change
2007-08	8,719	(0.1)
2008-09	8,795	0.9
2009-10	8,801	0.1
2010-11	8,822	0.2
2011-12	8,870	0.5
2012-13	8,704	(1.9)
2013-14	8,673	(0.4)
2014-15	8,617	(0.6)
2015-16	8,560	(0.7)
2016-17	8,638	0.9
2017-18	8,880	2.8
2018-19	8,926	0.5
2019-20	9,067	1.6
2020-21[(1)]	9,067	0.0

(1) As set forth in Second Interim Report for fiscal year 2020-21.
Source: California Department of Education for 2007-08 through 2018-19; The District for Fiscal Year 2019-20 and 2020-21.

District's Response to COVID-19 Pandemic

To reduce the potential for community transmission of COVID-19 and in accordance with all official recommendations, guidelines and mandates, the District closed its facilities with respect to in-person instruction in March 2020. Thereafter, distance learning was implemented, which extended through the end of the 2019-20 academic year. The District has prepared learning plans that provide education in distance and blended/hybrid learning formats and has adjusted its teaching mode as needed to adjust to all applicable orders and mandates, with guidance from the State and local officials. The District has prepared a Reopening Readiness Dashboard available to the community on the District's web site, and currently aims for re-opening some programs at school sites on March 15, 2021.

The District has received one-time federal and State funding to address expenses arising due to COVID-19 pandemic in the combined approximate amount of $_____. The District expects to receive additional one-time federal funding of $_____ under the CRRSA Act which was approved in December 2021. The funds received by the District have been spent to date on addressing costs that have arisen due to COVID-19, including acquiring personal protective equipment, instructional software, chrome books, cleaning and sanitizing facilities and establishing several Wi-Fi hotspots. The District has realized some cost-savings resulting from not operating its sites, such as reductions in costs relating to substitute teachers, reduced electricity costs and costs relating to transportation and fuel, which have offset some of the expenses resulting from the COVID-19 pandemic.

The District is funded pursuant to the State's education funding formula known as LCFF, and as such, the District's main operating revenues will be affected by the State's financial

position. The extent of the impact of the COVID-19 pandemic on education funding cannot be fully predicted. See herein under the heading "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS" for information on the State's current and proposed budgets.

With respect to pension costs, the District cannot currently predict if the COVID-19 emergency will have a material impact on its required employer contributions which could rise if the unfunded actuarial accrued liabilities of PERS and STRS materially increase, although the State reduced employer contribution rates as part of its fiscal year 2020-21 Budget in response to the COVID-19 pandemic.

The District maintains reserves for economic uncertainties, which exceed the State's required minimum reserve of three percent of expenditures and has a projected ending fund balance (combined restricted and unrestricted) for fiscal year 2020-21 of approximately _____% of expenditures. See "DISTRICT FINANCIAL INFORMATION – District Budget and Interim Financial Reporting - District Reserves."

The impacts of the COVID-19 emergency on global, State-wide and local economies, which could impact District operations and finances, and local property values are unknown and cannot be predicted by the District. See also information in the front half of this Official Statement under the heading "SECURITY FOR THE BONDS - Disclosure Relating to COVID-19 Pandemic."

Employee Relations

During fiscal year 2019-20, the District employs 482.0 Certificated full-time equivalent ("**FTE**") employees, 290.2 Classified FTE employees, and 50.0 FTE management, confidential and special services employees FTE employees.

The certificated and classified employees of the District are represented by three bargaining units, as set forth in the following table. The District has historically had a good working relationship with each of its bargaining units and has experienced no work stoppages by represented personnel in the past ten years.

BARGAINING UNITS
San Leandro Unified School District

Employee Group	Representation	Contract Expiration Date
Certificated	San Leandro Teachers Association	June 30, 2021
Classified	California School Employees Association	June 30, 2021
Classified	Teamster Union Local 856 (Alameda Building Trade)	June 30, 2019*

**Parties perform pursuant to expired terms pending settlement.*
Source: San Leandro Unified School District.

Insurance; Risk Management

Property and Liability Insurance. 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 ending June 30, 2020, the District contracted with East Bay Schools Insurance Group (**"EBSIG"**) for property and liability insurance coverage. Settled

claims have not exceeded this commercial coverage in any of the past three fiscal years, and there have not been significant reductions in coverage. EBSIG is not a component of the District for financial reporting purposes.

Workers' Compensation Insurance. For fiscal year 2019-20, the District participated in the Alameda County Schools Insurance Group (**"ACSIG"**), an insurance purchasing pool. The intent of ACSIG is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in ACSIG. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in ACSIG. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of each participating district. A participant will then either receive money from or be required to contribute to the "equity-pooling fund". This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of ACSIG. Participation in ACSIG is limited to districts that can meet the ACSIG selection criteria. ACSIG is not a component of the District for financial reporting purposes.

DISTRICT FINANCIAL INFORMATION

Education Funding Generally

School districts in California receive operating income primarily from two sources: the State funded portion which is derived from the State's general fund, and a locally funded portion, being the district's share of the one percent general *ad valorem* tax levy authorized by the California Constitution. As a result, decreases or deferrals in education funding by the State could significantly affect a school district's revenues and operations.

From 1973-74 to 2012-13, California school districts operated under general purpose revenue limits established by the State Legislature. In general, revenue limits were calculated for each school district by multiplying (1) the average daily attendance ("**ADA**") for such district by (2) a base revenue limit per unit of ADA. The revenue limit calculations were adjusted annually in accordance with a number of factors designated primarily to provide cost of living increases and to equalize revenues among all California school districts of the same type. Funding of the District's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Generally, the State apportionments amounted to the difference between the District's revenue limit and its local property tax revenues.

The fiscal year 2013-14 State budget (the **"2013-14 Budget"**) replaced the previous K-12 finance system with a new formula known as the Local Control Funding Formula (the **"LCFF"**). Under the LCFF, revenue limits and most state categorical programs were eliminated. School districts instead receive funding based on the demographic profile of the students they serve and gain greater flexibility to use these funds to improve outcomes of students. The LCFF creates funding targets based on student characteristics. For school districts and charter schools, the LCFF funding targets consist of grade span-specific base grants plus supplemental and concentration grants that reflect student demographic factors. The LCFF includes the following components:

- A base grant for each local education agency per unit of ADA, which varies with respect to different grade spans. The base grant is $2,375 more than the average revenue limit provided prior to LCFF implementation. The base grants will be adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.

- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional concentration grant of up to 50% of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.

- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

The LCFF was implemented for fiscal year 2013-14 and was phased in over a period of five fiscal years. Beginning in fiscal year 2013-14, an annual transition adjustment was required to be calculated for each school district, equal to each district's proportionate share of the appropriations included in the State budget (based on the percentage of each district's students who are low-income, English learners, and foster youth ("**Targeted Students**"), to close the gap between the prior-year funding level and the target allocation at full implementation of LCFF. In each year, districts had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap. Full implementation occurred in fiscal year 2018-19 in connection with adoption of the State Budget for said fiscal year.

Funding levels used in the LCFF target entitlement calculations, not including any supplemental or concentration grant funding entitlements, for fiscal year 2020-21 are set forth in the following table. Full implementation of LCFF occurred in fiscal year 2018-19 in connection with adoption of the State Budget for said fiscal year.

Fiscal Year 2020-21 Base Grant* Under LCFF by Grade Span
(Targeted Base Grant)

Entitlement Factors per ADA	K-3	4-6	7-8	9-12
2019-20 Base Grants	$7,702	$7,818	$8,050	$9,329
Statutory COLA (2.31%)	$178	$181	$186	$215
2020-21 Base Grant Before Deficit Factor	$7,880	$7,999	$8,236	$9,544
Deficit Factor Impact	($178)	($181)	($186)	($215)
2020-21 Base Grants After Deficit Factor	$7,702	$7,818	$8,050	$9,329
Grade Span Adjustment Factors	10.4%	--	--	2.6%
Grade Span Adjustment Amounts	$801	--	--	$243
2020-21 Adjusted Base Grants†	$8,503	$7,818	$8,050	$9,572

*Does not include supplemental and concentration grant funding entitlements.
†Reflects 0% cost of living adjustment from fiscal year 2019-20.
Source: San Leandro Unified School District.

The LCFF includes a "hold harmless" provision which provides that a district or charter school will maintain total revenue limit and categorical funding at least equal to its 2012-13 level, unadjusted for changes in ADA or cost of living adjustments.

The LCFF includes an accountability component. Districts are required to increase or improve services for English language learners, low income, and foster youth students in proportion to supplemental and concentration grant funding received. All school districts, county offices of education, and charter schools are required to develop and adopt local control and accountability plans, which identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement, and school climate.

County superintendents review and provide support to the districts under their jurisdiction, and the Superintendent of Public Instruction performs a corresponding role for county offices of education. In addition, the 2013-14 Budget created the California Collaborative for Education Excellence to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. Under the LCFF and related legislation, the State will continue to measure student achievement through statewide assessments, produce an Academic Performance Index for schools and subgroups of students, determine the contents of the school accountability report card, and establish policies to implement the federal accountability system.

Basic Aid or Community Supported districts are school districts which have local property tax revenues which exceed such district's funding entitlement under LCFF. As such, in lieu of State funding under LCFF, Basic Aid districts are entitled to keep the full share of local property tax revenues, even the amount which exceeds its funding entitlement under LCFF. The District's funding formula is currently determined pursuant to LCFF, and not as a Basic Aid district.

District Accounting Practices

The accounting practices of the District conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts.

District accounting is organized on the basis of fund groups, with each group consisting of a separate set of self-balancing accounts containing assets, liabilities, fund balances, revenues and expenditures. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The District's fiscal year begins on July 1 and ends on June 30.

District expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the District updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting, (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iv) required supplementary information.

Financial Statements

General. The District's Audited Financial Statements for the fiscal year ending fiscal year 2019-20 were prepared by Eide Bailly LLP, San Ramon, California (the "**Auditor**"). Audited financial statements for the District for the fiscal year ended June 30, 2020 and prior fiscal years are on file with the District and available for public inspection at the Superintendent's Office. See Appendix A hereto for the 2019-20 Audited Financial Statements. Copies of such financial statements will be mailed to prospective investors and their representatives upon written request to the District. The District has not requested nor did the District obtain permission from the Auditor to include the audited financial statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the District.

General Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows recent audited income and expense statements for the District's General Fund.

GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Years 2015-16 through 2019-20 (Audited)
San Leandro Unified School District

	Audited 2015-16	Audited 2016-17	Audited 2017-18	Audited 2018-19	Audited 2019-20
Revenues					
LCFF	$72,892,369	$74,695,780	$79,171,158	$86,047,650	$92,163,590
Federal revenues	4,533,313	4,548,829	4,514,393	4,709,650	4,517,404
Other state revenues	11,861,280	9,065,312	9,653,209	15,223,154	12,429,299
Other local revenues	3,608,170	6,366,008	6,793,022	7,138,208	5,894,345
Total Revenues	92,895,132	94,675,929	100,131,782	113,118,970	115,004,638
Expenditures					
Current					
Instruction	57,255,815	58,867,294	65,840,408	72,182,753	73,928,320
Instruction-related activities:					
Supervision of instruction	4,190,805	4,044,840	3,648,703	3,866,640	3,679,252
Library, media & technology	1,685,627	1,478,587	1,240,940	1,638,917	1,764,299
School site administration	6,360,241	6,030,942	5,735,389	6,575,731	6,411,903
Pupil services:					
Home-to-school transportation	1,054,989	2,397,016	2,142,412	2,506,426	2,180,505
Food services	--	--	--	--	19,349
All other pupil services	4,153,363	5,240,922	4,579,095	4,983,536	5,259,301
Administration:					
Data processing	1,385,953	1,450,533	1,271,751	1,039,612	770,554
All other administration	4,271,009	4,242,965	4,528,803	5,134,392	5,278,104
Plant services	7,911,322	7,867,437	7,670,801	8,649,200	8,515,104
Facility acquisition and construction	428,372	59,256	48,560	773,487	851,637
Ancillary services	481,891	846,606	812,413	1,217,000	761,911
Other outgo	1,165,025	976,790	1,374,578	1,311,613	--
Enterprise services	485,254	--	--	--	--
Principal	130,000	520,265	--	--	162,215
Interest and other	109,150	112,199	--	--	--
Total Expenditures	91,068,816	94,135,652	98,893,853	109,879,307	109,582,708
Excess of Revenues Over/(Under) Expend.	1,826,316	540,277	1,237,929	3,239,663	5,421,930
Other Financing Sources (Uses)					
Operating transfers in	270,049	288,000	--	--	1,735,117
Operating transfers out	(1,090,616)	--	(224,566)	(144,905)	(110,968)
Other sources (uses)	--	(128,583)	--	--	(1,269,971)
Total Other Fin. Source (Uses)	(820,567)	159,417	(224,566)	(144,905)	354,178
Net change in fund balance	1,005,749	699,694	1,013,363	3,094,758	5,776,108
Fund Balance, July 1	4,873,774	5,879,523	6,579,218	7,592,582	10,687,340
Fund Balance, June 30	$5,879,523	$6,579,217	$7,592,581	$10,687,340	$16,463,448

Source: San Leandro Unified School District Audit Reports.

District Budget and Interim Financial Reporting

Budgeting and Interim Reporting Procedures. State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the Alameda County Superintendent of Schools (the **"County Superintendent"**).

The County Superintendent must review and approve, conditionally approve or disapprove the budget no later than August15. 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. If the budget is disapproved, it is returned to the District with recommendations for revision. The District is then required to revise the budget, hold a public hearing thereon, adopt the revised budget and file it with the County Superintendent no later than September 8. Pursuant to State law, the County Superintendent has available various remedies by which to impose and enforce a budget that complies with State criteria, depending on the circumstances, if a budget is disapproved. After approval of an adopted budget, the school district's administration may submit budget revisions for governing board approval.

Subsequent to approval, the County Superintendent will monitor each district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the district can meet its current or subsequent year financial obligations. If the County Superintendent determines that a district cannot meet its current or subsequent year obligations, the County Superintendent will notify the district's governing board of the determination and may then do either or both of the following: (a) assign a fiscal advisor to enable the district to meet those obligations or (b) if a study and recommendations are made and a district fails to take appropriate action to meet its financial obligations, the County Superintendent will so notify the State Superintendent of Public Instruction, and then may do any or all of the following for the remainder of the fiscal year: (i) request additional information regarding the district's budget and operations; (ii) after also consulting with the district's board, develop and impose revisions to the budget that will enable the district to meet its financial obligations; and (iii) stay or rescind any action inconsistent with such revisions. However, the County Superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the County Superintendent assumed authority.

A State law adopted in 1991 (**"A.B. 1200"**) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200, each school district is required to file interim certifications with the County Superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The County Superintendent reviews the certification and issues either a positive, negative or qualified certification.

Interim Certifications Regarding Ability to Meet Financial Obligations. Under the provisions of AB 1200, each school district is required to file interim certifications with the county office of education as to its ability to meet its financial obligations for the remainder of the then-

current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The county office of education reviews the certification and issues the following types of certifications:

- ***Positive certification*** - the school district that will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

- ***Negative certification*** - the school district will be unable to meet its financial obligations for the remainder of the fiscal year or subsequent fiscal year.

- ***Qualified certification*** - the school district may not meet its financial obligations for the current fiscal year or subsequent two fiscal years.

Under California law, any school district and office of education that has a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the district, unless the applicable county superintendent of schools determines that the district's repayment of indebtedness is probable.

District's Budget Approval/Disapproval and Certification History. During the past five years, each of the District's adopted budgets have been approved by the County Superintendent and the District has certified each of its interim reports as positive.

Copies of the District's budget, interim reports and certifications may be obtained upon request from the District Office at San Leandro Unified School District, 835 E. 14th Street, Suite 200, San Leandro, California 94577, telephone: 510-667-6234. The District may impose charges for copying, mailing and handling.

[Remainder of page intentionally left blank]

District's General Fund Fiscal Year Fiscal Year 2020-21. The following table shows the budgeted revenues, expenditures and changes in fund balances for the District's general fund for fiscal year 2020-21 (budgeted/projected).

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Fiscal Year 2020-21 (Adopted Budget and Second Interim Projections)
San Leandro Unified School District

	Adopted Budget 2020-21	Second Interim 2020-21
Revenues		
LCFF Sources	$91,713,695	$89,614,994
Federal Revenues	5,693,707	13,025,561
Other State Revenues	9,443,899	10,698,849
Other Local Revenues	6,956,599	7,119,739
Total Revenues	113,807,900	120,459,144
Expenditures		
Certificated Salaries	54,648,786	54,607,128
Classified Salaries	14,312,417	14,189,665
Employee Benefits	21,911,344	22,681,706
Books and Supplies	2,785,490	9,588,121
Contract Services & Operating Exp.	16,786,198	18,643,273
Capital Outlay	131,900	131,900
Other Outgo (Excluding Indirect Costs)	1,281,582	1,264,121
Other Outgo – Transfers of Indirect Costs	(287,555)	(155,718)
Total Expenditures	111,570,165	120,950,199
Excess of Revenues Over/(Under) Expenditures	2,237,735	(491,054)
Other Financing Sources (Uses)		
Operating Transfers In	--	--
Operating Transfers Out	(110,000)	(110,000)
Contributions	--	--
Total Other Financing Sources (Uses)	(110,000)	(110,000)
Net Change in Fund Balance	2,127,735	(601,054)
Fund Balance, July 1(1)	13,362,409	16,469,447
Fund Balance, June 30	$15,490,145	$15,868,392

(1) As shown in Second Interim Report.
Source: San Leandro Unified School District Fiscal Year 2020-21 Second Interim Report.

District Reserves. The District's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 3% of expenditures, plus any other allocation or reserve which might be approved as an expenditure by the District in the future. The District maintains an unrestricted reserve which meets the State's minimum requirements.

Under State law (Education Code Section 42127.01), there are certain restrictions on the amount of reserves that can be maintained by LCFF-funded districts with ADA over 2,500. State law provides that in a fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account is equal to or exceeds three percent of the

combined total of General Fund revenues appropriated for school districts, the school district budget shall not contain a combined assigned or unassigned ending general fund balance that is in excess of ten percent of those funds. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the requirements under certain circumstances.

The District cannot predict if or when the foregoing reserve cap will be triggered, or when or how any additional changes to legal provisions governing the reserve cap would impact its reserves and future spending.

Attendance - Revenue Limit and LCFF Funding

As described herein, prior to fiscal year 2013-14, school districts in California derived most State funding based on a formula which considered a revenue limit per unit of ADA. With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target.

Funding Trends Under LCFF. The following table sets forth ADA and total LCFF funding for the District for fiscal year 2013-14 through 2019-20 (Budgeted).

AVERAGE DAILY ATTENDANCE AND STATE FUNDING UNDER LCFF
Fiscal Years 2013-14 through 2019-20 (Budgeted)
San Leandro Unified School District

Fiscal Year	ADA[2]	Total Funding Under LCFF
2013-14	8,347	$55,971,986
2014-15	8,298	63,133,986
2015-16	8,147	72,892,369
2016-17	8,221	74,695,780
2017-18	8,439	79,171,158
2018-19	8,470	86,047,958
2019-20	8,614	92,163,590
2020-21[1]	8,614	89,614,994

(1) Second Interim Projection for FY 2019-20
(2) Represents average across grade spans; funded ADA.
Source: San Leandro Unified School District.

Targeted Students Unduplicated Count. Under LCFF, school districts are entitled to supplemental funding based on the unduplicated count of targeted students. Concentration grant funding is available for districts with unduplicated counts above 55%. The District's percentage of unduplicated students is above 55%, at approximately 68%, and therefore the District is eligible for both supplemental and concentration grant funding under LCFF.

Possible Impacts of COVID-19. As described herein, the short-term and long-term impact of COVID-19 on the District's attendance, revenues and local property values cannot be predicted. The Bonds described in this Official Statement are secured by *ad valorem* property taxes, and not the District's general fund. See "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19."

Revenue Sources

The District categorizes its general fund revenues into four sources, being LCFF, Federal Revenues, Other State Revenues and Local Revenues. Each of these revenue sources is described below.

LCFF Sources. District funding is provided by a mix of (1) local property taxes and (2) State apportionments of funding under the LCFF. Generally, the State apportionments will amount to the difference between the District's LCFF funding entitlement and its local property tax revenues.

Beginning in 1978-79, Proposition 13 and its implementing legislation provided for each county to levy (except for levies to support prior voter-approved indebtedness) and collect all property taxes, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The principal component of local revenues is the school district's property tax revenues, i.e., the district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes a district received, the less State equalization aid it is entitled to.

Federal Revenues. The federal government provides funding for several District programs, including special education programs, programs under Every Student Succeeds Act, the Individuals With Disabilities Education Act, and specialized programs such as Drug Free Schools.

Other State Revenues. As discussed above, the District receives State apportionment of basic and equalization aid in an amount equal to the difference between the District's LCFF funding entitlement and its property tax revenues. In addition to such apportionment revenue, the District receives other State revenues.

The District receives State aid from the California State Lottery (the "**Lottery**"), which was established by a constitutional amendment approved in the November 1984 general election. Lottery revenues must be used for the education of students and cannot be used for non-instructional purposes such as real property acquisition, facility construction, or the financing of research. Moreover, State Proposition 20 approved in March 2000 requires that 50% of the increase in Lottery revenues over 1997-98 levels must be restricted to use on instruction material.

For additional discussion of State aid to school districts, see "-State Funding of Education; Recent State Budgets."

Other Local Revenues. The District receives additional local revenues from items such as lease income, interest earnings, rental income, donations and other local sources, including a voter-approved parcel tax and the District's Education Foundation, both described in more detail below.

Parcel Tax Measure. At the November 6, 2018 election, the qualified voters in the District approved Measure I, a $39 per parcel annual tax to be levied on parcels in the District with an inflation factor. The parcel tax is levied and collected on an

ongoing basis as of July 1, 2019. The District raises an estimated $745,000 per year from parcel tax proceeds to support educational programs. Exemptions include Senior Citizens, and residents receiving Supplemental Security Income, and Social Security Disability Insurance.

San Leandro Education Foundation. The Foundation was established in 2008 in order to bring additional funding and programming to District schools. Since its founding, over $900,000 in donations have been secured. Donations in recent fiscal years have averaged [$250,000 per year.] The District expects to raise $_____ in fiscal year 2020-21.

