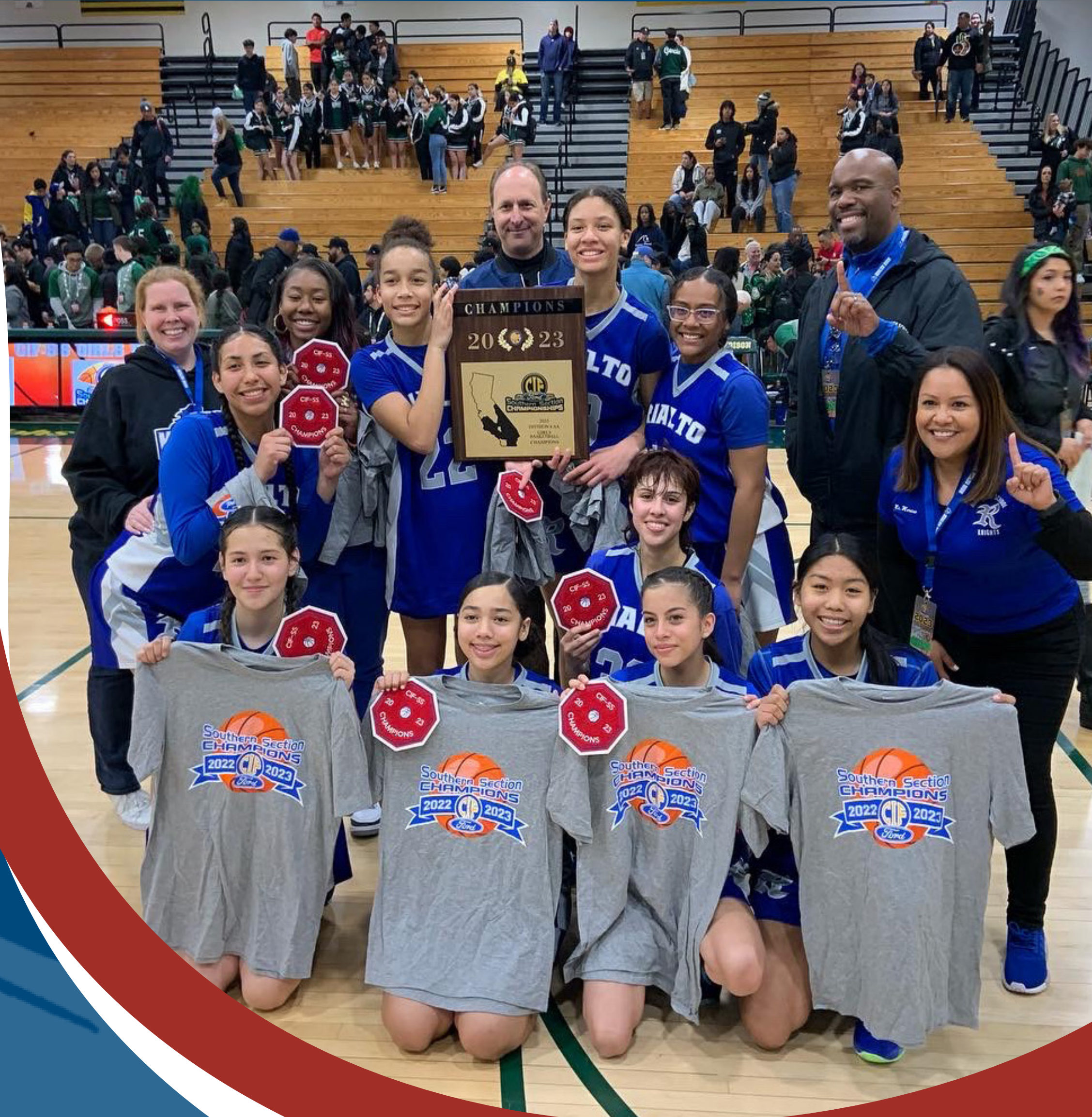

Board of Education Agenda

Wednesday, March 8, 2023

RIALTO
UNIFIED SCHOOL DISTRICT
BRIDGING FUTURES THROUGH INNOVATION

Mission

The mission of the Rialto Unified School District, the bridge that connects students to their future aspirations, is to ensure each student achieves personal and career fulfillment within a global society, through a vital system distinguished by:

- High expectations for student achievement
- Safe and engaging learning environments
- Effective family and community involvement
- Learning opportunities beyond the traditional school setting
- Appreciation of cultural diversity

Board of Education

Mrs. Stephanie E. Lewis, President
Mrs. Nancy G. O'Kelley, Vice President
Mr. Joseph W. Martinez, Clerk
Mrs. Evelyn P. Dominguez, Member
Mr. Edgar Montes, Member
Steven Gaytan, Student Member

RUSD Superintendent

Dr. Cuauhtémoc Avila

Front Cover Picture:

The Knights are champions! The Rialto High School girls basketball team claimed the CIF-Southern Section Division 4AA championship with a 46-44 victory against Buena Park on Saturday, February 25, 2023. The Knights trailed by 12 points at halftime but rallied to claim the program's first CIF-SS title since 2011. Congratulations to Coach **Mr. Robert Goodloe** and all the players!

IMPORTANT PUBLIC NOTICE

For those that wish to participate in the meeting and/or make public comments, please follow the steps below:

- **To access the Board Meeting via live stream, go to "Our Board", scroll down to "Board Meeting Videos" and click play.**
- **To access the meeting agenda, visit our website and click on "Our Board", then scroll down to "Agendas and Minutes".**
- **To make public comments, please arrive five minutes prior to the school Board meeting to allow time for you to submit your public comment request. Remember that comments are limited to three minutes on each item on or off the agenda.**
- **If you have any questions, please contact Martha Degortari, Executive Administrative Agent, at mdegorta@rialtousd.org, or 1(909) 820-7700, ext. 2124.**
- **To access the Spanish version of the Board meeting: United States Toll +1(408) 418-9388 Access Code – 960 675 512 #.**

RIALTO UNIFIED SCHOOL DISTRICT
REGULAR MEETING OF THE BOARD OF EDUCATION
AGENDA

March 8, 2023

Dr. John R. Kazalunas Education Center

182 East Walnut Avenue

Rialto, California

Board Members:

Stephanie E. Lewis, President
Nancy G. O'Kelley, Vice President
Joseph W. Martinez, Clerk
Evelyn P. Dominguez, Member
Edgar Montes, Member
Steven Gaytan, Student Board Member

Superintendent:

Cuauhtémoc Avila, Ed.D.

Any individual who requires disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the Board meeting should contact the Superintendent or designee in writing.

Pages

A. OPENING

A.1 CALL TO ORDER - 6:00 p.m.

A.2 OPEN SESSION

A.3 CLOSED SESSION

As provided by law, the following are the items for discussion and consideration at the Closed Session of the Board Meeting:

- **PUBLIC EMPLOYEE EMPLOYMENT/DISCIPLINE/DISMISSAL/RELEASE/ REASSIGNMENT OF EMPLOYEES (GOVERNMENT CODE SECTION 54957)**
- **STUDENT EXPULSIONS/REINSTATEMENTS/EXPULSION ENROLLMENTS**
- **CONFERENCE WITH LABOR NEGOTIATORS**

  Agency designated representatives: Cuauhtémoc Avila, Ed.D., Superintendent; Rhonda Kramer, Lead Personnel Agent; Roxanne Dominguez, Lead Personnel Agent; and Armando Urteaga, Lead Personnel Agent, Personnel Services.

  Employee organizations: California School Employees Association, Chapter 203 (CSEA), Rialto Education Association (REA), Communications Workers of America (CWA)

- **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) and/or (d)(3). CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE LITIGATION**

  Number of Potential Claims: 1

COMMENTS ON CLOSED SESSION AGENDA ITEMS

Any person wishing to speak on any item on the Closed Session Agenda will be granted three minutes.

Moved ________________
Seconded ________________
Vote by Board Members to move into Closed Session:

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

A.4 ADJOURNMENT OF CLOSED SESSION

Moved ________________
Seconded ________________
Vote by Board Members to adjourn out of Closed Session:

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

A.5 OPEN SESSION RECONVENED - 7:00 p.m.

A.6 PLEDGE OF ALLEGIANCE

A.7 PRESENTATION BY KOLB MIDDLE SCHOOL

A.8 REPORT OUT OF CLOSED SESSION

A.9 ADOPTION OF AGENDA

Moved _________________
Seconded _________________
Vote by Board Members to adopt the agenda:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

B. PRESENTATIONS

B.1 OVERVIEW ON MEASURE A INITIAL BOND SERIES ISSUANCE PROCESS

Presentation on the overview on Measure A Initial Bond series issuance process presented by Michael Ogburn and Jesse Landre of California Financial Services.

B.2 STUDENT TRANSPORTATION PLAN

Presentation on the District's student transportation plan presented by Derek Harris, Lead Risk Management and Transportation Agent, and Dora Parham, Transportation/Garage Manager.

C. COMMENTS

C.1 PUBLIC COMMENTS NOT ON THE AGENDA

At this time, any person wishing to speak on any item **not on** the Agenda will be granted three minutes.

C.2 PUBLIC COMMENTS ON AGENDA ITEMS

Any person wishing to speak on any item **on** the Agenda will be granted three minutes.

C.3 COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS

- Rialto Education Association (REA)
- California School Employees Association (CSEA)
- Communications Workers of America (CWA)
- Rialto School Managers Association (RSMA)

C.4 COMMENTS FROM THE STUDENT BOARD MEMBER

C.5 COMMENTS FROM THE SUPERINTENDENT

C.6 COMMENTS FROM MEMBERS OF THE BOARD OF EDUCATION

D. PUBLIC HEARING 22

D.1 PUBLIC INFORMATION

D.1.1 RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BONDS OF THE DISTRICT 23

Resolution of the Board of Education of the Rialto Unified School District Authorizing the issuance and sale of not-to- exceed $80,000.000 aggregate initial principal amount of bonds of the District, including bonds that allow for the compounding of interest, by a negotiated sale, prescribing the terms of sale, approving the form of and authorizing the execution and delivery of a bond purchase agreement and a continuing disclosure certificate, approving the form of an official statement for the bonds, and authorizing the execution of necessary documents and certificates and related actions.

D.2 OPEN PUBLIC HEARING

Any person wishing to speak on the item on the Public Hearing Agenda will be granted three minutes.

Moved ________________
Seconded ________________
Vote by Board Members to open public hearing:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

D.2.1 COMMUNICATIONS WORKERS OF AMERICA 2023-2024 PROPOSAL 224

Pursuant to the requirements of Government Code and Board Policy, the attached initial contract proposal for the 2023-2024 school year submitted by Communications Workers of America (CWA), for an agreement between the Communications Workers of America (CWA) and the Rialto Unified School District Board of Education, is hereby posted in compliance with the legislative requirements for public notice.

D.3 CLOSE PUBLIC HEARING

Moved ________________
Seconded ________________
Vote by Board Members to close public hearing:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

D.4 OPEN PUBLIC HEARING

Any person wishing to speak on the item on the Public Hearing Agenda will be granted three minutes.

Moved ________________
Seconded ________________
Vote by Board Members to open public hearing:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

D.4.1 RIALTO UNIFIED SCHOOL DISTRICT INITIAL 2023-2024 PROPOSAL TO RIALTO EDUCATION ASSOCIATION

Pursuant to the requirements of Government Code and Board Policy, the attached initial contract proposal for the 2023-2024 school year submitted by the Rialto Unified School District, for an agreement between the Rialto Unified School District Board of Education and the Rialto Education Association (REA), is hereby posted in compliance with the legislative requirements for public notice.

D.5 CLOSE PUBLIC HEARING

Moved _________________

Seconded _________________

Vote by Board Members to close public hearing:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

E. CONSENT CALENDAR ITEMS 231

All items on the Consent Calendar will be acted upon in one motion unless pulled by Board of Education members or the Superintendent for individual action.

Moved __________________
Seconded __________________
Vote by Board Members to approve Consent Calendar Items:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: ________

E.1 GENERAL FUNCTIONS CONSENT ITEMS

E.1.1 FIRST READING OF REVISED BOARD POLICY 6176; WEEKEND/SATURDAY CLASSES 232

Approve the first reading of revised Board Policy 6176; Weekend/Saturday Classes.

E.2 INSTRUCTION CONSENT ITEMS - None

E.3 BUSINESS AND FINANCIAL CONSENT ITEMS

E.3.1 WARRANT LISTING AND PURCHASE ORDER LISTING

Approve the Warrant Listing Register and Purchase Order Listing for all funds from February 3, 2023 through February 16, 2023, (Sent under separate cover to Board Members). A copy for public review will be available on the District's website.

E.3.2 DONATIONS 237

Accept the listed donations from Monte Vista Water District, and that a letter of appreciation be sent to the donor(s).

E.3.3 BUILDING FUND SUB FUND 21-9204 238

Approve the establishment of the Building Fund Sub Fund 21-9204.

E.3.4 RIALTO ADULT SCHOOL PHARMACY TECHNICIAN PARTNERSHIPS 239

Approve the Rialto Adult School Pharmacy Technician internship program for students to be able to complete their required internship hours, effective March 9, 2023 through June 30, 2025, at no cost to the District.