District Retirement Systems

Qualified employees of the District are covered under multiple-employer defined benefit pension plans maintained by agencies of the State. Certificated employees are members of the State Teachers' Retirement System ("**STRS**") and classified employees are members of the Public Employees' Retirement System ("**PERS**"). Both STRS and PERS are operated on a Statewide basis. *The information set forth below regarding the STRS and PERS programs, other than the information provided by the District regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not to be construed as a representation by either the District or the Underwriter.*

Implementation of GASB Nos. 68 and 71. Commencing with fiscal year ended June 30, 2015, the District implemented the provisions of GASB Statement Nos. 68 and 71 which require certain new pension disclosures in the notes to its audited financial statements commencing with the financial statements for fiscal year 2014-15. Statement No. 68 generally requires the District to recognize its proportionate share of the unfunded pension obligation for STRS and PERS by recognizing a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. See "APPENDIX A - AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2020" for further information.

STRS. All full-time certificated employees participate in STRS, a cost-sharing, multiple-employer contributory public employee retirement system. STRS provides retirement, disability and survivor benefits to plan members and beneficiaries under a defined benefit program. Benefit provisions and contribution amounts are established by State statutes, as legislatively amended. The program is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers and the State. The District's contribution to STRS for recent fiscal years are set forth in the following table.

[Remainder of page intentionally left blank]

STRS Contributions
San Leandro Unified School District
Fiscal Years 2010-11 through 2019-20 (Projected)

Fiscal Year	Amount
2010-11	$3,068,640
2011-12	3,202,455
2012-13	3,227,688
2013-14	3,444,168
2014-15	3,893,895
2015-16	4,806,023
2016-17	5,989,418
2017-18	7,115,349
2018-19	8,534,371
2019-20	9,233,571
2020-21[(1)]	13,916,043

(1) Second Interim Projection. Increases attributed to increase in contribution rates and modified accounting reporting requirements, which include reporting the District's proportionate share of the plan's net pension liability and recognizing on-behalf STRS contributions in governmental funds.
Source: San Leandro Unified School District.

Historically, employee, employer and State contribution rates did not vary annually to account for funding shortfalls or surpluses in the STRS plan. In recent years, the combination of investment earnings and statutory contributions were not sufficient to pay actuarially required amounts. As a result, the STRS defined benefit program showed an estimated unfunded actuarial liability of approximately $102.6 billion as of June 30, 2019 (the date of the last actuarial valuation). In connection with the State's adoption of its fiscal year 2014-15 Budget, the Governor signed into law Assembly Bill 1469 (**"AB 1469"**), which represents a legislative effort to fund the unfunded actuarial obligation with respect to service credited members of the STRS Defined Benefit Program before July 1, 2014, within 32 years. AB 1469 addressed the funding gap by increasing contributions by employees, employers and the State. In particular, employer contribution rates are scheduled to increase through at least fiscal year 2020-21, from a contribution rate of 8.88% in fiscal year 2013-14 to 19.1% in fiscal year 2020-21. Thereafter, employer contribution rates will be determined by the STRS board to reflect the contribution required to eliminate unfunded liabilities by June 30, 2046.

The District's employer contribution rates for fiscal years 2015-16, 2016-17, 2017-18, 2018-19, and 2019-20 were 10.73%, 12.58%, 14.43%, 16.28%, and 17.10% respectively. Projected employer contribution rates for school districts (including the District) for fiscal year 2020-21 through fiscal year 2022-23 are set forth in the following table.

EMPLOYER CONTRIBUTION RATES (STRS)
Fiscal Years 2020-21 through 2022-23

Fiscal Year	Employer Contribution Rate[1]
2020-21[2]	16.15%
2021-22	16.02
2022-23	18.10

(1) Expressed as a percentage of covered payroll. Rates may change based on actual experience and other factors.
(2) Reflects changes to such rates included in the State's 2020-21 Budget.
Source: AB 1469.

PERS. All full-time and some part-time classified employees participate in PERS, an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State. PERS provides retirement, disability, and death benefits to plan members and beneficiaries. The District is part of a cost-sharing pool within PERS known as the "Schools Pool." Benefit provisions are established by State statutes, as legislatively amended. Contributions to PERS are made by employers and employees. Each fiscal year, the District is required to contribute an amount based on an actuarially determined employer rate. The District's employer contributions to PERS for recent fiscal years are set forth in the following table.

PERS Contributions
San Leandro Unified School District
Fiscal Years 2010-11 through 2019-20 (Projected)

Fiscal Year	Amount
2010-11	$1,073,550
2011-12	1,108,185
2012-13	1,174,421
2013-14	1,311,855
2014-15	1,394,910
2015-16	1,526,315
2016-17	1,861,098
2017-18	2,064,627
2018-19	2,413,505
2019-20	2,951,047
2020-21[1]	2,859,318

(1) Second Interim Projection.
Source: San Leandro Unified School District.

Like the STRS program, the PERS program has experienced an unfunded liability in recent years. The PERS unfunded liability, on a market value of assets basis, was approximately $31.4 billion as of June 30, 2019 (the date of the last actuarial valuation). To address this issue, the PERS board has taken a number of actions. In April 2013, for example, the PERS board approved changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates. In addition, in April 2014, PERS set new contribution rates, reflecting new demographic assumptions and other changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy intended to incrementally lower its discount rate

(its assumed rate of investment return) in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. In December 2016, PERS voted to lower its discount rate from the current 7.5% to 7.0% over the next subsequent three years according to the following schedule.

PERS DISCOUNT RATE
Fiscal Years 2018-19 through 2020-21

Fiscal Year	Amount
2018-19	7.375%
2019-20	7.250
2020-21	7.000

Source: PERS.

The new rates and underlying assumptions, which are aimed at eliminating the unfunded liability of PERS in approximately 30 years, was implemented for school districts beginning in fiscal year 2016-17, with the costs spread over 20 years and the increases phased in over the first five years.

The District's employer contribution rates for fiscal years 2015-16, 2016-17, 2017-18, 2018-19, and 2019-20 were 11.847%, 13.888%, 15.531%, 18.062%, and 19.721% respectively. Projected employer contribution rates for school districts (including the District) for fiscal year 2020-21 through fiscal year 2022-23 are set forth in the following table.

EMPLOYER CONTRIBUTION RATES (PERS)
Fiscal Years 2020-21 through 2022-23[(1)]

Fiscal Year	Employer Contribution Rate[(2)]
2020-21	20.700%
2021-22	22.840
2022-23	25.500

(1) The PERS board is expected to approve official employer contribution rates for each fiscal year shown during the immediately preceding fiscal year.
(2) Expressed as a percentage of covered payroll. Rates have been reduced following adoption of the fiscal year 2020-21 State Budget.
Source: PERS

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 ("**PEPRA**"), which impacted various aspects of public retirement systems in the State, including the STRS and PERS programs. In general, PEPRA (i) increased the retirement age for public employees depending on job function, (ii) capped the annual pension benefit payouts for public employees hired after January 1, 2013, (iii) required public employees hired after January 1, 2013 to pay at least 50% of the costs of their pension benefits (as described in more detail below), (iv) required final compensation for public employees hired after January 1, 2013 to be determined based on the highest average annual pensionable compensation earned over a period of at least 36 consecutive months, and (v) attempted to address other perceived abuses in the public retirement systems in the State. PEPRA applies to all public employee retirement systems in the State, except the retirement systems of the University of California, and charter cities and charter

counties whose pension plans are not governed by State law. PEPRA's provisions went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on or after that date; existing employees who are members of employee associations, including employee associations of the District, have a five-year window to negotiate compliance with PEPRA through collective bargaining.

PERS has predicted that the impact of PEPRA on employees and employers, including the District and other employers in the PERS system, will vary, based on each employer's current level of benefits. As a result of the implementation of PEPRA, new members must pay at least 50% of the normal costs of the plan, which can fluctuate from year to year. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in a lower retirement benefit for employees than they currently earn.

With respect to the STRS pension program, employees hired after January 1, 2013 will pay the greater of either (1) 50% of the normal cost of their retirement plan, rounded to the nearest one-quarter percent, or (2) the contribution rate paid by then-current members (i.e., employees in the STRS plan as of January 1, 2013). The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Employers will pay at least the normal cost rate, after subtracting the member's contribution.

The District is unable to predict the amount of future contributions it will have to make to PERS and STRS as a result of the implementation of PEPRA, and as a result of negotiations with its employee associations, or, notwithstanding the adoption of PEPRA, resulting from any legislative changes regarding the PERS and STRS employer contributions that may be adopted in the future.

Additional Information. Additional information regarding the District's retirement programs is available in Notes 8 and 9 to the District's audited financial statements attached hereto as Appendix B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811. More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. *The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the District or the Underwriter for accuracy or completeness.*

Other Post-Employment Retirement Benefits

The Plan Generally. The postemployment Benefits Plan (the "**Plan**") is a single-employer defined benefit healthcare plan administered by the District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan as of June 30, 2020 consisted of 210 retirees and beneficiaries currently receiving benefits, and 10 active plan members. For more information regarding the District's Plan and OPEB (defined below), see Note 10 in the District's 2019-20 Audit in Appendix A hereto.

Implementation of GASB 75. In June 2015, the Governmental Accounting Standards Board (**"GASB"**) issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (**"GASB 75"**). Other post-employment benefits (meaning other than pension benefits) (**"OPEB"**) 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 GASB 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, GASB 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. GASB 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. GASB 75 replaces GASB Statements Number 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and Number 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented GASB 75 in its audited financial statements.

Contribution Information. The contribution requirements of Plan members and the District are established and may be amended by the District, the Teacher Education Association (**"TEA"**), the local California Service Employees Association (**"CSEA"**), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2019-20, the District contributed $584,699 to the Plan, all of which was used for current premiums.

Actuarial Assumptions. The District's total OPEB liability of $10,556,773 was measured as of June 30, 2019 and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of June 30, 2020. Assumptions applied by the actuary are identified in Note 10 of the fiscal year 2019-20 audited financial statements attached as Appendix A.

Changes in OPEB Liability of the District. The changes in OPEB liability of the District as of June 30, 2020, is shown in the following table:

CHANGES IN TOTAL OPEB LIABILITY
San Leandro Unified School District

Changes in the Total OPEB Liability	
Balance at June 30, 2019	$9,309,673
Service Cost	1,029
Interest	21,196
Differences between actual and expected experience	1,967,287
Changes of assumptions or other inputs	(167,560)
Benefit payments	(574,852)
Net change in total OPEB liability	1,247,100
Balance at June 30, 2020	$10,556,773

Source: San Leandro Unified School District Audit Report

OPEB Expense. For the year ended June 30, 2020, the District recognized an OPEB expense of $841,354. For more information regarding the District's OPEB and assumptions used in the Actuarial Study, see Note 9 in the District's 2019-20 Audit in Appendix A hereto.

Long-Term Indebtedness

The District has never defaulted on the payment of principal or interest on any of its indebtedness.

General Obligation Bonds. The District has issued general obligation bonds and refunding general obligation pursuant to voter approvals received in 1997, 2006, 2010 and 2016. The following table summarizes the District's outstanding General Obligation bonds indebtedness.

SAN LEANDRO UNIFIED SCHOOL DISTRICT
Outstanding General Obligation Bonds

Issue Date	Original Principal Amount	Name of Issue	Final Maturity	Amount Outstanding March 1, 2021*
02/13/2010	$19,999,042.70	General Obligation Bonds, Election of 2006, Series C	08/01/39	
05/01/2010	18,327,343.98	2010 General Obligation Revenue Bonds(1)	02/01/26	
05/24/2011	30,000,000.00	General Obligation Bonds, Election of 2010, Series A	08/01/41	
10/19/2011	7,560,000.00	2011 General Obligation Refunding Bonds	08/01/22	
07/10/2013	11,670,000.00	General Obligation Bonds, Election of 2006, Series E	08/01/26	
07/10/2013	20,100,000.00	General Obligation Bonds, Election of 2010, Series B	08/01/38	
03/24/2015	11,745,000.00	General Obligation Series C Bonds, Series 2015A	08/01/29	
05/21/2015	31,275,000.00	General Obligation Series C Bonds, Series 2015B	08/01/33	
11/02/2016	17,900,000.00	2016 Refunding General Obligation Bonds	08/01/31	
05/02/2017	47,260,000.00	General Obligation Bonds, Election of 2016, Series A	08/01/46	
05/02/2017	23,675,000.00	2017 Refunding General Obligation Bonds	08/01/46	
03/14/2019	50,240,000.00	General Obligation Bonds, Election of 2016, Series B	08/01/39	
03/14/2019	3,250,000.00	General Obligation Bonds, Election of 2016, Series C	08/01/43	
06/09/2020	74,995,000	General Obligation Bonds, Election of 2020, Series A	08/01/43	
Total	$367,996,386.68	--	--	

*Not including accreted value with respect to 2006 Series B capital appreciation bonds.
(1) The Election of 2006, Series D Bonds were privately placed with the California Qualified School Bond Joint Powers Authority. Debt service payments on the Series D Bonds provide for the payment, together with a qualified school construction bond federal subsidy payment relating to a portion of interest, on the Authority's outstanding 2010 General Obligation Revenue Bonds, which were originally sold on a private placement basis to JP Morgan Chase Bank, N.A. The federal subsidy amount for interest due is subject to reduction due to federal sequestration, as may be applicable.
Source: San Leandro Unified School District.

Debt service payments on the bonds described in the foregoing table, including the Bonds described herein, are payable from *ad valorem* taxes levied and collected by the County on assessed property in the District. Below is more detail regarding the District's prior bond authorizations.

2006 Authorization. On November 7, 2006, the voters of the District approved authorization of $109 million in general obligation bonds (the "**2006 Authorization**"), of which $108,996,386 has been issued in five series between 2007 and 2013. Certain maturities of bonds issued pursuant to the 2006 Authorization have been refinanced with Refunding General Obligation bonds.

2010 Authorization. On November 2, 2010, the voters of the District approved authorization of $50.1 million in general obligation bonds (the "**2010 Authorization**"), which was issued by the District in two separate series issued in 2011 and 2013.

2016 Authorization. On the November 8, 2016, the voters of the District approved authorization of $104 million in general obligation bonds (the "**2016 Authorization**"). The District has issued the three series pursuant to the 2016 Authorization. The fourth issuance is the Series D Bonds described herein.

2020 Authorization. On the March 3, 2020, the voters of the District approved authorization of $198 million in general obligation bonds (the "**2020 Authorization**"). The District has issued $74,995,000 principal amount under the 2020 Authorization.

Notes Payable. On February 26, 2013, the City of San Leandro loaned the District $1,250,000 with interest rates of 1.5-5% for the purchase of a property in the City that will be used by the District to directly support education and administrative functions of the District. The loan matures on August 1, 2028. As of June 30, 2019, the balance is $911,033.

Accumulated Unpaid Employee Vacation. The long-term portion of accumulated unpaid employee vacation for the District as of June 30, 2019, amounted to $477,670.

Capital Lease Obligation. The District has other capital lease obligations for various facilities and equipment. The District's liability on these lease agreements, with options to purchase, totaled $636,130 as of June 30, 2019.

Investment of District Funds

In accordance with Government Code Section 53600 *et seq*., the Alameda County Treasurer manages funds deposited with it by the District. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq*. In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See "APPENDIX G - Alameda County Investment Policy and Recent Investment Report."

Effect of State Budget on Revenues

Public school districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts generally receive the majority of their operating revenues from various State sources. The primary source of funding for school districts is LCFF funding, which is derived from a combination of State funds and local property taxes (see "—Education Funding Generally" above). State funds typically make up the majority of a district's LCFF funding. School districts also receive funding from the State for some specialized programs such as special education.

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below), the condition of the State economy (which affects total revenue available to the State general fund),

and the annual State budget process. The District cannot predict how education funding may further be changed in the future, or the state of the economy which in turn can impact the amounts of funds available from the State for education funding. The world is currently experiencing a global pandemic resulting from COVID-19, and the impacts on current and future State revenues and budgets cannot be predicted. See "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS" below. See also "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19."

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

State Funding of Education

General. The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. School districts in California receive operating income primarily from two sources: (1) the State funded portion which is derived from the State's general fund, and (2) a locally funded portion, being a district's share of the 1% general *ad valorem* tax levy authorized by the California Constitution (see "DISTRICT FINANCIAL INFORMATION – Education Funding Generally" above). School districts in California are dependent on revenues from the State for a large portion of their operating budgets. California school districts receive an average of about 55% of their operating revenues from various State sources.

The availability of State funds for public education is a function of constitutional provisions affecting school district revenues and expenditures (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below), the condition of the State economy (which affects total revenue available to the State general fund), and the annual State budget process. Decreases in State revenues may significantly affect appropriations made by the legislature to school districts.

As described below in the summaries of State budgeting documents and commentary of the LAO and the State Department of Finance, the COVID-19 pandemic is expected to have a material impact on State revenues and appropriations.

The following information concerning the State's budgets for the current and most recent preceding years has been compiled from publicly-available information provided by the State. None of the District, the Underwriter or the County is responsible for the information relating to the State's budgets provided in this section. Further information is available from the Public Finance Division of the State Treasurer's Office.

The Budget Process. The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year (the "**Governor's Budget**"). Under State law, the annual proposed Governor's Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must

be approved by a majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (including for K-14 education) must be approved by a majority vote in each House of the Legislature, unless such appropriations require tax increases, in which case they must be approved by a two-thirds vote of each house of the Legislature, and be signed by the Governor. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

Recent State Budgets

Certain information about the State budgeting process and the State budget (the "**State Budget**") is available through several State of California sources. A convenient source of information is the State's website, where recent official statements for State bonds are posted. *The references to internet websites shown below are shown for reference and convenience only, the information contained within the websites may not be current and has not been reviewed by the District or the Underwriter and is not incorporated herein by reference.*

- The California State Treasurer Internet home page at www.treasurer.ca.gov, under the heading "Bond Finance" and sub-heading "-Public Finance Division", (1) posts various State of California Official Statements, many of which contain a summary of the current State Budget, past State Budgets, and the impact of those budgets on school districts in the State, and (2) also posts various financial documents for the State under the "-Financial Information" link.

- The California Department of Finance's Internet home page at www.dof.ca.gov, under the heading "California Budget", includes the text of proposed and adopted State Budgets.

- The State Legislative Analyst's Office prepares analyses of the proposed and adopted State budgets. The analyses are accessible on the Legislative Analyst's Internet home page at www.lao.ca.gov under the headings "The Budget" and "State Budget Condition."

Prior Years' Budgeting Techniques. Declining revenues and fiscal difficulties which arose in the State commencing in fiscal year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools until a later date in the fiscal year or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies. As a result of the COVID-19 pandemic and subsequent economic recession, budget-cutting strategies such as those used in recent years are being used and may continue to be used in the future during a period of budgetary strain.

2013-14 State Budget: Significant Change in Education Funding. As described previously herein, the 2013-14 State Budget and its related implementing legislation enacted significant reforms to the State's system of K-12 education finance with the enactment of the LCFF. Significant reforms such as the LCFF and other changes in law may have significant impacts on the District's finances.

2020-21 State Budget

Introduction and Background. The Governor signed the fiscal year 2020-21 State Budget (the **"2020-21 State Budget"**) on June 29, 2020. It notes that the COVID-19 pandemic impacted every sector of the State's economy and caused record high unemployment, and further action from the federal government is needed as a result of the crisis.

At the time of the Governor's proposed 2020-21 State Budget in January 2020, the State was projecting a surplus of $5.6 billion. By the time of the May Revise, the State had projected a budget deficit of $54.3 billion. The 2020-21 State Budget included measures to close this budget gap and bring the State's resources and spending into balance. The 2020-21 State Budget sustains the suspension of several ongoing programmatic expansions that were made in the 2019 Budget Act. In addition, the 2020-21 State Budget accelerates the suspension of most Proposition 56 (2016 tobacco tax measure) tax rate increases to July 1, 2021. Despite these measures, the State forecasted an operating deficit of $8.7 billion in 2021-22, after accounting for reserves.

Closing the Budget Gap. The 2020-21 State Budget uses the following strategies to close the budget gap:

- Reserve Draw Down: Draws down $8.8 billion in reserves, including from the State's Rainy Day Fund ($7.8 billion), the Safety Net Reserve ($450 million), and all of the funds in the Public School System Stabilization Account.

- Triggers: Includes $11.1 billion in funding reductions and deferrals that will be restored if at least $14 billion in federal funds are received by October 15, 2020. If the State receives a lesser amount between $2 billion and $14 billion, the reductions and deferrals will be partially restored. The trigger includes $6.6 billion in deferred funding for schools. No such federal funds were received by such date.

- Federal Funds: Relies on $10.1 billion in federal funds that provide State general fund relief, including $8.1 billion already received.

- Revenues: Temporarily suspends the use of net operating losses for medium and large businesses and temporarily limits to $5 million the amount of business incentive credits a taxpayer can use in any given tax year. These short-term limitations will generate $4.4 billion in new revenues in the 2020-21 fiscal year.

- Borrowing/Transfers/Deferrals: Relies on $9.3 billion in special fund borrowing and transfers, as well as other deferrals for K-14 schools. Approximately $900 million in additional special fund borrowing is associated with the reductions to employee compensation and is contained in the trigger.

- Other Solutions: Cancelling multiple program expansions and anticipating increased government efficiencies, higher ongoing revenues above the May Revision forecast and lower health and human services caseload costs than the May Revision estimated.

General Budget Highlights. Certain highlights of the 2020-21 State Budget are:

Emergency Response: COVID-19 and other emergency response efforts included in the 2020-21 State Budget are:

• Responding to COVID-19: The State expects to receive over $72 billion in federal assistance to State programs, of which unemployment insurance represents about $52 billion of this total. Under the CARES Act, the State received $9.5 billion for various uses including $4.4 billion to mitigate K-14 learning loss. The amount of $5.9 million of General Fund spending for 2020-21 and $4.8 million ongoing is allocated to support the State Department of Health's response to COVID-19.

• Enhancements to Emergency Responses and Preparedness: $117.6 million is allocated to the State Office of Emergency Services to enhance emergency preparedness and response capabilities, including with respect to power outages, earthquakes, wildfires and cybersecurity.

• Forestry and Fire Protection: $90 million is allocated to enhance CAL FIRE's fire protection capabilities, including for wildfire prediction and modeling technology.