E.3.5 AGREEMENT WITH VARIOUS VENDORS FOR THE DISTRICT'S LITERACY AND NUMERACY FAIR 240

Approve an agreement with multiple vendors to provide entertainment, decorations and music at the District Literacy and Numeracy Fair on April 29, 2023, at a cost not-to-exceed $12,200.00, and to be paid from the General Fund.

E.3.6 AGREEMENT WITH ART SPECIALTIES, INC. - EISENHOWER HIGH SCHOOL 241

Approve an agreement with Art Specialties, Inc., to provide signage and installation at Eisenhower High School, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $13,000.00 and to be paid from the General Fund.

E.3.7 AGREEMENT WITH ART SPECIALTIES - KUCERA MIDDLE SCHOOL 242

Approve an agreement with Art Specialties, Inc. to provide signage and installation for Kucera Middle School effective March 9, 2023 through June 30, 2023 at a cost not-to-exceed a total cost of $33,326.71, and to be paid from the General Fund.

E.3.8 AGREEMENT WITH HISPANIC ASSOCIATION OF COLLEGES AND UNIVERSITIES (HACU) 28TH ANNUAL NATIONAL CAPITOL FORUM 243

Approve two (2) team members from the Rialto Unified School District Alianza Latina parent organization, one (1) District board member, and one (1) District employee to attend the HACU 28th Annual National Capitol Forum to be held April 18, 2023 through April 19, 2023 in Washington D.C., at a cost not-to-exceed $20,000.00, and to be paid from the General Fund.

E.3.9 AGREEMENT WITH INSTRUCTIONAL SOLUTIONS 244

Approve an agreement with Instructional Solutions to provide an in-person training course on Business Writing for up to fifteen (15) clerical staff members, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $17,000.00 (course fee of $15,105.00 and reimbursable travel expenses) and to be paid from the General Fund.

E.3.10 AGREEMENT WITH CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO 245

Approve an agreement with California State University, San Bernardino to provide 36 hours of professional development for parents. Sessions will be provided in English and Spanish for families. Classes will be held at the Rocking Horse Education Center, effective March 9, 2023 through May 18, 2023, at a cost not-to-exceed $9,600.00 and to be paid from the Kaiser THRIVE Grant.

E.3.11 AGREEMENT WITH ALL ABOUT AERODYNAMICS - CASEY ELEMENTARY SCHOOL 246

Approve an agreement with All About Aerodynamics to provide Casey Elementary students with up to 15 days of in-person instruction during the 2022-2023 school year summer school session, effective June 1, 2023 through June 23, 2023, at a cost not-to-exceed $5,500.00, and to be paid from the Extended Learning Opportunities Program Fund (ELO-P).

E.3.12 AGREEMENT WITH EARTH BENEATH OUR FEET 247

Approve a renewal agreement with Earth Beneath Our Feet to provide presentations for all grade 4 students, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $4,900.00, and to be paid from the General Fund.

E.4 FACILITIES PLANNING CONSENT ITEMS - None

E.5 PERSONNEL SERVICES CONSENT ITEMS

E.5.1 PERSONNEL REPORT NO. 1294 FOR CLASSIFIED AND CERTIFICATED EMPLOYEES 248

Approve Personnel Report No. 1294 for classified and certificated employees.

E.5.2 RESOLUTION NO. 22-23-44 REGARDING LAYOFF AND REDUCTION IN WORK YEAR OF CLASSIFIED PERSONNEL 256

Adopt Resolution No. 22-23-44 regarding layoff and reduction in work year of classified personnel.

E.6 MINUTES 258

E.6.1 MINUTES OF REGULAR BOARD OF EDUCATION MEETING HELD FEBRUARY 8, 2023 259

Approve the minutes of the Regular Board of Education Meeting held February 8, 2023.

F. DISCUSSION/ACTION ITEMS 279

F.1 SECOND INTERIM FINANCIAL REPORT: FY 2022-23 280

Moved ________________

Seconded ________________

Approve the FY 2022-2023 Second Interim Financial Report with a Positive Certification, as the District will meet its obligations in the current and subsequent two fiscal years.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.2 AGREEMENT WITH LEXIA LEARNING-LETRS

Moved ________________

Seconded ________________

Approve a renewal agreement with Lexia Learning to provide LETRS (Language Essentials for Teachers of Reading and Spelling) professional learning in the area of literacy to forty (40) first, second, and third grade teachers, effective July 1, 2023 through June 30, 2025, at a cost not-to-exceed $62,323.00 and to be paid by the General Fund.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.3 AGREEMENT WITH PF VISION, INC.

Moved _________________

Seconded _________________

Approve Amendment No. 2 to the agreement with PF Vision, Inc., to provide inspection services for the Special Services Renovation Project for an additional cost of $48,000.00 for a total revised contract amount of $157,000.00 to provide inspection services for the Special Services Renovation Project and to be paid from the Special Reserve for Capital Outlay Projects Fund 40.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.4 AGREEMENT WITH EDUPOINT

Moved ________________

Seconded ________________

Approve an agreement with Edupoint to provide the Inspect Item bank for all English Language Arts, Math, and Science teachers in grades kindergarten grade 12, effective March 9, 2023 through June 30, 2024, at a cost-not-to-exceed $124,035.00 and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.5 AGREEMENT WITH NEFF CONSTRUCTION, INC.

Moved ________________

Seconded ________________

Approve an agreement with Neff Construction, Inc. to provide construction management services for the Special Services Renovation Project, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $50,000.00 and to be paid from the Special Reserve for Capital Outlay Projects Fund 40.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.6 AGREEMENT WITH IMAGINE LEARNING

Moved ________________

Seconded ________________

Approve an amendment to the agreement with Imagine Learning increasing the cost of the contract by $12,600.00 for a total not-to-exceed $262,291.31, effective March 9, 2023 through June 30, 2023 and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.7 AGREEMENT WITH FOURPOINT EDUCATION PARTNERS

Moved ________________

Seconded ________________

Approve an agreement with FourPoint Education Partners to perform an education audit of the Special Services. Services to be rendered from April 2023 through June 2023, at a cost not-to-exceed $157,100.00, and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

F.8 ADMINISTRATIVE HEARING

Moved ________________

Seconded ________________

Case Numbers:

22-23-58
22-23-50

DISCUSSION

Vote by Board Members:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

G. ADJOURNMENT

The next regular meeting of the Board of Education of the Rialto Unified School District will be held on March 22, 2023, at 7:00 p.m. at the Dr. John Kazalunas Education Center, 182 East Walnut Ave, Rialto, California.

Materials distributed or presented to the Board of Education at the Board Meeting are available upon request from the Superintendent's Office.

Moved ________________
Seconded ________________
Vote by Board Members to adjourn:

_____ Preferential Vote by Student Board Member, Steven Gaytan

_____ Evelyn P. Dominguez, Member

_____ Edgar Montes, Member

_____ Joseph W. Martinez, Clerk

_____ Nancy G. O'Kelley, Vice President

_____ Stephanie E. Lewis, President

Time: _______

PUBLIC HEARING

RESOLUTION OF THE BOARD OF EDUCATION OF THE RIALTO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $80,000,000 AGGREGATE INITIAL PRINCIPAL AMOUNT OF BONDS OF THE DISTRICT, INCLUDING BONDS THAT ALLOW FOR THE COMPOUNDING OF INTEREST, BY A NEGOTIATED SALE, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

BACKGROUND:

In 2022, the voters within the District's boundaries approved Measure A which authorized $340 million principal amount ("2022 Measure A Bond Authorization") of general obligation bonds ("Bonds") to be issued to fund school facility projects ("Authorized Projects") set forth in the Measure A Project List.

As part of the 2023 Series "A" Bond development phase, the Board approval process consists of a two (2) step process. Step 1 provides for an informational item on March 8, 2023, in which the Board is provided the substantially final forms of the Bond Resolution and primary legal documents for review. Step 2 provides for the submittal to the Board of the forms of the same Bond documents for Board approval at the March 22, 2023 Board meeting.

REASONING:

Pursuant to Education Code 154146(b) (2), attached are the substantially final forms of the 2023 Series "A" Bond Resolution and the primary legal documents for review as an informational item. Included are the preliminary financing estimates regarding the planned issuance of the 2023 Series A Bonds.

Additionally, the preliminary estimates regarding the financing term, planned types of bond securities to be issued (combination of current interest and capital appreciation bonds), preliminary payment schedule, and other preliminary financing estimates to the attached Bond Resolution.

RECOMMENDATION:

This is an informational item only. No Board action required.

SUBMITTED/REVIEWED BY: Diane Romo

RESOLUTION NO. 22-23-43

RESOLUTION OF THE BOARD OF EDUCATION OF THE RIALTO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $80,000,000 AGGREGATE INITIAL PRINCIPAL AMOUNT OF BONDS OF THE DISTRICT, INCLUDING BONDS THAT ALLOW FOR THE COMPOUNDING OF INTEREST, BY A NEGOTIATED SALE, PRESCRIBING THE TERMS OF SALE, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE, APPROVING THE FORM OF AN OFFICIAL STATEMENT FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

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

> *"RIALTO UNIFIED SCHOOL DISTRICT CLASSROOM UPGRADE/HEALTH/SAFETY MEASURE: To upgrade school fire/security/safety systems, science, engineering, math, arts, vocational classrooms; replace drinking water pipes, gas lines, leaky roofs, portable classrooms, electrical wiring; remove asbestos, lead paint, mold, shall Rialto Unified School District's measure authorizing $340,000,000 in bonds at legal rates, levying 6¢ per $100 of assessed valuation raising on average $16,314,271 annually while bonds are outstanding, be adopted, requiring independent audits/ oversight, and all funds for local schools?"*

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

WHEREAS, at this time, the Board of Education of the District (the "Board of Education") deems it necessary and desirable to authorize and consummate the sale of a portion of the bonds, designated the "Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023" (the "Series 2023 Bonds"), with such additional or other series or subseries designations as may be approved as herein provided, in an aggregate initial principal amount not exceeding $80,000,000, for purposes of financing projects authorized to be financed under the Bond Measure, according to the terms and in the manner hereinafter set forth;

WHEREAS, Sections 53506 *et seq.* of the California Government Code, including Section 53508.7 thereof, provide that a school district may issue and sell bonds on its own behalf at a private or negotiated sale pursuant to Sections 15140 and 15146 of the California Education Code;

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

WHEREAS, on July 23, 2002, the Board of Supervisors (the "Board of Supervisors") of the County passed Resolution No. 2002-218 adopting the procedures authorized by Section 15140(b) of the California Education Code, and has directed that any school district in the County that has not received a qualified or negative certification in its most recent interim report shall issue and sell its own bonds;

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

WHEREAS, the Series 2023 Bonds shall be issued and sold by the District on its own behalf at a negotiated sale pursuant to such authorization from the Board of Supervisors of the County, which the District determines will provide more flexibility in the timing of the sale, an ability to implement the sale in a shorter time period, an increased ability to structure the Series 2023 Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriters (as defined herein) to pre-market the Series 2023 Bonds to potential purchasers prior to the sale, all of which will contribute to the District's goal of achieving the lowest overall cost of funds;

WHEREAS, subsection (c) of Section 15146 of the California Education Code requires the Board of Education to be presented with (a) an analysis containing the total overall cost of any bonds that allow for the compounding of interest that are proposed to be issued, (b) a comparison to the overall cost of current interest bonds, (c) the reasons bonds that allow for the compounding of interest are being recommended, and (d) a copy of the disclosure made by the underwriter of the Series 2023 Bonds in compliance with Municipal Securities Rulemaking Board Rule G-17;

WHEREAS, in compliance with subsection (c) of Section 15146 of the California Education Code, presented in Exhibit A attached hereto is (a) an analysis containing the total overall cost of any bonds that allow for the compounding of interest that are proposed to be issued, (b) a comparison to the overall cost of current interest bonds, (c) the reasons bonds that allow for the compounding of interest are being recommended, and (d) a copy of the disclosure made by Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, as underwriters of the Series 2023 Bonds (the "Underwriters"), in compliance with Municipal Securities Rulemaking Board Rule G-17;

WHEREAS, the Board of Education confirms the reason for the issuance of bonds that allow for the compounding of interest is to provide sufficient and timely funds for the projects specified in the Bond Measure, and the Municipal Securities Rulemaking Board Rule G-17 submission of the Underwriter of the Series 2023 Bonds has been received by the Board of Education;

WHEREAS, in compliance with subsection (b) of Section 15146 of the California Education Code, this Resolution was submitted at two consecutive meetings of the Board of Education, first as an information item and second as an action item;

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

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

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

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

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

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

WHEREAS, in compliance with California Government Code Section 5852.1 and California Education Code Section 15146(b)(1)(D), the Board of Education has obtained from California Financial Services, as financial advisor under California Education Code Section 15146(b)(1)(C) and as municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and from the Underwriters, the required good faith estimates, including the costs associated with the Series 2023 Bonds, and such estimates are disclosed and set forth on Exhibit B attached hereto;

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of the Rialto Unified School District, as follows:

Section 1. <u>Recitals</u>. All of the above recitals are true and correct and the Board of Education so finds.