Revenue Solutions. Revenue measures which are expected to net $4.3 billion in 2020-21, $3.1 billion in 2021-22 and $1.3 billion in 2022-23, include:

• Certain Tax Measure Extensions. Extending certain tax measures including certain sales tax exemptions through the end of 2022-23, extending the carryover period for film credits from 6 years to 9 years, and extending the current exemption from the minimum tax for first year corporations to first year limited liability corporations, partnerships, and limited liability partnerships.

• Expansion of Earned Income Tax. Expanding the Earned Income Tax Credit to certain taxpayers.

• Changes to Tax Laws and Sales Tax. Changes in tax law including suspending net operating losses for 2020, 2021, and 2022 for medium and large businesses, and limiting certain business incentive tax credits, and with respect to closing the sale tax loss gap, requiring used car dealers to remit sales tax to the Department of Motor Vehicles with registration fees.

Recovery for Small Businesses. The 2020-21 State Budget includes a waiver of the minimum franchise tax for the first year of operation, $100 million budgeted for the State's small business loan program, $25 million to provide capital to enable the origination of more loans in underbanked communities, and adding funding of $758,000 ongoing for positions relating to small business support.

Housing. Up to $500 million is allocated in State tax credits for low-income housing in 2021, under certain conditions. The 2020-21 State Budget provides $331 million in National Mortgage Settlement funds to help prevent avoidable foreclosures and evictions, and $8.3 billion across multiple departments and programs to address housing throughout the State.

K-12 Education Funding Summary. For K-12 education funding, the 2020-21 State Budget provides for funding under Proposition 98 of $70.9 billion, which is more than $10 billion below the minimum guarantee contained in the State's 2019-20 budget. For K-12 schools, this results in Proposition 98 per pupil spending of $10,654 in 2020-21, which is a $1,339 decrease over the 2019-20 per pupil spending levels. Additionally, in the same period, per pupil spending from all State, federal, and local sources decreased by approximately $542 per pupil to $16,881.

Efforts to mitigate the impact of the decline in K-12 funding in the 2020-21 State Budget include:

Deferrals: $1.9 billion of LCFF apportionment deferrals in 2019-20, growing to $11 billion LCFF apportionment deferrals in 2020-21. These deferrals will allow LCFF funding to remain at 2019-20 levels in both fiscal years. The statutory LCFF cost-of-living adjustment is suspended in 2020-21. Of the total deferrals, $5.8 billion will be triggered off in 2020-21 if the federal funding becomes available.

Learning Loss Mitigation: A one-time investment of $5.3 billion ($4.4 billion federal Coronavirus Relief Fund, $539.9 million Proposition 98 General Fund, and $355.2 million federal Governor's Emergency Education Relief Fund) to local educational agencies to address learning loss related to COVID-19 school closures. Funds will be allocated to local educational agencies on an equity basis, with an emphasis on ensuring the greatest resources are available to local educational agencies serving students with the greatest needs.

Supplemental Appropriations: In 2019-20 and 2020-21, the Proposition 98 funding level drops below the target funding level by a total of approximately $12.4 billion. To accelerate the recovery from this funding reduction, the 2020-21 State Budget provides supplemental appropriations above the constitutionally-required Proposition 98 funding level, beginning in 2021-22, and in each of the next several fiscal years, in an amount equal to 1.5 percent of State general fund revenues per year, up to a cumulative total of $12.4 billion.

Revised PERS and STRS Contributions. To provide local educational agencies with increased fiscal relief, the 2020-21 State Budget redirects $2.3 billion appropriated in the 2019 Budget Act to STRS and PERS for long-term unfunded liabilities to reduce employer contribution rates in 2020-21 and 2021-22. This reallocation will reduce the STRS employer rate from 18.41% to approximately 16.15% in 2020-21 and from 17.9% to 16.02%t in 2021-22. The PERS Schools Pool employer contribution rate will be further reduced from 22.67% to 20.7% in 2020-21 and from 24.6% to 22.84% in 2021-22.

Federal Funds. The 2020-21 State Budget appropriates $1.6 billion in federal Elementary and Secondary School Emergency Relief funds that the State was recently awarded. Of this amount, 90% ($1.5 billion) will be allocated to local educational

agencies in proportion to the amount of Title I-A funding they receive to be used for COVID-19 related costs. The remaining 10% ($164.7 million) is available for certain COVID-19 related State-level activities, such as providing additional funding for student meals and social services.

Special Education. The 2020-21 State Budget increases special education base rates to $625 per pupil pursuant to a new funding formula, apportioned using the existing hold harmless methodology, and provides $100 million to increase funding for students with low-incidence disabilities. Additional federal funding received by the State is also allocated to various special education programs.

Average Daily Attendance. To ensure funding stability regardless of the instructional model undertaken in the 2020-21 academic year, the 2020-21 State Budget includes a hold harmless for the average daily attendance used to calculate school funding for all local educational agencies and includes requirements for distance learning to ensure that, when in-person instruction is not possible, students continue to receive access to a quality education via distance learning.

In addition, the 2020-21 State Budget includes certain employee protection terms to ensure the continuity of employment for essential school staff during the COVID-19 pandemic. As such, the 2020-21 State Budget includes the suspension of the August 15, 2020, layoff window for teachers and other non-administrative certificated staff, and the suspension of layoffs for classified staff working in transportation, nutrition, and custodial services from July 1, 2020 through June 30, 2021. The 2020-21 State Budget also includes the intent of the State Legislature that school districts, community college districts, joint powers authorities, and county offices of education retain all classified employees in the 2020-21 fiscal year.

Proposed 2021-22 Budget

On January 8, 2021, the Governor submitted his $227.2 billion 2021-22 State Budget proposal (the "**2021-22 Proposed Budget**") to the Legislature. The Governor calls for immediate legislative action to provide rapid relief to individuals, families and small businesses hit hardest by the COVID-19 pandemic, including direct payments to low-income workers, funding for grants to small businesses and small non-profit cultural institutions disproportionately impacted by the pandemic fee relief for small businesses including personal services and restaurants, funds to support and accelerate safe returns to in-person instruction starting in February 2021, and an increase in the State's minimum wage to $14 per hour.

Reflecting an improved economic outlook and a $15 billion revenue surplus since adoption of the 2020-21 State Budget, highlights of the 2021-22 Proposed Budget include:

- $85.8 billion in Proposition 98 funding for K-12 schools and community colleges, including $2 billion to support and accelerate safe returns to in-person instruction, $4.6 billion to help students bounce back from the impacts of the pandemic and $400 million for school-based mental health services. See "– K-14 Education Spending" below.

- $372 million to speed up administration of vaccines across all of California's 58 counties and a $14 billion investment in the State's economic recovery, including direct cash supports of $600 to millions of Californians through

the Golden State Stimulus, extending new protections and funding to help keep people in their homes and investing in relief grants for small businesses.

- Budget reserves of $34 billion, including $15.6 billion in the Proposition 2 Budget Stabilization Account (Rainy Day Fund) for fiscal emergencies; $450 million in the Safety Net Reserve; $3 billion in the Public School System Stabilization Account; and an estimated $2.9 billion in the state's operating reserve.

- In order to pay down the State's retirement liabilities, the 2021-22 Proposed Budget includes $3 billion in additional payments required by Proposition 2 in 2021-22 and nearly $6.5 billion over the next three years.

K-14 Education Spending. The 2021-22 Proposed Budget's improved revenue estimate results in the highest funding level ever at $85.8 billion for K-12 schools and community college districts under Proposition 98, representing an increased investment of $14.9 billion in K-12 schools and community colleges above the level funded as part of the 2020-21 State Budget. The Proposition 98 funding levels for the 2019-20 and 2020-21 fiscal years increased from 2020-21 State Budget levels by $1.9 billion and $11.9 billion, respectively, due almost exclusively to increased General Fund revenues in all fiscal years. Reflecting changes to Proposition 98 funding levels noted above, total K-12 per-pupil expenditures from all sources are projected to be $18,837 in 2020-21 and $18,000 in 2021-22—the highest levels ever (K-12 Education Spending Per Pupil). The decrease between the years 2020-21 and 2021-22 reflects the significant allocation of one-time federal funds which occurred in fiscal year 2020-21. Ongoing K-12 per-pupil expenditures of Proposition 98 funds are $12,648 in 2021-22, an increase of $1,994 per pupil over the level provided in the 2020-21 State Budget.

The 2021-22 Proposed Budget also includes $4.6 billion in Proposition 98 General Fund revenues for extending learning time, including summer school programs and other strategies to address learning loss related to the pandemic. The 2021-22 Proposed Budget continues to commit $2.3 billion in General Fund one-time funds in recognition of the additional costs schools face as they respond to the pandemic. The 2021-22 Proposed Budget directs a significant portion of additional funding to paying down nearly two-thirds of the funding deferrals implemented in 2020-21 and provides a 3.84% cost-of-living adjustment to the Local Control Funding Formula. The significant growth in capital gains and overall General Fund revenue growth also triggers deposits of roughly $3 billion into the Public School System Stabilization Account, which may result in a statutory cap of 10 percent on local school district reserves beginning in 2022-23.

Funds to Implement In-Person Learning. The 2021-22 Proposed Budget includes $2 billion of one-time Proposition 98 funding available beginning in February 2021, to augment resources for schools to offer in-person instruction safely. This funding will be available on a per-pupil basis for all county schools, school districts, and charter schools that are open for in-person instruction by specified dates. For schools that continue offering or begin offering in-person instruction for at least all TK-2nd grade students, all students with disabilities, youth in foster care, homeless youth, and students without access to technology or high-speed Internet by February 16, and all 3rd-6th grade students by March 15, base grant amounts will be $450, increasing to more than $700 per pupil for schools with a high enrollment of low-income students, youth in foster care, and English language learners. Schools with later start dates will qualify for a proportionally lower base grant, except those in counties with high rates of community spread. Schools in counties with high rates

of community spread will be eligible for the full February grant amount if they open for in-person instruction pursuant to state and local health guidance once their rates of community spread sufficiently decline. Funds may be used for any purpose that supports in-person instruction, including enhancing and expanding COVID-19 testing, purchasing personal protective equipment, improving ventilation and the safety of indoor or outdoor learning spaces, teacher or classified staff salaries for those providing and supporting in-person instruction, and social and mental health support services provided in conjunction with in-person instruction.

Federal Funds. The recent federal COVID-19 relief bill provides $54.3 billion Elementary and Secondary Schools Emergency Relief Fund (**"ESSER"**) for public K-12 schools and $4 billion Governor's Emergency Education Relief Fund (**"GEER"**) for both public and private pre-kindergarten through higher education institutions. Based on prior allocations, the 2021-22 Proposed Budget projects that California could receive more than $6 billion in ESSER funds and $400 million in GEER funds.

LCFF Funding. Due to a significant reduction in available revenues, the 2020-21 State Budget did not provide a statutory cost-of-living adjustment for the LCFF in 2020-21. To make up for this, the 2021-22 Proposed Budget funds LCFF in 2021-22 with both the 2020-21 cost-of-living adjustment (2.31%) and the 2021-22 cost-of-living adjustment (1.5%), creating a compounded combined cost-of-living adjustment of 3.84%, and increasing ongoing LCFF funding by $2 billion Proposition 98 General Fund, when adjusted for declining ADA. This increase brings total LCFF funding to $64.5 billion, and funds all local educational agencies at their full LCFF target level.

Deferrals. Pandemic-driven revenue reductions anticipated at the time of the 2020-21 State Budget created the need to defer LCFF apportionments, in the amounts of $1.9 billion in fiscal year 2019-20, growing to more than $11 billion in fiscal year 2020-21. The 2021-22 Proposed Budget pays off the full K-12 deferral in fiscal year 2019-20 and $7.3 billion of the K-12 deferral in fiscal year 2020-21, leaving an ongoing K-12 deferral balance of $3.7 billion in 2021-22. As a result, it is expected that local educational agencies will experience only a few weeks of delay in receiving apportionment in fiscal year 2021-22 (as opposed to ten-month deferrals in 2020-21), impacting only the June 2022 apportionment, which will be delayed into July 2022.

PERS and STRS Contributions. For fiscal year 2021-22, STRS will apply $820 million to reduce the employer contribution rate from 18.1% to approximately 15.92%, and PERS will apply $330 million to reduce the Schools Pool employer contribution rate from 24.9% to 23%.

School Facilities. The 2021-22 Proposed Budget continues to allocate $1.5 billion of Proposition 51 bond funds to support school construction projects, which is more than double the amount allocated in fiscal year 2018-19.

Higher Education. The 2021-22 Proposed Budget proposes a General Fund increase of $786 million for the University of California and the California State University with an expectation that they focus on measurable goals to address equity gaps, further maintain online educational opportunities and expand dual admissions and other innovative strategies that reduce time to degree completion. The 2021-22 Proposed Budget also assumes resident tuition and fees remain flat in 2021-22.

Disclaimer Regarding State Budgets

The execution of State budgets, including proposed budgets, may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to

the State, (ii) national, State and international economic conditions, (iii) litigation risks associated with proposed spending reductions, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The District cannot predict the impact that the 2020-21 State Budget or subsequent State Budgets, will have on its own finances and operations. However, the Bonds are secured by *ad valorem* taxes levied and collected on taxable property in the District, without limit as to rate or amount, and are not secured by a pledge of revenues of the District or its general fund.

The State has not entered into any contractual commitments with the District, the County, the Underwriter or the Owners of the Bonds to provide State Budget information to the District or the owners of the Bonds. Although they believe the sources of information listed below are reliable, neither the District nor the Underwriter assumes any responsibility for the accuracy of the State Budget information set forth or referred to in this Official Statement or incorporated herein.

Availability of State Budgets

The complete adopted State budgets and related information are available from the California Department of Finance website at www.ebudget.ca.gov. Impartial analyses of these documents are published by the Legislative Analyst Office, and can be accessed at www.lao.ca.gov/budget. The District can take no responsibility for the continued accuracy of internet addresses referenced herein or for the accuracy, completeness or timeliness of information posted on these sites, and such information is not incorporated in this Official Statement by these references. The information referred to above should not be relied upon when making an investment decision with respect to the Bonds.

Uncertainty Regarding Future State Budgets

The District cannot predict what actions will be taken in future years by the State legislature or the Governor to address the State's current or future revenues and expenditures or possible future budget deficits. Future State Budgets will be affected by national and State economic conditions and other factors over which the District has no control. The District cannot predict what impact any future budget proposals will have on the financial condition of the District. To the extent that the State Budget process results in reduced revenues to the District, the District will be required to make adjustments to its own budgets.

Legal Challenges to State Funding of Education

The application of Proposition 98 and other statutory regulations has been the subject of various legal challenges in the past. The District cannot predict if or when there will be changes to education funding or legal challenges which may arise relating thereto.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from the proceeds of an *ad valorem* tax levied by the County for the payment thereof. Articles XIIIA, XIIIB, XIIIC, and XIIID of the State Constitution, Propositions 62, 98, 111 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the District to levy taxes and spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the District to levy taxes for payment of the Bonds. The tax levied by the County for payment of the Bonds was approved by the District's voters in compliance with Article XIIIA and all applicable laws.

Constitutionally Required Funding of Education

The State Constitution requires that from all State revenues, there shall be first set apart the moneys to be applied by the State for the support of the public school system and public institutions of higher education. School districts receive a significant portion of their funding from State appropriations. As a result, decreases and increases in State revenues can significantly affect appropriations made by the State Legislature to school districts.

Article XIIIA of the California Constitution

Basic Property Tax Levy. On June 6, 1978, California voters approved Proposition 13 ("**Proposition 13**"), which added Article XIIIA to the State Constitution ("**Article XIIIA**"). Article XIIIA limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIIIA approved by State voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness (which provided the authority for the issuance of the Refunded Bonds), and (iii) (as a result of an amendment to Article XIIIA approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIIIA 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 XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Both the United States Supreme Court and the California State Supreme Court have upheld the general validity of Article XIIIA.

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

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

Inflationary Adjustment of Assessed Valuation. As described above, the assessed value of a property may be increased at a rate not to exceed 2% per year to account for inflation. On December 27, 2001, the Orange County Superior Court, in *County of Orange v. Orange County Assessment Appeals Board No. 3*, held that where a home's taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the 2% inflation adjustment provision of Article XIIIA, when the assessor tried to "recapture" the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties, including the County, use a similar methodology in raising the taxable values of property beyond 2% in a single year. The State Board of Equalization has approved this methodology for increasing assessed values. On appeal, the Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year's assessment. On May 10, 2004 a petition for review was filed with the California Supreme Court. The petition has been denied by the California Supreme Court. As a result of this litigation, the "recapture" provision described above may continue to be employed in determining the full cash value of property for property tax purposes.

Article XIIIB of the California Constitution

Article XIIIB ("**Article XIIIB**") of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year under the provisions of Article XIIIB, as amended.

The appropriations of an entity of local government subject to Article XIIIB limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the legislature, (f) appropriations derived from

certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIIIB includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years. However, in the event that a school district's revenues exceed its spending limit, the district may in any fiscal year increase its appropriations limit to equal its spending by borrowing appropriations limit from the State.

Article XIIIB also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund under Section 8.5 of Article XVI of the State Constitution.

Unitary Property

Some amount of property tax revenue of the District is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions ("**unitary property**"). Under the State Constitution, such property is assessed by the State Board of Equalization ("**SBE**") as part of a "going concern" rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the District) according to statutory formulae generally based on the distribution of taxes in the prior year.

Articles XIIIC and XIIID of the California Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID (respectively, "**Article XIIIC**" and "**Article XIIID**"), 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 XIIIC 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 XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4.

On November 2, 2010, Proposition 26 was approved by State voters, which amended Article XIIIC to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

While the provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District (thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District), the District does not believe that Proposition 218 will directly impact the revenues available to pay debt service on the Bonds.

Proposition 98

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "**Accountability Act**"). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act changes State funding of public education below the university level and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as "K-14 school districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, and (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such

transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K 14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIIB surplus. The maximum amount of excess tax revenues which could be transferred to K 14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Proposition 111

On June 5, 1990, the voters approved Proposition 111 (Senate Constitutional Amendment No. 1) called the "Traffic Congestion Relief and Spending Limit Act of 1990" ("**Proposition 111**") which further modified Article XIIIB and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

Annual Adjustments to Spending Limit. The annual adjustments to the Article XIIIB spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in California *per capita* personal income. The definition of "change in population" specifies that a portion of the State's spending limit is to be adjusted to reflect changes in school attendance.

Treatment of Excess Tax Revenues. "Excess" tax revenues with respect to Article XIIIB are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the schools' minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.

Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIIIB spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which expected to raise over $15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

Recalculation of Appropriations Limit. The Article XIIIB appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the "**first test**") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to *per capita* personal income) and enrollment (the "**second test**"). Under Proposition 111, schools will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in *per capita* State general fund revenues from the prior year is less than the annual growth in California per capita personal income (the "**third test**"). Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and *per capita* State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a "credit" to schools (also referred to as a "maintenance factor") which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, California voters approved an amendment (commonly known as "**Proposition 39**") to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55 percent (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1 percent limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. As adopted, the constitutional amendments may be changed only with another Statewide vote of the people. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by this proposition are K-12 school districts, community college districts, including the District, and county offices of education. As noted above, the California Constitution previously limited property taxes to 1 percent of the value of property. Prior to the approval of Proposition 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55 percent of the voters. These provisions require that the tax rate levied as the result of any single election be no more than $60 (for a unified school district), $30 (for an elementary school district or high school district), or $25 (for a community college district), per $100,000 of taxable property value. These requirements are not part of this proposition and can be changed with a majority vote of both houses of the Legislature and approval by the Governor.

Proposition 30 and Proposition 55

Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment (also known as **"Proposition 30"**), which temporarily increases the State Sales and Use Tax and personal income tax rates on higher incomes. Proposition 30 temporarily imposes an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposes an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax will be levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increases the marginal personal income tax rate by: (i) 1% for taxable income over $250,000 but less than $300,000 for single filers (over $500,000 but less than $600,000 for joint filers and over, $340,000 but less than $408,000 for head-of-household filers), (ii) 2% for taxable income over $300,000 but less than $500,000 for single filers (over $600,000 but less than $1,000,000 for joint filers and over $408,000 but less than $680,000 for head-of-household filers), and (iii) 3% for taxable income over $500,000 for single filers (over $1,000,000 for joint filers and over $680,000 for head-of-household filers).

The revenues generated from the temporary tax increases will be included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See "-Proposition 98" and "-Proposition 111" above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the **"EPA"**). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to school districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than $200 per unit of ADA and no community college district will receive less than $100 per full time equivalent student. The governing board of each school district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

The California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55, was a constitutional amendment initiative that was approved on the November 8, 2016 general election ballot in California. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030, instead of the scheduled expiration date of December 31, 2018. Proposition 55 did not extend the sales and use tax increase that was approved as part of Proposition 30. Tax revenue received under Proposition 55 is to be allocated 89% to K-12 schools and 11% to community colleges.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared

among local governments without two-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, beginning, in 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (i) a proclamation by the Governor that the shift is needed due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, a constitutional initiative entitled the "Local Taxpayer, Public Safety, and Transportation Protection Act of 2010," approved on November 2, 2010, superseded many of the provision of Proposition 1A. This initiative amends the State constitution to prohibit the legislature from diverting or shifting revenues that are dedicated to funding services provided by local government or funds dedicated to transportation improvement projects and services. Under this proposition, the State is not allowed to take revenue derived from locally imposed taxes, such as hotel taxes, parcel taxes, utility taxes and sales taxes, and local public transit and transportation funds. Further, in the event that a local governmental agency sues the State alleging a violation of these provisions and wins, then the State must automatically appropriate the funds needed to pay that local government. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Because Proposition 22 reduces the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

California Senate Bill 222

Senate Bill 222 ("**SB 222**") was signed by the California Governor on July 13, 2015 and became effective on January 1, 2016. SB 222 amended Section 15251 of the California Education Code and added Section 52515 to the California Government Code to provide that voter approved general obligation bonds which are secured by *ad valorem* tax collections such as the Bonds are secured by a statutory lien on all revenues received pursuant to the levy and collection of the property tax imposed to service those bonds. Said lien shall attach automatically and is valid and binding from the time the bonds are executed and delivered. The lien is enforceable against the issuer, its successors, transferees, and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any further act. The effect of SB 222 is the treatment of general obligation bonds as secured debt in bankruptcy due to the existence of a statutory lien.