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

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

"Authorized Officers" means the President of the Board of Education, or such other member of the Board of Education as the President may designate, the Superintendent of the District, the Lead Business Services Agent of the District, or such other officer or employee of the District as the Superintendent may designate.

"Board of Education" means the Board of Education of the District.

"Board of Supervisors" means the Board of Supervisors of the County.

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

“Bonds” means all bonds, including refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on September 14, 1999, November 2, 2010, and pursuant to the Bond Measure.

“Capital Appreciation Bonds” means the Series 2023 Bonds accreting interest semiannually to the maturity date thereof payable in accordance with Section 5(e) hereof.

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

“Code” means the Internal Revenue Code of 1986.

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

“Conversion Date” means the date a Convertible Capital Appreciation Bond converts to a bond bearing interest payable semiannually on a current basis.

“Convertible Capital Appreciation Bonds” means those Series 2023 Bonds accreting interest semiannually to the Conversion Date thereof and bearing interest payable semiannually on a current basis from and after the Conversion Date thereof, all in accordance with Section 5(f) hereof.

“County” means the County of San Bernardino.

“Current Interest Bonds” means those Series 2023 Bonds bearing interest payable semiannually on a current basis in accordance with Section 5(d) hereof.

“District” means the Rialto Unified School District.

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

“Interest Date” means February 1 and August 1 of each year (a) commencing on August 1, 2023, with respect to the Current Interest Bonds and, for purposes of compounding interest on the Capital Appreciation Bonds and, to their Conversion Dates, Convertible Capital Appreciation Bonds, commencing on August 1, 2023, or such other dates as may be set forth in the Bond Purchase Agreement, and (b) with respect to the Convertible Capital Appreciation Bonds, from and after their Conversion Date, commencing on the February 1 or August 1 immediately following such Conversion Date, or such other dates as may be set forth in the Bond Purchase Agreement.

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

"Municipal Advisor" means California Financial Services, as financial advisor to the District under California Education Code Section 15146(b)(1)(C) and as municipal advisor to the District under Section 15B of the Securities Exchange Act of 1934.

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

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

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

"Paying Agent" means U.S. Bank Trust Company, National Association, or the Treasurer of the County, including his or her designated agents, or any bank, trust company, national banking association or other financial institution appointed as Paying Agent to act as authenticating agent, bond registrar, transfer agent and paying agent for the Series 2023 Bonds in accordance with Section 8 hereof.

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

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

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

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

"State" means the State of California.

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

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

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

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

"Underwriters" mean Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, as underwriters.

Section 3. Authorization and Designation of Bonds. The Series 2023 Bonds described herein are being issued pursuant to the authority of Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable provisions of law, including applicable provisions of the California Education Code. The Board of Education hereby authorizes the issuance and sale, by a negotiated sale, of not to exceed $80,000,000 aggregate initial principal amount of Series 2023 Bonds. The Series 2023 Bonds may be issued in one or more series or subseries and shall be designated "Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023," with appropriate additional or other series or subseries designations as approved by an Authorized Officer. The Series 2023 Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds and/or Convertible Capital Appreciation Bonds, or any combination thereof, all as provided in Section 5 hereof. The proceeds of the Series 2023 Bonds, exclusive of any premium and accrued interest received by the District, shall be applied to finance projects authorized to be financed under the Bond Measure.

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

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

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

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

Section 5. <u>Terms of Bonds</u>. (a) *Date of Series 2023 Bonds*. The Current Interest Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement. The Capital Appreciation Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement. The Convertible Capital Appreciation Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement.

(b) *Denominations*. The Current Interest Bonds shall be issued in denominations of $5,000 principal amount or any integral multiple thereof. The Capital Appreciation Bonds shall be issued in denominations of $5,000 accreted value at maturity ("maturity value") or any integral multiple thereof, except that the first numbered Capital Appreciation Bond may be issued in a denomination such that the maturity value of such Capital Appreciation Bond shall not be an integral multiple of $5,000. The Convertible Capital Appreciation Bonds shall be issued in denominations of $5,000 accreted value at their Conversion Date or any integral multiple thereof.

(c) *Maturity*. The Current Interest Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Current Interest Bond shall mature later than the date which is 30 years from the date of the Current Interest Bonds, to be determined as provided in subsection (a) of this Section; provided, however, that Current Interest Bonds may have a maturity greater than 30 years, but not greater than 40 years, if an Authorized Officer, for and on behalf of the District, makes a finding in writing that the useful life of the facility financed with such Current Interest Bonds equals or exceeds the maturity date of such Current Interest Bonds. No Current Interest Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Current Interest Bonds shall be issued.

The Capital Appreciation Bonds shall mature on the date or dates, in each of the years, and in such maturity values as shall be set forth in the Bond Purchase Agreement. No Capital Appreciation Bond shall mature later than the date which is 25 years from the date of the Capital Appreciation Bonds, to be determined as provided in subsection (a) of this Section. No Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Capital Appreciation Bonds shall be issued.

The Convertible Capital Appreciation Bonds shall have Conversion Dates of and mature on the date or dates, in each of the years, in the accreted amounts and in the stated values at their Conversion Date as shall be set forth in the Bond Purchase Agreement. No Convertible Capital Appreciation Bond shall mature later than the date which is 25 years from the date of the Convertible Capital Appreciation Bonds, to be determined as provided in subsection (a) of this Section. No Convertible Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. The Bond Purchase Agreement may provide that no Convertible Capital Appreciation Bonds shall be issued.

The Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds may mature in the same year or years as any other Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, without limitation. The aggregate initial principal amount of the Series 2023 Bonds issued as Current Interest Bonds, Capital Appreciation Bonds or Convertible Capital Appreciation Bonds shall not exceed $80,000,000.

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

(e) *Interest; Capital Appreciation Bonds*. The Capital Appreciation Bonds shall not bear current interest; each Capital Appreciation Bond shall accrete in value daily over the term to its maturity (on the basis of a 360-day year consisting of twelve 30-day months), from its initial principal (denominational) amount on the date of issuance thereof to its stated maturity value at maturity thereof, on the basis of a constant interest rate or rates (which shall not exceed 8.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). The accreted value per $5,000 maturity value of the Capital Appreciation Bonds on each Interest Date shall be given for reference in a table of accreted values to appear in the Capital Appreciation Bonds; provided, however, that the accreted value determined in accordance with this Section shall prevail over any different accreted value given in such table. Interest on the Capital Appreciation Bonds shall be payable only upon maturity or prior redemption thereof.

(f) *Interest; Convertible Capital Appreciation Bonds.* The Convertible Capital Appreciation Bonds shall not bear current interest prior to their respective Conversion Dates; each Convertible Capital Appreciation Bond shall accrete in value daily from its initial principal (denominational) amount on the date of issuance thereof to its stated value at the Conversion Date thereof (on the basis of a 360-day year consisting of twelve 30-day months), on the basis of a constant interest rate or rates (which shall not exceed 8.00% per annum) compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates). From and after the respective Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital Appreciation Bonds shall bear current interest on the accreted value thereof at an interest rate or rates not to exceed 8.00% per annum, computed on the basis of a 360-day year of twelve 30-day months, payable on the Interest Dates in each year following its Conversion Date. Following the Conversion Date with respect thereto, each Convertible Capital Appreciation Bond shall bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date following its Conversion Date, in which event it shall bear interest from its Conversion Date; provided, however, that if, at the time of authentication of any Convertible Capital Appreciation Bond, interest is in default on any outstanding Convertible Capital Appreciation Bonds, such Convertible Capital Appreciation Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Convertible Capital Appreciation Bonds.

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

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

(b) *Principal*. The principal of the Current Interest Bonds and the accreted value of the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds shall be payable in lawful money of the United States of America to the Owner thereof, upon the surrender thereof at maturity or earlier redemption at the principal corporate trust office of the Paying Agent.

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

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

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

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

(g) *Insurance.* The payment of principal of and interest on all or a portion of the Series 2023 Bonds may be secured by a municipal bond insurance policy as shall be described in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized to qualify the District for municipal bond insurance for the Series 2023 Bonds and, if deemed to be in the best interests of the District, to obtain such insurance if the present value cost of such insurance is less than the present value of the estimated interest savings with respect to the Series 2023 Bonds. The Authorized Officers are each hereby authorized, for and in the name and on behalf of the District, to execute and deliver a contract or contracts for such insurance if such contract is deemed by the Authorized Officer executing the same to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract. If the Authorized Officers so deem and obtain municipal bond insurance, and such insurance is issued by a mutual insurance company, the Authorized Officers are each hereby authorized to enter into any required mutual insurance agreement substantially in such insurer's standard form with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of such agreement by such Authorized Officer.

Section 7. <u>Redemption Provisions</u>. (a) *Optional Redemption*. The Series 2023 Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. Subject to the requirements of Section 15144.2 of the California Education Code, the Bond Purchase Agreement may provide that the Series 2023 Bonds shall not be subject to optional redemption, and may provide separate and distinct redemption provisions for the Current Interest Bonds, the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) *Merger or Consolidation.* Any bank, national banking association or trust company into which the Paying Agent may be merged or converted or with which it may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (b) of this Section shall be the successor to such Paying Agent, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

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

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

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

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

(b) *Transfers.* In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Series 2023 Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Series 2023 Bond for each maturity shall be executed and delivered (in the case of Current Interest Bonds, in the aggregate principal amount of such Current Interest Bonds then outstanding, in the case of Capital Appreciation Bonds, in the aggregate maturity value of such Capital Appreciation Bonds then outstanding, and in the case of Convertible Capital Appreciation Bonds, in the aggregate accreted value at the Conversion Date of such Convertible Capital Appreciation Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Series 2023 Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Series 2023 Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 5 hereof and the receipt of such a written request of the District, and thereafter, the Series 2023 Bonds shall be transferred pursuant to the provisions set forth in Section 10 hereof; provided, however, that the

Paying Agent shall not be required to deliver such new Series 2023 Bonds within a period of less than 60 days after the receipt of any such written request of the District.

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

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

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

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

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

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

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

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

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

Section 11. Bond Purchase Agreement; Sale of Bonds. *(a) Bond Purchase Agreement.* The form of Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (a) the true interest cost for the Series 2023 Bonds shall not be in excess of 5.50%, (b) the interest rates on the Current Interest Bonds and, from and after their Conversion Dates, the Convertible Capital Appreciation Bonds, shall not exceed 8.00% per annum, (c) the Capital Appreciation Bonds and, to their Conversion Dates, the Convertible Capital Appreciation Bonds, shall accrete in value at compounded interest rates not to exceed 8.00% per annum, (d) the ratio of total debt service to principal of the Series 2023 Bonds shall not exceed four to one, (e) the annual estimated change in the assessed value of taxable property within the District over the term of the Series 2023 Bonds assumed in the structuring of the Series 2023 Bonds shall not exceed 4.00%, (f) the Underwriters' discount for the sale of Series 2023 Bonds shall not exceed 0.60% of the initial principal amount of such Series 2023 Bonds (exclusive of any costs of issuance the Underwriters contract to pay), and (g) the Series 2023 Bonds shall otherwise conform to the limitations specified herein.

The Bond Purchase Agreement shall recite the aggregate initial principal amount of the Series 2023 Bonds, and with respect to the Current Interest Bonds, shall recite the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any, and with respect to the Capital Appreciation Bonds, shall recite the date thereof, the initial principal amounts, maturity dates, and maturity values of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any, and with respect to the Convertible Capital Appreciation Bonds, shall recite the date thereof, the initial principal amounts, Conversion Dates, maturity dates, and stated value at the Conversion Date of each maturity thereof, the initial and semiannual Interest Dates thereof, and the terms of optional, extraordinary and mandatory sinking fund redemption thereof, if any.

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

(c) *Reserves and Capitalized Interest.* In accordance with subsections (i) and (j) of Section 15146 of the California Education Code, the Authorized Officers are each hereby authorized to cause to be deposited in the interest and sinking fund of the District established for the Series 2023 Bonds proceeds of sale of the Series 2023 Bonds (in addition to any premium or accrued interest received) to fund (i) an annual reserve permitted by Section 15250 of the California Education Code, and/or (ii) capitalized interest in an amount not exceeding the interest scheduled to become due on the Series 2023 Bonds for a period of two years from the date of issuance of the Series 2023 Bonds, as shall be set forth in the Bond Purchase Agreement, if any such a deposit is deemed by the Authorized Officer executing the same to be in the best interests of the District.

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

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

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

Section 13. Preliminary Official Statement. The Preliminary Official Statement to be distributed in connection with the public offering of the Series 2023 Bonds, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions as may be approved by an Authorized Officer, is hereby approved, and the use of such Preliminary Official Statement in connection with the offering and sale of the Series 2023 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the District that such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If and to the extent it is necessary to make substantial changes to the Preliminary Official Statement prior to the offering and sale of the Series 2023 Bonds, the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2023 Bonds, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer, shall follow the distribution to the Board of Education of a revised draft of the Preliminary Official Statement with accompanying directions and instructions to members of the Board of Education to review the revised Preliminary Official Statement and provide comments to such Authorized Officer.