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC and Article XIIID of the California Constitution and Propositions 98, 111, 22, 1A, 26, 30 and 39 were each adopted as measures that qualified for the ballot under the State's initiative process. From time to time other initiative measures could be adopted further affecting District revenues or the District's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the District.

APPENDIX C

GENERAL INFORMATION ABOUT THE CITY OF SAN LEANDRO AND ALAMEDA COUNTY

*The following information concerning the City of San Leandro (the **"City"**) and Alameda County (the **"County"**) is included only for the purpose of supplying general information regarding the area of the District. The Bonds are not a debt of the City, the County, the State of California (the **"State"**) or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.*

The historical data and results presented in the tables that follow may differ materially from future results as a result of economic or other factors. For more information on the impact of the COVID-19 pandemic, see "SECURITY FOR THE BONDS – Disclosure Relating to COVID-19" herein. See also references to COVID-19 in the section entitled "PROPERTY TAXATION", and in APPENDIX B under the heading "DISTRICT GENERAL INFORMATION" and "STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS."

The City

General Information. The City encompasses 15.5 square miles located in central Alameda County, about 20 miles southeast of San Francisco and 390 miles north of Los Angeles. The City is a well-diversified community with residential, commercial, and industrial development within the City. The industrial makeup of the City has been changing, moving away from its traditional manufacturing base toward more of an emphasis on services and warehousing industries. The median temperatures for January and July are 48.6 degrees Fahrenheit and 63.1 degrees Fahrenheit respectively. Rainfall averages 18.69 inches per year.

Municipal Government. Incorporated in 1872, the City is a charter city organized under a Mayor, Council, City Manager form of government. The City Council consists of six Members from six districts and a Mayor. The Mayor and Councilmembers are nominated by district and elected at large. Each may serve a maximum of two consecutive four year terms.

The City Council appoints the City Manager, who is the City's Chief Administrative Officer. The City Manager directs and supervises all City departments, prepares and administers the annual City budget, and plans and implements key projects.

The County

The County is located on the east side of the San Francisco Bay, extending to the City of Albany on the north, the City of Fremont on the south, and to the City of Livermore on the east, and is approximately ten miles west of San Francisco. Automobile access to San Francisco is provided by the San Francisco-Oakland Bay Bridge.

The northern part of the County has direct access to San Francisco Bay and the City of San Francisco. It is highly diversified with residential areas, active commercial areas, traditional heavy industry, the University of California at Berkeley, the Port of Oakland, and sophisticated manufacturing, computer services and biotechnology firms. The middle of the County is also highly developed including older established residential and industrial areas. The southeastern corner of the County, including the cities of Pleasanton and Livermore, has seen strong growth in

residential development and manufacturing. Many high-tech firms have moved from neighboring Silicon Valley in Santa Clara County to the County.

Population

The following table shows population estimates for the City and the County for the past five years as of January 1.

ALAMEDA COUNTY
Population Estimates
Calendar Years 2016 through 2020 as of January 1

	2016	2017	2018	2019	2020
Alameda	80,460	81,073	81,275	81,618	81,312
Albany	18,565	18,587	18,867	18,961	18,937
Berkeley	120,059	121,050	121,752	122,358	122,580
Dublin	57,153	59,281	61,666	64,132	65,716
Emeryville	11,895	12,045	12,000	12,041	12,298
Fremont	230,243	232,010	232,685	233,404	234,220
Hayward	157,790	159,623	159,603	160,197	160,311
Livermore	88,894	90,212	90,946	91,436	91,861
Newark	44,722	45,260	46,812	48,164	48,966
Oakland	425,115	428,165	429,145	430,753	433,697
Piedmont	11,398	11,442	11,434	11,468	11,453
Pleasanton	76,014	76,685	78,698	79,392	79,464
San Leandro	**88,485**	**88,594**	**88,276**	**88,296**	**87,930**
Union City	73,148	73,379	73,105	73,661	73,637
Unincorporated County	148,658	149,305	149,042	148,902	148,452
County Total	**1,632,599**	**1,646,711**	**1,655,306**	**1,664,783**	**1,670,834**
State Total	**39,131,307**	**39,398,702**	**39,586,646**	**39,695,376**	**39,782,870**

Source: State Department of Finance estimates (as of January 1).

Source: State Department of Finance estimates.

[Remainder of page intentionally left blank]

Employment and Industry

The City is included in the Oakland-Hayward-Berkeley Metropolitan Division ("**MD**"). The unemployment rate in the Oakland-Hayward-Berkeley MD was 7.7% in December 2020, up from a revised 6.8% in November 2020, and above the year-ago estimate of 2.6%. This compares with an unadjusted unemployment rate of 8.8% for the State and 6.5% for the nation during the same period. The unemployment rate was 7.6% in the County and 7.9% in Contra Costa County.

The table below list employment by industry group for Alameda and Contra Costa Counties for the years 2015 to 2019.

OAKLAND-FREMONT-HAYWARD MD
(Alameda and Contra Costa Counties)
Annual Averages Civilian Labor Force, Employment and Unemployment,
Employment by Industry
(March 2019 Benchmark)

	2015	2016	2017	2018	2019
Civilian Labor Force [1]	1,363,500	1,384,900	1,397,800	1,403,300	1,406,100
Employment	1,297,300	1,324,400	1,345,500	1,359,400	1,364,200
Unemployment	66,200	60,400	52,300	43,900	41,900
Unemployment Rate	4.9%	4.4%	3.7%	3.1%	3.0%
Wage and Salary Employment: [2]					
Agriculture	1,200	1,300	1,400	1,300	1,400
Mining and Logging	300	300	200	200	200
Construction	62,800	67,900	71,200	74,900	75,600
Manufacturing	88,100	91,000	95,500	100,400	99,600
Wholesale Trade	47,000	48,100	48,700	47,500	45,600
Retail Trade	111,800	113,400	114,400	114,400	112,100
Transportation, Warehousing, Utilities	37,500	39,200	40,500	41,900	42,900
Information	25,300	26,700	27,100	27,800	27,900
Finance and Insurance	37,400	38,800	38,700	37,200	37,100
Real Estate and Rental and Leasing	16,800	16,900	17,400	17,800	18,000
Professional and Business Services	177,200	180,900	184,300	189,300	191,900
Educational and Health Services	178,600	185,900	191,500	194,300	197,700
Leisure and Hospitality	106,600	111,700	114,900	117,700	120,100
Other Services	38,100	39,100	40,200	41,000	41,300
Federal Government	13,800	13,900	13,800	13,400	13,400
State Government	39,900	39,700	39,300	39,400	39,600
Local Government	115,600	119,800	121,500	121,800	122,100
Total, All Industries [3]	1,098,000	1,134,600	1,160,600	1,180,400	1,186,700

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Totals may not add due to rounding.
Source: State of California Employment Development Department.

Largest Employers

The table below lists the major employers in the County, listed alphabetically, as of February 2021.

ALAMEDA COUNTY
Major Employers

Employer Name	Location	Industry
Alameda County Law Enforcement	Oakland	Government Offices-County
Alameda County Sheriff's Ofc	Oakland	Government Offices-County
Alta Bates Summit Medical Ctr Alta	Berkeley	Hospitals
Alta Bates Summit Med Ctr-Lab	Oakland	Laboratories-Medical
BART	Oakland	Transportation
California State Univ East Bay	Hayward	Schools-Universities & Colleges Academic
East Bay Mud	Oakland	Water & Sewage Companies-Utility
Ebmud	Oakland	Utilities
Grifols Diagnostic Solutions	Emeryville	Pharmaceutical Research Laboratories
Highland Hospital	Oakland	Hospitals
Kaiser Permanente Oakland Med	Oakland	Hospitals
Lawrence Berkeley Lab	Berkeley	Laboratories-Research & Development
Lawrence Livermore Natl Lab	Livermore	University-College Dept/Facility/Office
Lifescan Inc	Fremont	Physicians & Surgeons Equip & Supls-Mfrs
Oakland Police Patrol Div	Oakland	Police Departments
San Francisco Bay Area Rapid	Oakland	Transit Lines
Tesla	Fremont	Automobile Dealers-Electric Cars
Transportation Dept-California	Oakland	Government Offices-State
UCSF Benioff Children's Hosp	Oakland	Hospitals
University of CA Berkeley	Berkeley	Schools-Universities & Colleges Academic
University of CA-BERKELEY	Berkeley	University-College Dept/Facility/Office
University-Ca-Berkeley Dept	Berkeley	University-College Dept/Facility/Office
Valley Care Health System	Livermore	Health Services
Washington Hospital Healthcare	Fremont	Hospitals
Western Digital Corp	Fremont	Computer Storage Devices (mfrs)

Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2020 2nd Edition.

[Remainder of page intentionally left blank]

The following table lists the major employers within the City as of June 30, 2020, listed in order of greatest number of employees.

CITY OF SAN LEANDRO
Major Employers

Employer	Number of Employees
Kaiser Permanente	3,600
SLUSD**	1,582
Alameda Health System	1,557
Acco Engineered Systems	1,536
Walmart (2 locations)	810
City of San Leandro	532
Ghiradelli Chocolate Co.	516
Safeway (4 locations)	490
Costco Wholesale	486
Peterson Cat	485

** Includes full and part-time*
***Includes part-time and substitutes*
Source: City of San Leandro Comprehensive Annual

[Remainder of page intentionally left blank]

Commercial Activity

A summary of historic taxable sales within the City and the County during the past five years for which data is available is shown in the following table. Annual figures for 2020 are not yet available.

Total taxable sales during the first three quarters of calendar year 2020 in the City were reported to be $1,765,674,068, 12.6% decrease over the total taxable sales of $2,021,480,057 reported during the first three quarters of calendar year 2019.

CITY OF SAN LEANDRO
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2015[(1)]	1,359	1,433,968	2,464	2,438,671
2016	1,362	1,553,926	2,508	2,540,136
2017	1,374	1,611,886	2,513	2,600,373
2018	1,373	1,688,378	2,555	2,665,437
2019	1,381	1,729,933,952	2,625	2,768,854,213

[(1)] Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.
Source: State Department of Tax and Fee Administration.

A summary of historic taxable sales within the County during the past five years in which data is available is shown in the following table. Total taxable sales during the first two quarters of calendar year 2020 in the County were reported to be $14,296,898,979 a 14.85% decrease over the total taxable sales of $16,790,088,564 reported in the first two quarters of calendar year 2019.

ALAMEDA COUNTY
Taxable Transactions
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2015[(1)]	17,260	$18,702,806	45,197	$29,770,157
2016	27,273	19,386,688	44,799	30,958,480
2017	27,431	20,561,252	45,232	32,476,174
2018	27,816	22,857,349	47,402	35,073,302
2019	28,375	21,882,886	49,197	35,040,749

[(1)] Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.
Source: State Department of Tax and Fee Administration.

Construction Activity

Provided below are the building permits and valuations for the City and the County, for calendar years 2015 through 2019. Annual figures for 2020 are not yet available.