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

Section 15. Investment of Proceeds. (a) *Deposit of Proceeds.* As provided in subsection (g) of Section 15146 of the California Education Code, (i) except as permitted by subsection (h) of Section 15146 of the California Education Code, the proceeds of the sale of the Series 2023 Bonds, exclusive of any premium or accrued interest received by the District, shall be deposited in the County treasury to the credit of the building fund of the District established for the Series 2023 Bonds, (ii) the proceeds deposited in the building fund of the District established for the Series 2023 Bonds shall be drawn out as other school moneys are drawn out, and (iii) the bond proceeds withdrawn shall not be applied to any purposes other than those for which the Series 2023 Bonds were issued. In accordance with subsection (g) of Section 15146 of the California

Education Code, at no time shall the proceeds of the Series 2023 Bonds be withdrawn by the District for investment outside the County treasury. Amounts in the building fund of the District established for the Series 2023 Bonds shall be invested so as to be available for the aforementioned disbursements and the District shall keep a written record of such disbursements. Pursuant to subsection (g) of Section 15146 of the California Education Code, any premium or accrued interest received by the District from the sale of the Series 2023 Bonds, shall be deposited in the interest and sinking fund of the District established for the Series 2023 Bonds.

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

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

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

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

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

Section 17. Professional Services. California Financial Services, shall serve as Municipal Advisor to the District for the Series 2023 Bonds. Orrick, Herrington & Sutcliffe LLP shall serve as bond counsel and disclosure counsel to the District for the Series 2023 Bonds. Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, shall serve as Underwriters for the Series 2023 Bonds.

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

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

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

Section 21. Electronic Signatures; DocuSign. The Board of Education hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments authorized by this Resolution to be executed and delivered (a) with electronic signatures using DocuSign, as the same may be permitted under the California Uniform Electronic Transactions Act, and (b) with digital signatures using DocuSign, as the same may be permitted under Section 16.5 of the California Government Code.

Section 22. Filing with County. The Superintendent, or such other officer or employee of the District as the Superintendent may designate, is hereby authorized and directed to report to the Auditor-Controller of the County the final terms of sale of the Series 2023 Bonds, and to file with the Auditor-Controller and with the Treasurer of the County a copy of the executed Bond Purchase Agreement and this Resolution, and the schedule of amortization of the principal of and payment of interest on the Series 2023 Bonds, and to file with the Treasurer of the County a proposed schedule of draws on the building fund of the District established for the Series 2023 Bonds, and this Resolution shall serve as the notice required to be given by Section 15140(c) of the California Education Code and as the District's request to the Auditor-Controller of the County and the Board of Supervisors of the County to propose and adopt in each year a tax rate applicable to all taxable property of the District for payment of the Series 2023 Bonds, pursuant to law; and to the other officers of the County to levy and collect said taxes for the payment of the Series 2023 Bonds, to pay in a timely manner to the Paying Agent on behalf of the Owners of the Series 2023 Bonds the principal, interest, and premium, if any, due on the Series 2023 Bonds in each year, and to create in the County treasury to the credit of the District a building fund and an interest and sinking fund for the Series 2023 Bonds pursuant to Section 15146 of the California Education Code.

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

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

Section 25. Indemnification of County. The District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such

Indemnified Parties may become subject because of action or inaction related to the adoption of any resolution by the Board of Supervisors of the County authorizing the District to issue and sell the Series 2023 Bonds without the further action of the Board of Supervisors pursuant to Sections 15140 and 15146 of the California Education Code, as permitted by Section 53508.7 of the California Government Code. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

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

PASSED AND ADOPTED this day, March 22, 2023.

President of the Board of Education
of the Rialto Unified School District

ATTEST:

Clerk of the Board of Education
of the Rialto Unified School District

EXHIBIT A

EXHIBIT A-1

DISCLOSURE REQUIRED BY CALIFORNIA EDUCATION CODE 15146(c)

1. **Financing term and time of maturity of the bonds**: Illustrative Option 1 includes only current interest bonds ("CIBs"), while Illustrative Option 2 includes both CIBs and capital appreciation Bonds ("CABs") for the Series 2023 Bonds.

	Illustrative Option 1 *Current Interest Bonds ("CIBs")*		Illustrative Option 2 *MIX of CIBs and CABs*			
	Bond Types	CIBS	Bond Types	CIBs	CABs	MIX Bond Types
	Principal Amt.	$49,000,000	Principal Amt.	$51,280,000	$28,717,654	$79,997,654
	Year (Aug. 1)	CIBs Estimated Payments *	Year (Aug. 1)	CIBs Estimated Payments *	CABs Estimated Payments	COMBINED Estimated Pmts. *
Term	2023	Issue	2023	Issue	Issue	Issue
1	2024	$7,733,923	2024	$7,768,676	----	$7,768,676
2	2025	8,044,079	2025	8,077,750	----	8,077,750
3	2026	1,681,983	2026	1,825,000	----	1,825,000
4	2027	1,732,442	2027	1,825,000	----	1,825,000
5	2028	1,784,415	2028	1,825,000	455,000	2,280,000
6	2029	1,837,947	2029	1,825,000	560,000	2,385,000
7	2030	1,893,085	2030	1,825,000	1,625,000	3,450,000
8	2031	1,949,878	2031	1,825,000	1,785,000	3,610,000
9	2032	2,008,374	2032	1,825,000	1,945,000	3,770,000
10	2033	2,068,625	2033	1,825,000	2,115,000	3,940,000
11	2034	2,130,684	2034	1,825,000	2,295,000	4,120,000
12	2035	2,194,605	2035	1,825,000	2,480,000	4,305,000
13	2036	2,260,443	2036	1,825,000	2,675,000	4,500,000
14	2037	2,328,256	2037	1,825,000	2,880,000	4,705,000
15	2038	2,398,104	2038	1,825,000	3,090,000	4,915,000
16	2039	2,470,047	2039	1,825,000	3,315,000	5,140,000
17	2040	2,544,148	2040	1,825,000	3,545,000	5,370,000
18	2041	2,620,472	2041	1,825,000	3,790,000	5,615,000
19	2042	2,699,086	2042	1,825,000	4,045,000	5,870,000
20	2043	2,780,059	2043	1,825,000	4,310,000	6,135,000
21	2044	2,863,461	2044	1,825,000	4,585,000	6,410,000
22	2045	2,949,365	2045	1,825,000	4,875,000	6,700,000
23	2046	3,037,846	2046	1,825,000	5,175,000	7,000,000
24	2047	3,128,981	2047	1,825,000	5,490,000	7,315,000
25	2048	3,222,850	2048	7,380,000	----	7,380,000
26	2049	3,319,536	2049	7,897,250	----	7,897,250
27	2050	3,419,122	2050	8,444,750	----	8,444,750
28	2051	3,521,696	2051	9,039,000	----	9,039,000
29	2052	3,627,347	2052	9,670,000	----	9,670,000
	Total =	$84,250,859	Total =	$98,427,426	$61,035,000	$159,462,426
	Ratio =	*1.7194*	*Ratio =*	*1.9194*	*2.1253*	*1.9933*

* Represents the estimated net payment amounts for tax roll purposes remaining after the credit of capitalized interest.

2. **Repayment ration of the bonds (the entire series of bonds)**:

   – Illustrative Option 1: 1.7194

   – Illustrative Option 2: 1.9933

3. **Estimated change in average assessed value ("AV") of taxable property within the District over the term of the bonds:**

   – 3.84% average annual change.

4. **<u>Total overall cost of the CABs</u>**:

   – In Illustrative Option 2, the estimated total principal amount of CABs is $28,717,654 with an estimated debt service cost of $61,035,000. This is a repayment ratio for the CABs of 1.9933 to 1.

5. **<u>Comparison of Illustrative Option 1 and Illustrative Option 2 overall amounts of issuing a mix of CIBs and CABs to issuing only CIBs:</u>**

   – If the District did not utilize CABs, as illustrated in Illustrative Option 1, then only $49,000,000 principal amount of bonds can be issued with only CIBs while maintaining access to the remaining Measure A authorization over the same time frame. By utilizing a mix of CIBs and CABs, as illustrated in Illustrative Option 2, the District can issue up to $80,000,000 principal amount of bonds. The difference is an increase of $31,000,000 principal amount of bonds issued by utilizing a mix of CIBs and CABs.

6. **<u>Comparison of overall amounts of issuing a mix of CIBs and CABs to only issuing CIBs regarding the prospective future bond issuance plan (see Exhibit A-2 attached):</u>**

   – If the District did not utilize a mix of CIBs and CABs, and only issued CIBs, under its prospective future bond issuance plan, then only $304 million principal amount of bonds could be issued over the planned timeframe. By utilizing a mix of CIBs and CABs, the District can issue all the $340 million principal amount of bonds authorized under Measure A over the planned timeframe. The difference is an increase of $36 million principal amount of bonds issued over the planned timeframe by utilizing a mix of CIBs and CABs.

7. **<u>Reason for recommending a mix of CIBs and CABs</u>**:

   – The issuance of the planned Series 2023 Bonds, and the planned prospective future Measure A Bond Series, with a mix of CIBs and CABs enables the District to meet the following objectives:

     - ***Series 2023 School project funding objective:*** The District can increase the amount of principal amount of bonds for the current phase of school projects by an estimated $31 million.
     - ***Future planned Measure A Bond Series:*** The District can substantially increase the amount of principal amount of bonds issued in the future by approximately $36 million to fund the authorized school projects over the planned future timeframe (see Exhibit A-2 attached).
     - ***Tax-Rate objective:*** The District can generate the $36 million of additional school projects funded in the future under Measure A while maintaining the District's authorized annual estimated tax-rate limitation of $60 per $100,000 of taxable assessed value under the Proposition 39 parameters.

8. **Copy of the G-17 Letters from Piper Sandler & Co. and Loop Capital Markets, as Underwriters. See attached as Exhibit A-3.**

EXHIBIT A-2

DISCLOSURE – ALL FUTURE PLANNED BOND SERIES

1. **Financing term and time of maturity of the bonds**: Illustrative Option 3 below is based on the estimated issuance of the District's Measure A Bond Series over the planned future bond issuance period utilizing only CIBs. Illustrative Option 4 below is based on the estimated issuance of the District's Measure A Bond Series over the same planned bond issuance period utilizing a mix of current interest bonds ("CIBs") and capital appreciation bonds ("CABs").

Illustrative Option 3 *CIBs Only*		
Bond Series	**SERIES "A"**	**"ALL" Series**
Principal Amt.	**$49,000,000**	**$304,000,000**
Year (Aug. 1)	**Estimated Payments**	**All Series Remaining Estimated Pmts.**
2023	**Issue**	**All Series**
2024	$7,733,923	$7,733,923
2025	8,044,079	8,044,079
2026	1,681,983	8,403,623
2027	1,732,442	8,782,433
2028	1,784,415	9,223,134
2029	1,837,947	9,638,830
2030	1,893,085	10,082,502
2031	1,949,878	10,536,715
2032	2,008,374	11,019,423
2033	2,068,625	11,515,652
2034	2,130,684	12,041,670
2035	2,194,605	12,583,755
2036	2,260,443	13,146,626
2037	2,328,256	13,737,457
2038	2,398,104	14,354,825
2039	2,470,047	15,045,784
2040	2,544,148	15,497,158
2041	2,620,472	15,962,073
2042	2,699,086	16,440,936
2043	2,780,059	16,934,165
2044	2,863,461	17,442,190
2045	2,949,365	17,965,457
2046	3,037,846	18,504,421
2047	3,128,981	19,059,553
2048	3,222,850	19,631,339
2049	3,319,536	20,220,279
2050	3,419,122	20,826,888
2051	3,521,696	21,451,696
2052	3,627,347	22,095,246
2053		19,021,936
2054		19,592,593
2055		20,180,370
2056		17,396,183
2057		17,918,069
2058		14,210,450
2059		14,636,764
2060		11,385,314
2061		11,726,874
2062		8,658,773
2063		8,918,536
2064		6,079,346
2065		6,261,726
2066		3,040,658
2067		3,131,878
2068		3,225,834
Total =	**$84,250,859**	**$603,307,136**
Ratio =	***1.7194***	***1.9846***

Illustrative Option 4 *MIX of CIBs and CABs*		
Bond Series	**SERIES "A"**	**"ALL" Series**
Principal Amt.	**$79,997,654**	**$340,000,000**
Year (Aug. 1)	**Estimated Payments**	**All Series Remaining Estimated Pmts.**
2023	**Issue**	**All Series**
2024	$7,768,676	$7,768,676
2025	8,077,750	8,077,750
2026	1,825,000	8,438,386
2027	1,825,000	8,818,603
2028	2,280,000	9,225,097
2029	2,385,000	9,641,141
2030	3,450,000	10,088,334
2031	3,610,000	10,543,230
2032	3,770,000	11,027,199
2033	3,940,000	11,524,333
2034	4,120,000	12,050,657
2035	4,305,000	12,593,845
2036	4,500,000	13,161,916
2037	4,705,000	13,755,123
2038	4,915,000	14,377,318
2039	5,140,000	15,027,893
2040	5,370,000	15,705,057
2041	5,615,000	16,412,694
2042	5,870,000	17,152,174
2043	6,135,000	17,924,931
2044	6,410,000	18,732,462
2045	6,700,000	19,576,331
2046	7,000,000	20,458,175
2047	7,315,000	21,379,702
2048	7,380,000	22,342,674
2049	7,897,250	23,349,020
2050	8,444,750	24,400,652
2051	9,039,000	25,499,576
2052	9,670,000	26,648,007
2053		27,847,829
2054		29,101,908
2055		30,412,419
2056		31,628,763
2057		32,737,881
2058		33,720,004
2059		34,563,456
2060		35,254,682
2061		34,938,994
2062		35,551,773
2063		36,265,967
2064		1,207,000
2065		1,268,826
2066		572,966
2067		595,884
2068		619,720
Total =	**$159,462,426**	**$811,989,027**
Ratio =	***1.9933***	***2.3882***

* Represents the estimated net payment amounts for tax roll purposes remaining after the credit of capitalized interest.

2. **Estimated change in assessed value ("AV") of taxable property within the District over the term of the bonds**: The tables below compare the District's historical average AV to the minimum AV estimates needed for the planned Series 2023 Bonds, and for the planned future Measure A Bond Series over the total repayment periods for both Illustrative Option 3 and Illustrative Option 4 in the above tables.

Historical Avg. AV Increase	
35-Year Avg. =	5.928%
FY 2022-23 =	8.669%

	Series 2023 Bonds *Annual AV Est.*	ALL Series *Avg. AV Est.*
Illustrative Option 3 (CIBs ONLY)	3.84%	3.84%
Illustrative Option 4 (MIX of Bond Types)	3.84%	3.84%

The above average AV estimates represent the average annual increase in the District's assessed value needed in order to maintain the District's authorized annual estimated tax-rate limitation of $60 per $100,000 of taxable assessed value for both the Series 2023 Bonds and all of the future Measure A Bond Series issued over the planned timeframe.

3. **Comparison of overall impact of issuing bonds with and without accretion bonds**: The tables below compare the estimated bond principal amounts and repayment ratios that would be generated under Illustrative Option 3 (CIBs ONLY) and Illustrative Option 4 (MIX of bond types) for both the planned Series 2023 Series Bond issue, and the planned future Measure A Bond Series issued over the next 10 to 15-years.

	Series 2023 Bonds *Principal Amt. Issued*	ALL Bond Series *Principal Issued*	Series 2023 Bonds *Repayment Ratio*	ALL Bond Series *Repayment Ratio*
Illustrative Option 3 (CIBs ONLY)	$49,000,000	$304,000,000	1.7194	1.9846
Illustrative Option 4 (MIX of Bond Types)	$79,997,654	$340,000,000	1.9933	2.3882
Difference =	**($30,997,654)**	**($36,000,000)**	**(0.2739)**	**(0.4036)**

4. **Reason for recommending Illustrative Option 4**: The issuance of the planned Series 2023 Bonds and the planned future Measure A Bond Series with a mix of CIBs and CABs enables the District to meet the following objectives:

   - ***School Project Objective:*** The District can substantially increase the bond principal amount issued in the future by approximately $36 million to fund the authorized school projects over the planned bond issuance timeframe.

   - ***Tax-Rate Objective:*** The District can generate all of the $340 million of authorized school projects funded in the future under Measure A while maintaining the District's authorized annual estimated tax-rate limitation of $60 per $100,000 of taxable assessed value under the Proposition 39 parameters.

EXHIBIT A-3

Underwriters Disclosure in Compliance with
Municipal Securities Rulemaking Board Rule G-17

[Attached.]

PIPER | SANDLER

2321 Rosecrans Ave., Suite 3200, El Segundo, CA 90245
TEL: +1 (310) 297-6013 | FAX: +1 (310) 297-6000

February 10, 2023

Ms. Diane Romo
Lead Business Services Agent
Rialto Unified School District
182 E. Walnut Avenue
Rialto, CA 92376

Re: Underwriter Engagement Letter
Rialto Unified School District
Election of 2022 General Obligation Bonds, Series A
2023 General Obligation Refunding Bonds (together, the "Bonds")

Dear Ms. Romo:

On behalf of Piper Sandler & Co. ("us" or "Piper Sandler"), we are writing concerning a potential municipal securities transaction as identified above. This letter confirms that you engage Piper Sandler as an underwriter respecting the Bonds, subject to the conditions and limitations described below.

This engagement is preliminary in nature, non-binding and may be terminated at any time by you or us. Although you intend or reasonably expect to use Piper Sandler as an underwriter respecting the Bonds, this engagement is subject to any applicable procurement laws and the formal approval of Piper Sandler as underwriter by your board or governing body, and is also subject to mutual agreement as to the final structure for the Bonds and the terms and conditions of a bond purchase or similar agreement. This engagement does not restrict you from using other underwriters respecting the Bonds or any other municipal securities transaction or prevent you from delaying or cancelling the Bond issue or selecting an underwriting syndicate that does not include Piper Sandler.

As an underwriter, Piper Sandler may provide advice concerning the structure, timing, terms, and other similar matters concerning the Bonds. However, Piper Sandler intends to serve as an underwriter and not as a financial advisor to you, and the primary role of Piper Sandler is to purchase securities for resale to investors in an arm's-length commercial transaction between you and Piper Sandler. Piper Sandler has financial and other interests that differ from your interests.

Attached to this letter are regulatory disclosures required by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board to be made by us at this time because of this engagement. We may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction or describing any conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures. It is our understanding that you have the authority to bind the issuer by contract with us, and that you are not a party to any conflict of interest relating to the Bonds. If our understanding is incorrect, please notify the undersigned immediately.

We wish to receive your written acknowledgement that you have received the Appendix A & B disclosures and that this engagement is approved. Accordingly, please send me an email to that effect or sign and return the enclosed copy of this letter to me. If you have any questions or concerns about anything in this letter, please do not hesitate to contact me.

Thank you.

PIPER | SANDLER

Sincerely,

____
Richard Calabro
Managing Director
Piper Sandler
310-297-2013
Richard.calabro@psc.com

Acknowledgement and Approval of Engagement
and Receipt of Appendix A & B Disclosures

____
Ms. Diane Romo
Lead Business Services Agent
Rialto Unified School District

Date: _________________________

Cc: Michael Ogburn, *California Financial Services*
Jesse Landre, *California Financial Services*
Robert Larkins, *Loop Capital Markets*

Sincerely,

Richard Calabro
Managing Director
Piper Sandler
310-297-2013
Richard.calabro@psc.com

Acknowledgement and Approval of Engagement
and Receipt of Appendix A & B Disclosures

Ms. Diane Romo
Lead Business Services Agent
Rialto Unified School District

Date: 2/14/23

Cc: Michael Ogburn, *California Financial Services*
Jesse Landre, *California Financial Services*
Robert Larkins, *Loop Capital Markets*

Appendix A – G-17 Disclosure

Thank you for engaging Piper Sandler & Co. ("Piper Sandler") to serve as your underwriter. We are writing to provide you with certain disclosures relating to the captioned bond issue (Bonds), as required by Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019).[1]

Piper Sandler & Co. intends to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds. As part of our underwriting services, we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

The following G-17 conflict of interest disclosures are now broken down into three types, including: 1) dealer-specific conflicts of interest disclosures (if applicable); 2) transaction-specific disclosures (if applicable); and 3) standard disclosures.

Dealer-Specific Conflicts of Interest Disclosures
Piper Sandler has identified the following actual or potential[2] material conflicts of interest:

- We have entered into a separate agreement with Charles Schwab & Co., Inc. that enables Charles Schwab & Co., Inc. to distribute certain new issue municipal securities underwritten by or allocated to us which could include the Bonds. Under that agreement, we will share with Charles Schwab & Co., a portion of the fee or commission paid to us.

Transaction-Specific Disclosures
- <u>Disclosures Concerning Complex Municipal Securities Financing</u>:
  - Since we have not recommended a "complex municipal securities financing" to the Issuer or Obligor, additional disclosures regarding the financing structure for the Bonds are not required under MSRB Rule G-17.

Standard Disclosures
- <u>Disclosures Concerning the Underwriters' Role</u>:
  - MSRB Rule G-17 requires an underwriter to deal fairly at all times with both issuers and investors.
  - The underwriters' primary role is to purchase the Bonds with a view to distribution in an arm's-length commercial transaction with the Issuer. The underwriters have financial and other interests that differ from those of the Issuer.
  - Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
  - The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.
  - The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.

---

[1] Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective Mar. 31, 2021).

[2] When we refer to *potential* material conflicts throughout this letter, we refer to ones that are reasonably likely to mature into *actual* material conflicts during the course of the transaction, which is the standard required by MSRB Rule G-17.

- The underwriters will review the official statement for the Bonds in accordance with, and a part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.[3]

- <u>Disclosures Concerning the Underwriters' Compensation</u>:
  - The underwriters will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriters may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Please note that nothing in this letter should be viewed as a commitment by the underwriters to purchase or sell all the Bonds and any such commitment will only exist upon the execution of any bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

You have been identified by the Issuer as a primary contact for the Issuer's receipt of these disclosures, and that you are not a party to any disclosed conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately. We are required to seek your acknowledgement that you have received this letter. Accordingly, please send me an email to that effect, or sign and return the enclosed copy of this letter to me at the address set forth above. Otherwise, an email read receipt from you or automatic response confirming that our email was opened by you will serve as an acknowledgment that you received these disclosures.

Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or potential material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

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[3] Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriters is solely for purposes of satisfying the underwriters' obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

Appendix B – Risk Disclosures

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

Financial Characteristics

Maturity and Interest. Fixed Rate Bonds are debt securities issued by state and local governments, political subdivisions and agencies and authorities. Fixed Rate Bonds can be interest-bearing (“Current Interest Bonds”), interest accruing (“Capital Appreciation Bonds” or “CABs”) or bonds that are initially issued as CABs but later convert on a specified date to Current Interest Bonds (“Convertible Capital Appreciation Bonds”). Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and for Current Interest Bonds may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. CABs are payable only on maturity The final maturity date for Fixed Rate Bonds typically will range between 5 and 30 years from the date of issuance, although issuers may choose to extend final maturities to 40 years, resulting in greater total debt service to the issuer relative to bonds with earlier maturities. Interest on Current Interest Bonds is paid semiannually at a stated fixed rate or rates for each maturity date. CABs do not require periodic payments of interest, instead each CAB accretes in value from its initial principal amount to its maturity value at an accretion rate per year, which is compounded semiannually, and payable only at maturity or earlier redemption.

Redemption. Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

Security

General Obligation Bonds
“General obligation bonds” are debt securities to which unlimited ad valorem property taxes are pledged to pay principal and interest. The County will levy and collect property taxes annually in an amount sufficient to pay principal and interest on the bonds.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

Tax Rate Risk
The tax rate that the County will levy will be dependent on the District’s assessed valuation and net collection rates. Because of the fluctuations in assessed valuation and collection rates, tax rates will fluctuate and may exceed the tax rate represented to the voters. The greater the rate of growth of debt service, the greater will be the risk that the tax rate exceeds the tax rate presented at the time of the election.

Higher Relative Debt Service Requirements for CABs vs CIBs
Capital Appreciation Bonds and Convertible Capital Appreciation Bonds are usually used when the issuer desires to defer debt service to a later date due to revenue or other constraints. Because the interest on these bonds compounds semiannually and interest, these bonds result in greater total debt service costs to issuers than Current Interest Bonds. Greater total debt service as the result of deferring principal and interest will require substantially greater tax revenues to pay over the life of the bonds. Such greater tax revenues may exceed the tax rate represented to the voters, if the assessed valuation growth is less than initially projected.

Redemption Risk
Your ability to redeem or restructure the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service. The inability to restructure the bonds may limit the District's ability to manage tax rates as the result of assessed valuation changes.

Tax Compliance Risk
The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

580 California St., 16th Fl.
San Francisco, CA 94104
T 415.635.3776

www.loopcapital.com

LOOP CAPITAL

February 15, 2023

Rialto Unified School District
182 E. Walnut Avenue
Rialto, California 92376

Attn: Diane Romo, *Lead Business Services Agent*

Re: Disclosures Pursuant to MSRB Rule G-17
Rialto Unified School District
Election of 2022 General Obligation Bonds, Series A
2023 General Obligation Refunding Bonds (together, the "Bonds")

Dear Ms. Romo:

We are writing to provide you, as the Lead Business Services Agent for Rialto Unified School District (Issuer), with certain disclosures relating to the above-captioned Bonds, as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019)[1].

Loop Capital Markets intends to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds. As part of our underwriting services, we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

The following G-17 conflict of interest disclosures are now broken down into three types, including: 1) dealer-specific conflicts of interest disclosures (if applicable); 2) transaction-specific disclosures (if applicable); and 3) standard disclosures.

I. Dealer-Specific Conflicts of Interest Disclosures:

Loop Capital Markets has not identified any additional actual or potential[2] material conflicts of interest.

II. Transaction-Specific Disclosures:

- Disclosures Concerning Complex Municipal Securities Financing:

Since we have not recommended a "complex municipal securities financing" to the Issuer, additional disclosures regarding the financing structure for the Bonds are not required under MSRB Rule G-17.

---

[1] Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective March 31, 2021).
[2] When we refer to *potential* material conflicts throughout this letter, we refer to ones that are reasonably likely to mature into actual material conflicts during the course of the transaction, which is the standard required by MSRB Rule G-17.