CITY OF SAN LEANDRO
Total Building Permit Valuations
(Valuations in Thousands)

	2015	2016	2017	2018	2019
Permit Valuation					
New Single-family	$0.0	$1,063.1	$0.0	$416.7	$3,038.1
New Multi-family	0.0	0.0	0.0	272.2	1,144.8
Res. Alterations/Additions	2,365.9	3,599.6	5,881.2	14,728.5	10,789.4
Total Residential	2,365.9	4,662.7	5,881.2	15,417.4	14,972.3
New Commercial	14.0	10.0	40.0	601.0	16,992.5
New Industrial	0.0	0.0	0.0	22,537.0	.00
New Other	207.2	53.9	3,133.6	2,378.4	838.2
Com. Alterations/Additions	2,066.6	1,128.0	6,306.4	11,805.4	34,252.9
Total Nonresidential	2,287.8	1,191.9	9,480.0	37,321.8	52,083.6
New Dwelling Units					
Single Family	0	2	0	3	22
Multiple Family	0	0	0	2	4
TOTAL	0	2	0	5	26

Source: Construction Industry Research Board, Building Permit Summary.

ALAMEDA COUNTY
Total Building Permit Valuations
(Valuations in Thousands)

	2015	2016	2017	2018	2019
Permit Valuation					
New Single-family	$576,948.5	$791,891.2	$763,677.9	$689,530.0	$675,129.8
New Multi-family	456,361.3	497,341.3	1,307,094.0	1,431,985.0	782,536.4
Res. Alterations/Additions	344,975.9	466,239.3	501,276.2	469,158.5	512,409.9
Total Residential	1,378,285.7	1,755,471.8	2,572,048.1	2,590,673.5	1,970,076.1
New Commercial	187,303.4	444,307.9	585,896.6	551,547.4	718,569.0
New Industrial	92,470.2	53,242.1	26,703.6	302,121.2	5,638.5
New Other	193,029.9	87,213.3	148,820.3	89,686.1	78,049.8
Com. Alterations/Additions	673,633.6	775,031.8	829,413.8	819,040.7	992,668.1
Total Nonresidential	1,146,437.1	1,359,795.1	1,590,834.3	1,762,395.4	1,794,925.4
New Dwelling Units					
Single Family	1,671	2,348	2,175	1,867	1,871
Multiple Family	3,370	3,171	6,889	6,540	4,145
TOTAL	5,041	5,519	9,064	8,407	6,016

Source: Construction Industry Research Board, Building Permit Summary.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2017 through 2021.

CITY OF SAN LEANDRO; ALAMEDA COUNTY;
STATE OF CALIFORNIA; UNITED STATES
Effective Buying Income
As of January 1, 2017 through 2021

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2017	City of San Leandro	$2,480,266	$60,205
	Alameda County	56,091,066	67,631
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043
2018	City of San Leandro	$2,603,799	$61,680
	Alameda County	61,987,949	73,633
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2019	City of San Leandro	$2,809,964	$66,399
	Alameda County	67,609,653	79,446
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841
2020	City of San Leandro	$2,958,470	$68,881
	Alameda County	72,243,436	84,435
	California	1,243,564,816	65,870
	United States	9,487,165,436	55,303
2021	City of San Leandro	$3,168,617	$72,207
	Alameda County	77,794,202	88,389
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790

Source: The Nielsen Company (US), Inc for years 2017 and 2018; Claritas, LLC for 2019 through 2021.

Education

The City is served by two public school districts, being the San Leandro Unified School District and the San Lorenzo Unified School District. The City also has a number of parochial schools located within its boundaries and in adjacent communities. Higher education opportunities are available nearby at some of the nation's best educational institutions, including the University of California at Berkeley, Stanford University in Palo Alto, California State University East Bay in Hayward, and Chabot Community College in Hayward.

Recreation and Leisure

The Shoreline Recreation Area offers opportunities for outdoor enthusiasts. This destination spot includes 27 holes of nationally acclaimed Bayside golf with a full-service clubhouse and an all-weather practice facility, a 131-room hotel, two restaurants overlooking the Bay, a 455-slip yacht harbor, a sheltered sailing lagoon, and a marina. There is also a 20-acre park with a sand volleyball court, picnic tables with barbeques, two playgrounds, an exercise par course, and the San Francisco Bay trail for hiking and bicycling.

The Main Library is located in the downtown area and includes a senior meeting facility, lecture hall, and meeting rooms. The Main Library is the hub for many community recreational activities, including leisure classes for all ages, special events, and programs such as the Trivia Bee and Project Literacy. The community is also served by three neighborhood branch libraries. The community enjoys a variety of celebrations such as a Holiday Tree Lighting event, the Miracle on East 14th Street festival, and a variety of multicultural celebrations. The Marina Community Center, located in the western part of the City, is available to the community for celebrations, meetings, and leisure classes.

Transportation

Interstate Highway 580 (east-west), Interstate Highway 680 (north-south) and Highway 61 provide access to the nearby cities of Oakland, San Francisco, Sacramento, San Jose, and the Central Valley. San Leandro is located 7 miles from the Oakland International Airport, 35 miles from San Jose Municipal Airport and 25 miles from San Francisco International Airport. Deep-water shipping facilities are available at the Port of Oakland and the Port of San Francisco, 10 miles and 20 miles from the City, respectively.

A.C. Transit provides regional bus service and connects with the Greyhound Terminal and two San Leandro Bay Area Rapid Transit (BART) stations. Two Bay Area Rapid Transit (BART) stations in the city connect San Leandro with San Francisco and cities in four county areas. San Leandro LINKS is a shuttle bus program for transporting employees in west San Leandro to and from the Downtown BART station. Three nearby international airports link San Leandro residents and businesses with every destination in the world. Oakland International Airport is just minutes away. The Port of Oakland, one of the West Coast's largest containerized cargo shipping facilities, is just 10 miles north of San Leandro. The Port's deep-water container terminal is the fourth largest and busiest in the nation, one of the top 40 container ports globally, and is served by over 35 shipping lines. San Leandro's prime location in the Bay Area benefits both the residents and the business community.

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL
SERIES D BONDS

[LETTERHEAD OF JONES HALL]

[Closing Date]

Board of Education
San Leandro Unified School District
835 E. 14th St., Room 200
San Leandro, California 94577

OPINION: $_____ San Leandro Unified School District
(Alameda County, California)
General Obligation Bonds, Election of 2016, Series D

Members of the Board of Education:

We have acted as bond counsel to the San Leandro Unified School District (the "District") in connection with the issuance by the District of $_____ principal amount of San Leandro Unified School District (Alameda County, California) General Obligation Bonds, Election of 2016, Series D, dated the date hereof (the "Bonds"), under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and a resolution adopted by the Board of Education of the District (the "Board") on March 9, 2021 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Bond Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly established and validly existing as a unified school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution.

2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the District enforceable against the District in accordance with its terms.

3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the County of Alameda is obligated to levy *ad valorem*

taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

A Professional Law Corporation

PROPOSED FORM OF OPINION OF BOND COUNSEL
REFUNDING BONDS

[LETTERHEAD OF JONES HALL]

[Closing Date]

Board of Education
San Leandro Unified School District
835 E. 14th St., Room 200
San Leandro, California 94577

OPINION: $_____ San Leandro Unified School District
(Alameda County, California)
2021 Refunding General Obligation Bonds

Members of the Board of Education:

We have acted as bond counsel to the San Leandro Unified School District (the "District") in connection with the issuance by the District of $_____ principal amount of San Leandro Unified School District (Alameda County, California) 2021 Refunding General Obligation Bonds, dated the date hereof (the "Bonds"), under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code (the "Act"), and a resolution adopted by the Board of Education of the District (the "Board") on March 9, 2021 (the "Bond Resolution"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Board contained in the Bond Resolution and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is duly established and validly existing as a unified school district with the power to issue the Bonds and to perform its obligations under the Bond Resolution.

2. The Bond Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the District enforceable against the District in accordance with its terms.

3. The Bonds have been duly issued and sold by the District and are valid and binding general obligations of the District, and the County of Alameda is obligated to levy *ad valorem* taxes for the payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District, without limitation as to rate or amount.

4. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax.

The opinions set forth in the preceding sentence are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The District has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

5. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$_____
SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
General Obligation Bonds
Election of 2016, Series D

$_____
SAN LEANDRO UNIFIED SCHOOL DISTRICT
(Alameda County, California)
2021 Refunding General Obligation Bonds

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "**Disclosure Certificate**") is executed and delivered by the San Leandro Unified School District (the "**District**") in connection with the issuance and delivery of the captioned bonds (the "**Bonds**"). The captioned Bonds are being issued pursuant to resolutions adopted by the Board of Education of the District on March 9, 2021 (the "**Resolutions**"). U.S. Bank National Association is initially acting as paying agent for the Bonds (the "**Paying Agent**"). The District hereby covenants and agrees as follows:

Section 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Resolutions, 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*" means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

"*Annual Report Date*" means the date not later than nine months after the end of each fiscal year of the District (currently March 31).

"*Dissemination Agent*" means, initially, Dale Scott & Company, Inc., or any successor Dissemination Agent designated in writing by the District and which has filed with the District and the Paying Agent a written acceptance of such designation.

"*Financial Obligation*" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of (a) or (b). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the Municipal Rulemaking Board consistent with the Rule.

"*Listed Events*" means any of the events listed in Section 5(a).

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

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

"*Paying Agent*" means U.S. Bank National Association, Dallas, Texas, or any successor thereto.

"*Participating Underwriter*" means the original Underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

Section 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing not later than March 31, 2022 with the report for the 2020-21 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

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

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

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

(ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has

been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

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

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

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, the following information with respect to the most recently completed fiscal year or, if available at the time of filing, the then-current fiscal year:

(i) assessed valuation of taxable properties in the District for the most recently completed fiscal year, or if available, the current fiscal year;

(ii) assessed valuation of properties of the top twenty taxpayers for the most recently completed fiscal year, of if available, the current fiscal year;

(iii) if the District's general obligation bond levies are not included in the County of Alameda's Teeter Plan, property tax collection delinquencies for the District for the most recently completed Fiscal Year only if available from the County at the time of filing the Annual Report; and

(iv) the District's most recently adopted budget or interim report available at the time of filing the Annual Report.

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

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

Section 5. Reporting of Significant Events.

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

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modifications to rights of security holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the District.

(13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material.

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

(b) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The District acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section contain the qualifier “if material” and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The District shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event’s occurrence is material for purposes of

U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Listed Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(e) For purposes of Section 5(a)(15) and (a)(16), the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

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

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

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

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

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

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the

requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Resolutions for amendments to the Resolutions with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

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

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

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

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities

which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bondholders or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

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

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

Date: _____, 2021

SAN LEANDRO UNIFIED SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: San Leandro Unified School District (the "District")

Name of Bond Issue: San Leandro Unified School District
General Obligation Bonds, Election of 2016, Series D

San Leandro Unified School District
2021 Refunding General Obligation Bonds

Date of Issuance: _____, 2021

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate, dated as of _____, 2021. The District anticipates that the Annual Report will be filed by _____.

Dated: _____

DISSEMINATION AGENT:

By: _____
Its: _____

cc: Paying Agent and Participating Underwriter

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Paying Agent take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this APPENDIX. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (in this APPENDIX, the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting

rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from District or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to District or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that District believes to be reliable, but District takes no responsibility for the accuracy thereof.

APPENDIX G

ALAMEDA COUNTY INVESTMENT POOL

INVESTMENT POLICY AND INVESTMENT REPORT