III. Standard Disclosures:

- Disclosures Concerning the Underwriter's Role:

(i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both issuers and investors.

(ii) The underwriter's primary role is to purchase the Bonds with a view to distribution in an arm's-length commercial transaction with the Issuer. The underwriter has financial and other interests that differ from those of the Issuer.

(iii) Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.

(iv) The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.

(v) The underwriter has a duty to purchase the Bonds from the Issuer at a fair and reasonable price but must balance that duty with its duty to sell the Bonds to investors at prices that are fair and reasonable.

(vi) The underwriter will review the official statement for the Bonds in accordance with, and a part of, its respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction[3].

- Disclosures Concerning the Underwriter's Compensation:

The underwriter will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Please note that nothing is this letter should be viewed as a commitment by the underwriter to purchase or sell all the Bonds, and any such commitment will only exist upon the execution of any

[3] Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriter is solely for purposes of satisfying the underwriter's obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

IV. Acknowledgement:

You have been identified by the Issuer as a primary contact for the Issuer's receipt of these disclosures and that you are not a party to any conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

We are required to seek your acknowledgement that you have received this letter. Accordingly, please send an email to that effect, or sign and return the enclosed copy of this letter to the address set forth above. Otherwise, an email read receipt from you or automatic response confirming that our email was opened by you will serve as an acknowledgment that you received these disclosures.

Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or potential material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you in connection with the issuance of the Bonds. Thank you.

Sincerely,

Robert Larkins
Managing Director
Loop Capital Markets LLC

Acknowledgement:

Diane Romo
Lead Business Services Agent
Rialto Unified School District

2/15/23
Date

CC: California Financial Services (*Municipal Advisor*)
Piper Sandler (*Senior Manager*)

EXHIBIT B

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Series 2023 Bonds in compliance with Section 15146(b)(1)(D) of the California Education Code and Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the District by California Financial Services, as the District's financial advisor under California Education Code Section 15146(b)(1)(C) and the District's municipal advisor under Section 15B of the Securities Exchange Act of 1934 (the "Municipal Advisor"), and by Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, the underwriters of the Series 2023 Bonds (the "Underwriters").

Principal Amount. The Municipal Advisor and the Underwriters have informed the District that, based on the District's financing plan and market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the aggregate initial principal amount of the Series 2023 Bonds to be sold in a public offering is $80,000,000 (the "Estimated Principal Amount").

True Interest Cost of the Series 2023 Bonds. The Municipal Advisor and the Underwriters have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Series 2023 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest dates to the purchase price received for the Series 2023 Bonds, is 4.5157%.

Finance Charge of the Series 2023 Bonds. The Municipal Advisor and the Underwriters have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Series 2023 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2023 Bonds), is $1,124,185, as follows:

a)	Underwriters' Discount	$	480,000
b)	Credit Enhancement		320,695*
c)	Bond Counsel and Disbursements		75,000
d)	Disclosure Counsel and Disbursements		50,000
e)	Municipal Advisor and Disbursements		100,000
f)	Rating Agency		75,000
g)	Other Expenses		23,490

* A municipal bond insurance policy with respect to the Series 2023 Bonds may be obtained if economically advantageous to the District.

Amount of Proceeds to be Received. The Municipal Advisor and the Underwriters have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the District for sale of the Series 2023 Bonds, less the finance charge of the Series 2023 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Series 2023 Bonds, is $78,883,657.

Total Payment Amount. The Municipal Advisor and the Underwriters have informed the District that, assuming that the Estimated Principal Amount of the Series 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Series 2023 Bonds, plus the estimated finance charge for the Series 2023 Bonds, as described above, not paid with the proceeds of the Series 2023 Bonds, calculated to the final maturity of the Series 2023 Bonds, is $159,462,926.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Series 2023 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the Series 2023 Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of Series 2023 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Series 2023 Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the Series 2023 Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Series 2023 Bonds and the actual principal amount of Series 2023 Bonds sold will be determined by the District based on the need for project funds and other factors. The actual interest rates borne by the Series 2023 Bonds will depend on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the District, the Municipal Advisor and the Underwriters. The Board of Education has approved the issuance of the Series 2023 Bonds with a maximum true interest cost of 5.50%.

EXHIBIT C

FORM OF CURRENT INTEREST BOND

Number	**UNITED STATES OF AMERICA**	**Amount**
R-__	**STATE OF CALIFORNIA**	**$__________**
	COUNTY OF SAN BERNARDINO	

RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

CURRENT INTEREST BOND

Maturity Date	Interest Rate	Dated as of	CUSIP No.
August 1, 20__	____%	_______ __, 2023	__________

Registered Owner: CEDE & CO.

Principal Amount: ____ DOLLARS

Rialto Unified School District, County of San Bernardino, State of California (the "District"), acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns, on the Maturity Date set forth above or upon prior redemption hereof, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before ________ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on _________ 1, 20__, and thereafter on February 1 and August 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Education of the District on March 22, 2023 (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of U.S. Bank Trust Company, National Association, the paying agent/registrar and transfer agent of the District (the "Paying Agent"). Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Current Interest Bonds aggregating at least $1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate initial principal amount of $_________, and designated as "Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 8, 2022. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated _________, 2023 (the "Bond Purchase Agreement"), by and between the District and Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, as underwriters.

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

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

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

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

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

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

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

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

____
President of the Board of Education of the
Rialto Unified School District

Countersigned:

____
Clerk of the Board of Education of the
Rialto Unified School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS PAYING AGENT

By: ___________________________________
Authorized Officer

ASSIGNMENT

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

____
I.D. Number

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

Dated: __________________

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

EXHIBIT D

FORM OF CAPITAL APPRECIATION BOND

Number
CAB-__

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

CAPITAL APPRECIATION BOND

Maturity Date	Interest Rate	Dated as of	CUSIP No.
August 1, 20__		__________, 2023	_________

Registered Owner: CEDE & CO.

Initial Principal Amount: ____ DOLLARS

Accreted Value at Maturity: ____ DOLLARS

Rialto Unified School District of the County of San Bernardino, State of California (the "District"), acknowledges itself obligated to and promises to pay, to the Registered Owner identified above or registered assigns, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, the accreted value hereof on such date, consisting of the Initial Principal Amount hereof plus interest accrued thereon to such date, commencing on the date hereof, compounded on February 1 and August 1 of each year commencing on _______ 1, 20__, at the Interest Rate specified above, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, until the obligation represented hereby shall have been discharged, as provided in the Resolution adopted by the Board of Education of the District on March 22, 2023 (the "Resolution"). The accreted value hereof shall be determined in accordance with the Resolution and as reflected in the Table of Accreted Values hereinafter set forth; provided, however, that any accreted value determined in accordance with the Resolution shall prevail over any accreted values given in the Table of Accreted Values. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The accreted value hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of U.S. Bank Trust Company, National Association, the paying agent/registrar and transfer agent of the District (the "Paying Agent").

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying tenors, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate initial principal amount of $_________, and designated as "Rialto Unified School District (County of

San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 8, 2022. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated __________, 2023 (the "Bond Purchase Agreement"), by and between the District and Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, as underwriters.

The Capital Appreciation Bonds are issuable as fully registered bonds without coupons in the denomination of $5,000 accreted value at maturity (the "maturity value") or any integral multiple thereof, except that the first numbered Bond may be issued in a denomination such that the maturity value of such Bond shall not be in an integral multiple of $5,000, and provided that no Capital Appreciation Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate maturity value of Bonds of the same tenor, interest payment mode, and maturity of other authorized denominations.

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

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

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

The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond, and that this Bond is in substantially the form prescribed by order of this Board duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District established for the Bonds, and the money for the payment of the maturity value of this Bond (or redemption price hereof upon redemption prior to maturity), shall be raised by taxation upon the taxable property of the District.

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

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

IN WITNESS WHEREOF, the Board of Education of the Rialto Unified School District, County of San Bernardino, State of California, has caused this Bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

____
President of the Board of Education of the
Rialto Unified School District

Countersigned:

____
Clerk of the Board of Education of the
Rialto Unified School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS PAYING AGENT

By: ________________________________
Authorized Officer

ASSIGNMENT

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

____
I.D. Number

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

Dated: __________________

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

CAPITAL APPRECIATION BOND

TABLE OF ACCRETED VALUES

EXHIBIT E

FORM OF CONVERTIBLE CAPITAL APPRECIATION BOND

Number
CCAB-__

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

CONVERTIBLE CAPITAL APPRECIATION BOND

Maturity Date	Interest Rate	Conversion Date	Dated as of	CUSIP No.
August 1, 20__			__________, 2023	_________

Registered Owner: CEDE & CO.

Initial Principal Amount: ____ DOLLARS

Accreted Value at Conversion Date: ______________________________________ DOLLARS

Rialto Unified School District of the County of San Bernardino, State of California (the "District"), acknowledges itself obligated to and promises to pay, to the Registered Owner identified above or registered assigns, on the Maturity Date specified above or upon prior redemption hereof, in lawful money of the United States of America, the accreted value hereof on such date, consisting of the Initial Principal Amount hereof plus interest accrued thereon to the Conversion Date specified above, commencing on the date hereof, compounded on February 1 and August 1 of each year commencing on _______ 1, 20__, at the Interest Rate per annum specified above, assuming in any such semiannual period that such interest accretes in equal daily amounts on the basis of a 360-day year of twelve 30-day months, and from and after said Conversion Date to pay interest on said accreted value as of said Conversion Date in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated after the close of business on a Record Date (as defined herein) and on or prior to the succeeding interest payment date, in which event it shall bear interest from such interest payment date) at the Interest Rate per annum stated above, payable commencing on the February 1 or August 1 first following said Conversion Date, and thereafter on February 1 and August 1 in each year, until the obligation represented hereby shall have been discharged, as provided in the Resolution adopted by the Board of Education of the District on March 22, 2023 (the "Resolution"), upon the surrender hereof at the principal corporate trust office of U.S. Bank Trust Company, National Association, the paying agent/registrar and transfer agent of the District (the "Paying Agent"). The accreted value hereof shall be determined in accordance with the Resolution and as reflected in the Table of Accreted Values hereinafter set forth; provided, however, that any accreted value determined in accordance with the Resolution shall prevail over any accreted values given in the Table of Accreted Values. Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The accreted value hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of the Paying Agent. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Current Interest Bonds aggregating at least $1,000,000 in accreted value as of the Conversion Date, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying tenors, numbers, denominations, interest rates, interest payment modes, maturities and redemption provisions), in the aggregate principal amount of $______________, and designated as "Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023" (the "Bonds"). The Bonds were authorized by a vote of at least 55% percent of the voters voting at an election duly and legally called, held and conducted in the District on November 8, 2022. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement, dated __________, 2023 (the "Bond Purchase Agreement"), by and between the District and Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, as underwriters.

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

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

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

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

The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law, that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond, and that this Bond is in substantially the form prescribed by order of this Board duly made and entered on its minutes. The Bonds represent an obligation payable out of the interest and sinking fund of the District established for the Bonds, and the money for the payment of the maturity value of this Bond (or redemption price hereof upon redemption prior to maturity), shall be raised by taxation upon the taxable property of the District.

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

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

IN WITNESS WHEREOF, the Board of Education of the Rialto Unified School District, County of San Bernardino, State of California, has caused this Bond to be signed by its President and countersigned by the Clerk of said Board, as of the date set forth above.

____
President of the Board of Education of the
Rialto Unified School District

Countersigned:

____
Clerk of the Board of Education of the
Rialto Unified School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

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

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS PAYING AGENT

By: ________________________________
Authorized Officer

ASSIGNMENT

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

____
I.D. Number

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

Dated: __________________

Signature Guarantee: ______________________________

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

CONVERTIBLE CAPITAL APPRECIATION BOND

TABLE OF ACCRETED VALUES

CLERK'S CERTIFICATE

I, Joseph W. Martinez, Clerk of the Board of Education of the Rialto Unified School District, County of San Bernardino, California, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of said District held at the regular meeting place thereof on March 22, 2023, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present, and that at said meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of the meeting was posted at least 72 hours before the meeting at 182 East Walnut Avenue, Rialto, California, a location freely accessible to members of the public, and on the District's website at https://kec.rialto.k12.ca.us/domain/1102, and a brief description of the resolution appeared on the agenda.

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

Dated: __________, 2023

Clerk of the Board of Education
Rialto Unified School District

4151-1000-7876.2

$[__________]
RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

BOND PURCHASE AGREEMENT

[__________], 2023

Rialto Unified School District
182 E. Walnut Avenue
Rialto, California 92376

The undersigned, Piper Sandler & Co., on behalf of itself and as representative (the "Representative") of Loop Capital Markets LLC (collectively, the "Underwriters" and each, an "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the Rialto Unified School District (the "District") which, upon the acceptance hereof, will be binding upon the District and the Underwriters. By execution of this Purchase Agreement, the District acknowledges the terms hereof and recognizes that it will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledges and agrees to such terms. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to the Representative at or prior to 11:59 P.M., California time, on the date hereof.

Piper Sandler & Co. represents and warrants that it has been duly authorized by itself and the other Underwriter to execute this Purchase Agreement and to act hereunder by and on behalf of itself and the other Underwriter and, as the Representative of the Underwriters, to take all actions, and waive any condition or requirement, required or permitted to be taken or waived hereunder by the Representative or the Underwriters. The Underwriters shall not designate any other representative except upon the approval of the District (which approval shall not be unreasonably withheld).

Section 1. Purchase and Sale of the Bonds. (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the District for reoffering to the public and the District hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the $[__________] aggregate initial principal amount of the Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023 (the "Bonds"), consisting of $[__________] aggregate principal amount of current interest bonds (the "Current Interest Bonds"), $[__________] aggregate initial principal amount of capital appreciation bonds (the "Capital Appreciation Bonds"), and $[__________] aggregate initial principal amount of convertible capital appreciation bonds (the "Convertible Capital Appreciation Bonds").

(b) [The Underwriters shall purchase the Bonds at a price of $[__________] (the "Purchase Price") (which represents the aggregate principal amount of the Bonds, [plus/less] [net] original issue [premium/discount] of $[__________], and less Underwriters' discount in the amount of $[__________]).] [The Underwriters shall purchase the Bonds at a price of $[_________] (the "Purchase Price"), which shall be paid, in immediately available funds, by wire transfer to or upon the order of the County of San Bernardino (the "County") on behalf of the District on the Closing.] [From the Purchase Price, the Representative shall withhold and hereby agree to wire on the Closing (as defined below), in immediately available funds, to (i) U.S. Bank Trust Company, National Association, as costs administrator (the "Costs Administrator"), the amount of $[__________] to pay the costs of issuance of the Bonds as provided in Section 11 hereof, such amount not exceeding two percent (2%) of the principal amount of the Bonds in accordance with California Education Code Section 15146(h), and (ii) to the Insurer (defined herein), the amount of $[___________] representing the premium and fees for the Policy (defined herein). The remaining amount of the Purchase Price ($[__________]), shall be paid by wire transfer to or upon the order of the County of San Bernardino (the "County") on behalf of the District on the Closing.]

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

Section 2. <u>The Bonds</u>. (a) The Bonds shall be dated their date of delivery. The Bonds shall be issued in the principal amounts, shall bear or accrete interest at the rates, with the yield to maturity or redemption (as applicable), shall be subject to redemption, and shall mature on the dates and in the years all as set forth in Exhibit A hereto, which is incorporated herein by this reference. The Bonds shall be issued in authorized denominations of $5,000 or any integral multiple thereof. The Bonds shall be in definitive form, shall bear CUSIP numbers, and shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). The Current Interest Bonds shall bear interest payable from the date thereof and such interest on the Current Interest Bonds [maturing on and after [______] (the "Tax-Exempt Bonds")] shall be payable on each February 1 and August 1, commencing August 1, 2023. [Interest on the Current Interest Bonds maturing on [______] (the "Federally Taxable Bonds") shall be payable at maturity thereof.] The Capital Appreciation Bonds shall accrete interest from their date, compounded semiannually on February 1 and August 1, commencing August 1, 2023. The Convertible Capital Appreciation Bonds shall accrete interest from their date, compounded semiannually on February 1 and August 1, commencing on August 1, 2023, to the applicable conversion date thereof (the "Conversion Date"). From and after the Conversion Date thereof, each such Convertible Capital Appreciation Bond shall bear interest from such Conversion Date and such interest shall be payable on each February 1 and August 1, commencing on the February 1 or August 1 immediately following such Conversion Date. The stated value of each Convertible Capital Appreciation Bond at the Conversion Date is shown in Exhibit A hereto.

(b) The Bonds shall be issued and secured pursuant to the provisions of the Resolution of the Board of Education of the District (the "Board of Education") adopted on March 22, 2023 (the "Resolution"), this Purchase Agreement and Article 4.5 of Chapter 3, of Part 1 of Division 2 of Title 5 of the Government Code (the "Act"). The Bonds were authorized under and pursuant to a bond authorization approved by more than 55% of the voters of the District voting at an election held on November 8, 2022 (the "Election") approving an amount not more than $340,000,000 of general obligation bonds of the District. The Bonds are being issued to provide funding for projects authorized by voters at the Election as further described in the Preliminary Official Statement (defined herein). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Resolution.

(c) The payment of principal of, accreted value or maturity value and interest on the [Tax-Exempt] Bonds [maturing on August 1 in the years 20[__] through 20[__][, inclusive] ([collectively,] the "Insured Bonds")], will be secured by a municipal bond insurance policy (the "Policy") to be issued simultaneously with the issuance of the [Insured] Bonds by [INSURER] (the "Insurer").

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

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

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

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

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

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

(c) The Representative confirms that the Underwriters have offered the [Tax-Exempt] Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the [Tax-Exempt] Bonds for which the Representative represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the District and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the [Tax-Exempt] Bonds, the Underwriters will neither offer nor sell unsold [Tax-Exempt] Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the Underwriters have sold at least 10% of that maturity of the [Tax-Exempt] Bonds to the public at a price that is no higher than the initial offering price to the public.

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

(d) The Representative confirms that:

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

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

(ii) to promptly notify the Representative of any sales of [Tax-Exempt] Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the [Tax-Exempt] Bonds to the public (each such term being used as defined below); and

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

(2) any agreement among underwriters or selling group agreement relating to the initial sale of the [Tax-Exempt] Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party

to a third-party distribution agreement to be employed in connection with the initial sale of the [Tax-Exempt] Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) unless the hold-the-offering-price rule applies to a maturity, report the prices at which it sells to the public the unsold [Tax-Exempt] Bonds of each maturity allocated to it, whether or not the date of Closing has occurred, until either all [Tax-Exempt] Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such underwriter or dealer that the 10% test has been satisfied as to the [Tax-Exempt] Bonds of that maturity, provided that, the reporting obligation after the date of Closing may be at reasonable periodic intervals or otherwise upon request of the Representative or such underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the underwriter or the dealer and as set forth in the related pricing wires.

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

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

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

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

(3) a purchaser of any of the [Tax-Exempt] Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i)

more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

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

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

(b) The District hereby agrees to deliver or cause to be delivered to the Underwriters, not later than the seventh (7th) business day following the date this Purchase Agreement is signed, copies of a final Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriters and the District (such Official Statement with such changes, if any, and including the cover page and all appendices, exhibits, maps, reports and statements included therein or attached thereto, and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, being herein called the "Official Statement") in such quantities as may be requested by the Underwriters in order to permit the Underwriters to comply with paragraph (b)(4) of the Rule and with the rules of the MSRB; provided, however, that the failure of the District to comply with this requirement due solely to the acts of the Underwriters, their counsel or agents, shall not be considered cause for the Underwriters to refuse to accept delivery of and pay the Purchase Price for the Bonds. The Underwriters agree that prior to the time the final Official Statement relating to the Bonds is available, the Underwriters will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

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

(d) Each party hereto agrees that it will notify the other party hereto if, within the period from the date of this Purchase Agreement to and including the date which is 25 days following the

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

Section 7. Closing. At 9:00 a.m., California time, on [__________], 2023, or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the "Closing"), the District will direct U.S. Bank Trust Company, National Association, as the paying agent (the "Paying Agent") to deliver to the Representative, through the facilities of DTC, or at such other place as the District and the Representative may mutually agree upon, the Bonds in fully registered book-entry form, duly executed, and shall cause the other documents hereinafter mentioned to be delivered at the offices of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") in Los Angeles, California. Upon fulfillment of all conditions to Closing herein, the Representative will accept such delivery and pay the Purchase Price thereof in immediately available funds (by wire transfer or such other manner of payment as the Representative and the District shall reasonably agree upon) to the account of the District.

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

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

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

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

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

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

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

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

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

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

(j) The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriters if and as the Underwriters may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which they are not so subject as of the date hereof;

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

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

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

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

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

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

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

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

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

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

(3) No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), and no action, suit, proceeding, hearing or investigation shall be pending (in which service of process has been completed against the District) or, to the best knowledge of the District, threatened (either in state or federal courts) (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District, or contesting in any way the completeness or accuracy of the Official Statement;

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

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

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

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

(ii) the declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence or escalation of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial markets in the United States;

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

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

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

(vi) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change of any underlying rating or credit watch status or outlook of the District's outstanding indebtedness by a national rating agency;

(vii) the occurrence of any adverse change of a material nature of the financial condition, operation or properties of the District;

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

(ix) a material disruption in securities settlement, payment or clearance services as a result of disruptive events, occurrences or conditions in the securities or debt markets.

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

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

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

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

Investment of Series 2023 Bond Proceeds," "– Debt Service," "– Outstanding Bonds" and "– Aggregate Debt Service") and "TAX MATTERS,"] excluding any material that may be treated as included under such captions by cross reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Bonds and the Resolution, and the form and content of Bond Counsel's approving opinion, are accurate in all material respects; ***[UWC to confirm UWC opinion will cover registration and Trust Indenture Act exemption and validity of BPA and CDC.]***

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

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

(vi) the opinion of Atkinson, Andelson, Loya, Ruud & Romo, A Professional Corporation, as counsel to the District ("District Counsel"), addressed to the District, the Insurer and the Underwriters, to the effect that:

(A) the District is a school district validly existing under the Constitution and the laws of the State;

(B) the Resolution approving and authorizing the issuance, execution, sale and delivery of the Bonds and the execution, delivery and performance by the District of this Purchase Agreement and the Continuing Disclosure Certificate was duly adopted at a meeting of the Board of Education, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting at the time of adoption;

(C) there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body, pending (in which service of process has been completed against the District) or, to the best knowledge of such counsel, threatened against the District, in any way contesting or affecting the validity of the Resolution, the Continuing Disclosure Certificate or this Purchase Agreement or contesting the powers of the District to enter into or perform its obligations under such agreements;

(D) To the best of such firm's knowledge, the issuance of the Bonds, the execution and delivery of this Purchase Agreement and the Continuing Disclosure Certificate, and the performance by the District of its obligations under the Resolution, this Purchase Agreement and the

Continuing Disclosure Certificate do not and will not conflict with or constitute on the part of the District a material breach of, or a material default under, any agreement, indenture, mortgage, lease or other instrument to which the District is subject or by which it is bound or any existing court order or consent decree to which the District is subject;

(E) this Purchase Agreement and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the District and, assuming due authorization, execution and delivery by the other respective parties thereto, if any, this Purchase Agreement and the Continuing Disclosure Certificate constitute legal, valid and binding agreements of the District enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought, and by the limitations on legal remedies imposed on actions against school districts in the State; and

(F) To the best of such firm's knowledge, the District is not in breach of or default under any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or is otherwise subject, which breach or default would materially adversely affect the District's ability to enter into or perform its obligations under this Purchase Agreement or the Continuing Disclosure Certificate and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a breach or default;

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

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

(ix) Evidence satisfactory to the Underwriters that any rating(s) described in the Official Statement are in full force and effect as of the date of Closing;

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

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

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

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

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

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

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

(xv) An opinion of James F. Anderson Law Firm, a Professional Corporation, as counsel to the Underwriters, in form and substance acceptable to the Underwriters; and

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

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

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

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

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

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

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

Section 12. Notices. Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Rialto Unified School District, 182 E. Walnut Avenue, Rialto, California 92376, Attention: Lead Business Services Agent, or if to the Underwriters, to Piper Sandler & Co., as Representative, [2321 Rosecrans Avenue, Suite 3200, El Segundo, California 90245]; Attention: [__________].

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

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

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

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

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

Very truly yours,

PIPER SANDLER & CO., on behalf of itself and as representative of Loop Capital Markets LLC

By:________________________________
Authorized Representative

The foregoing is hereby agreed to and accepted:

RIALTO UNIFIED SCHOOL DISTRICT

By:________________________________

Date | Time: ________________________

EXHIBIT A

MATURITY SCHEDULE

$[__________]
RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

$[_________] Current Interest Bonds

$[_________] Serial Current Interest Bonds

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

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

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

$[__________] Capital Appreciation Bonds

$[__________] Serial Capital Appreciation Bonds

Maturity (August 1)	Initial Principal Amount	Accretion Rate	Reoffering Yield	Maturity Value	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The-Offering Price Rule

$[_________] Initial Principal Amount of Term Capital Appreciation Bonds due August 1, 20[__] [____]% Accretion Rate – $[__________] Maturity Value – [______]% – [10% Test Satisfied*][10% Test Not Satisfied][Subject to Hold-The-Offering Price Rule]

$_________ Convertible Capital Appreciation Bonds

Maturity (August 1,)	Initial Principal (Denominational) Amount	Accretion Rate to (but excluding) Conversion Date	Conversion Date	Interest Rate from and after Conversion Date	Stated Value at Conversion Date	Reoffering Yield	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The-Offering Price Rule

$[__________] Initial Principal Amount of Term Convertible Capital Appreciation Bonds due August 1, 20__ - ____% Accretion Rate to (but excluding) Conversion Date August 1, 20__ Conversion Date - $_________ Stated Value at Conversion Date ____% - Interest Rate from and after Conversion Date - Reoffering Yield ____ - CUSIP† Suffix ___

____

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

[C Yield to call at par on August 1, 20[__].]

† Insured by [______].

TERMS OF REDEMPTION

EXHIBIT B

CERTIFICATE OF THE REPRESENTATIVE

Piper Sandler & Co. has acted as representative of the Underwriters (the "Representative") in connection with the sale and issuance by the Rialto Unified School District (the "Issuer") of its $[__________] aggregate initial principal amount of Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023 (the "Bonds"), being issued on the date hereof, and the Representative, based on information available to it, hereby certifies and represents the following:

Issue Price.

[NOT USING HOLD THE PRICE]

1. **[10% OF EACH MATURITY SOLD BY CLOSING]** As of the date hereof, the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price or yield set forth on Exhibit A to the Bond Purchase Agreement, dated [SALE DATE], 2023 (the "Purchase Agreement"), by and between Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, and the Issuer.]

OR

1. **[LESS THAN 10% OF CERTAIN MATURITIES SOLD BY CLOSING]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated [SALE DATE], 2023 (the "Purchase Agreement"), by and between Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, and the Issuer, as subject to the Hold-The Offering-Price Rule (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the **[Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement.]

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

[USING HOLD THE PRICE]

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

[2. **[USING HOLD THE PRICE FOR A PORTION OF THE ISSUE]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated [SALE DATE], 2023 (the "Purchase Agreement"), by and between Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC, and the Issuer, as subject to the Hold-The-Offering-Price Rule (the "Undersold Maturities"), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the respective [Initial Offering Price **OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Exhibit A attached to the Purchase Agreement]. Attached hereto as Schedule 1 is a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Underwriter in the Purchase Agreement, the Underwriter has not offered or sold any of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date.

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

[Qualified Guarantee.

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

Defined Terms.

"Initial Offering Price" means the prices or yields set forth on the inside cover page of the Issuer's Official Statement in respect of such Bonds dated [SALE DATE], 2023.

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

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

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

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

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

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

CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (this "Disclosure Certificate") is executed and delivered by the Rialto Unified School District (the "District") in connection with the issuance of $[__________] aggregate initial principal amount of Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023 (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on March 22, 2023 (the "Resolution"). The District covenants and agrees as follows:

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

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

"Annual Report" means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4.

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

"County" means the County of San Bernardino.

"Dissemination Agent" means KNN Public Finance LLC, or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"Financial Obligation" means, for the purposes of the Listed Events set out in Sections 5(a)(x) and 5(b)(viii), (a) a debt obligation of the District, (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 of the District, or (c) a guarantee of (i) a debt obligation of the District, or (ii) a derivative instrument described in clause (b), above; provided, however, that the term "Financial Obligation" shall not include "municipal securities" (as such term is defined in the Securities Exchange Act of 1934, as amended) as to which a "final official statement" (as such term is defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Holder" means the person in whose name any Bond shall be registered.

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

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

"Official Statement" means the Official Statement, dated [__________], 2023 (including all exhibits or appendices thereto), relating to the offer and sale of Bonds.

"Participating Underwriter" means the original underwriter(s) 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 nine months after the end of the District's fiscal year (which due date shall be April 1 of each year, so long as the District's fiscal year ends on June 30), commencing with the report for the 2022-23 Fiscal Year (which is due not later than April 1, 2024), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4. The Annual Report must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4; provided, however, that the audited financial statements of the District may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District's fiscal year changes, it shall, or shall cause the Dissemination Agent to, give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

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

(c) The Dissemination Agent shall:

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

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

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

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District's audited financial statements are not available by the time the Annual Report is required to be provided to the MSRB pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be provided to the MSRB in the same manner as the Annual Report when they become available.

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

(i) The adopted budget of the District for the then current fiscal year.

(ii) The District's average daily attendance for the last completed fiscal year.

(iii) The District's outstanding debt.

(iv) Information regarding total assessed valuation of taxable properties within the District, if and to the extent provided to the District by the County.

(v) Information regarding twenty taxpayers with the greatest combined ownership of taxable property in the District, if and to the extent provided to the District by the County.

(vi) Information regarding total secured tax charges and delinquencies on taxable properties within the District, if and to the extent provided to the District by the County.

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

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

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers or their failure to perform;

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

(vi) tender offers;

(vii) defeasances;

(viii) rating changes;

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

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

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

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

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

(ii) modifications to rights of Bond Holders;

(iii) Bond calls;

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

(v) non-payment related defaults;

(vi) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the

District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Dated: [__________], 2023

RIALTO UNIFIED SCHOOL DISTRICT

By: ________________________________

ACCEPTED AND AGREED TO:

KNN PUBLIC FINANCE LLC,
as Dissemination Agent

By: ________________________________
Authorized Signatory

EXHIBIT A

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

Name of Issuer:	RIALTO UNIFIED SCHOOL DISTRICT
Name of Issue:	Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023
Date of Issuance:	[__________], 2023

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate of the District, dated [__________], 2023. [The District anticipates that the Annual Report will be filed by _____________.]

Dated:_______________

RIALTO UNIFIED SCHOOL DISTRICT

NEW ISSUE—BOOK-ENTRY ONLY

Ratings: [S&P (Insured): "[___]"]
[Moody's] (Underlying and Uninsured): "[___]"
(See "MISCELLANEOUS — Ratings" herein.)

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the 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.

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

$[PAR AMOUNT]*
RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

Dated: Date of Delivery **Due: [August 1, as][As] shown herein**

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

The Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023 (the "Series 2023 Bonds") are being issued by the Rialto Unified School District (the "District"), located in the County of San Bernardino, California (the "County"). Proceeds of the Series 2023 Bonds will be applied to (i) finance specific construction, reconstruction, rehabilitation, or replacement projects approved by the voters of the District, and (ii) pay costs of issuance of the Series 2023 Bonds, as further described herein. The Series 2023 Bonds were authorized at an election of the voters of the District held on November 8, 2022, at which at least 55% of the voters voting on the proposition authorized the issuance and sale of $340,000,000 aggregate principal amount of bonds of the District. The Series 2023 Bonds are being issued under the laws of the State of California (the "State") and pursuant to a resolution of the Board of Education of the District adopted on March 22, 2023.

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

The Series 2023 Bonds will be issued as current interest bonds (the "Current Interest Bonds"), capital appreciation bonds (the "Capital Appreciation Bonds"), and/or capital appreciation bonds that convert to current interest bonds (the "Convertible Capital Appreciation Bonds"), all as set forth on the inside front cover pages hereof. Interest on the [Series 2023][Tax-Exempt] Bonds issued as Current Interest Bonds is payable on each February 1 and August 1 to maturity or earlier redemption thereof, commencing August 1, 2023. [Interest on the Federally Taxable Bonds issued as Current Interest Bonds is payable at maturity.] Principal of the [Series 2023][Tax-Exempt] Bonds issued as Current Interest Bonds is payable [on August 1] in each of the years and in the amounts set forth on the inside front cover pages hereof. [Principal of the Federally Taxable Bonds issued as Current Interest Bonds is payable on [____], 2023 in the amount set forth on the inside front cover pages hereof.]

The [Series 2023][Tax-Exempt] Bonds issued as Capital Appreciation Bonds will not pay interest on a current, periodic basis but will accrete in value to their maturity value payable at maturity or their accreted value payable upon earlier redemption thereof. The [Series 2023][Tax-Exempt] Bonds issued as Capital Appreciation Bonds mature [on August 1] in each of the years and in the amounts set forth on the inside front cover pages hereof. Interest on the Capital Appreciation Bonds will be compounded on each February 1 and August 1 to maturity or earlier redemption thereof, commencing August 1, 2023.

The [Series 2023][Tax-Exempt] Bonds issued as Convertible Capital Appreciation Bonds will initially constitute capital appreciation bonds and will convert to current interest bonds on their respective conversion dates as set forth on the inside front cover pages hereof (each a "Conversion Date"). Prior to the Conversion Date thereof, the Convertible Capital Appreciation Bonds will not pay interest on a current, periodic basis but will accrete in value to their stated accreted value at the Conversion Date thereof payable only at maturity [on August 1] in each of the years and in the amounts set forth on the inside front cover pages hereof. Prior to the

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* *Preliminary; subject to change.*

Conversion Date of a Convertible Capital Appreciation Bond, interest on such Convertible Capital Appreciation Bond will be compounded on each February 1 and August 1, commencing August 1, 2023. From and after the Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital Appreciation Bond will bear current interest on the accreted value thereof at the rates set forth on the inside front cover pages of this Official Statement, payable on each February 1 and August 1 to maturity or earlier redemption thereof, commencing on the February 1 or August 1 immediately following such Conversion Date.

The Series 2023 Bonds will be issued in denominations of $5,000 principal amount, maturity value or accreted value as of their Conversion Date, as applicable, or any integral multiple thereof as shown on the inside front cover pages hereof.

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

[Insurer logo.]

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

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

The Series 2023 Bonds will be offered when, as and if issued by the District and received by the Underwriters, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Bond Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, as Disclosure Counsel to the District; for the District by its counsel, Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, Irvine, California; and for the Underwriters by James F. Anderson Law Firm, A Professional Corporation, Laguna Hills, California, as counsel to the Underwriters. It is anticipated that the Series 2023 Bonds, in definitive form, will be available for delivery through the facilities of DTC on or about [__________], 2023.

Piper Sandler & Co. **Loop Capital Markets LLC**

Dated: __________, 2023

MATURITY SCHEDULE*
BASE CUSIP†: 762494

$[PAR AMOUNT]*
RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

$__________ Current Interest Bonds

$__________ Serial Current Interest Bonds

Maturity [(August 1,)]	Principal Amount	Interest Rate	Yield	CUSIP† Suffix
[Federally Taxable Bonds]				
	$	%	%	
[Tax-Exempt Bonds]				
	$	%	%	

$__________ _____% Term [Tax-Exempt] Current Interest Bonds due August 1, 20__ – Yield _____% – CUSIP† Suffix ___

$__________ Capital Appreciation Bonds

$__________ Serial Capital Appreciation Bonds

Maturity (August 1,)	Initial Principal Amount	Accretion Rate	Maturity Value	Reoffering Yield	CUSIP† Suffix
	$	%	$	%	

$__________ Initial Principal Amount of Term Capital Appreciation Bonds due August 1, 20__ – _____% Accretion Rate
$_________ Maturity Value – Reoffering Yield _____% – CUSIP† Suffix ___

$__________ Convertible Capital Appreciation Bonds

$__________ Serial Convertible Capital Appreciation Bonds

Maturity (August 1,)	Initial Principal Amount	Accretion Rate	Conversion Date (August 1,)	Stated Accreted Value at Conversion Date	Interest Rate from and after Conversion Date	Reoffering Yield	CUSIP† Suffix
	$	%		$	%	%	

$__________ Initial Principal Amount of Term Convertible Capital Appreciation Bonds due August 1, 20__ – ____% Accretion Rate to (but excluding) Conversion Date – August 1, 20__ Conversion Date – $_________ Stated Value at Conversion Date ____% Interest Rate from and after Conversion Date – Reoffering Yield ____% – CUSIP† Suffix ___

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* *Preliminary; subject to change.*

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RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)

BOARD OF EDUCATION

Stephanie E. Lewis, *President*
Nancy G. O'Kelley, *Vice President*
Joseph W. Martinez, *Clerk*
Evelyn Dominguez, *Member*
Edgar Montes, *Member*

DISTRICT ADMINISTRATOR

Cuauhtémoc Avila, Ed.D., *Superintendent*
Diane Romo, *Lead Business Services Agent*

PROFESSIONAL SERVICES

Program Funding Manager/Municipal Advisor

California Financial Services
Ladera Ranch, California

District Counsel

Atkinson, Andelson, Loya, Ruud & Romo,
A Professional Law Corporation
Irvine, California

Bond Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Los Angeles, California

Paying Agent, Registrar and Transfer Agent

U.S. Bank Trust Company, National Association
Los Angeles, California

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

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

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

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

[INSURANCE DISCLOSURE]

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

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

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

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$[PAR AMOUNT]*
RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

INTRODUCTION

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

General

This Official Statement, which includes the cover page, inside front cover pages and appendices hereto, is provided to furnish information in connection with the sale of $[PAR AMOUNT]* aggregate initial principal amount of Rialto Unified School District (County of San Bernardino, California) General Obligation Bonds, Election of 2022, Series 2023 (the "Series 2023 Bonds"), consisting of current interest bonds (the "Current Interest Bonds"), capital appreciation bonds (the "Capital Appreciation Bonds"), and/or capital appreciation bonds that convert to current interest bonds (the "Convertible Capital Appreciation Bonds"), all as indicated on the inside front cover pages hereof, to be offered by the Rialto Unified School District (the "District").

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

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

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

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

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* *Preliminary; subject to change.*

Copies of documents referred to herein and information concerning the Series 2023 Bonds are available from the District by contacting: Rialto Unified School District, 182 East Walnut Avenue, Rialto, California 92376, Attention: Superintendent. The District may impose a charge for copying, handling and mailing such requested documents.

The District

The District was founded in 1891 and has operated as a unified school district since 1964. The District provides preschool, elementary and secondary educational services to residents of an area of the County encompassing approximately 55 square miles that includes the City of Rialto, the western portion of the City of San Bernardino, small segments of the cities of Colton and Fontana and some unincorporated County territory. [The District currently operates 19 elementary schools, five middle schools, three comprehensive high schools, one continuation high school, one virtual academy, and one adult education school.] Total enrollment in the District was approximately 24,098 students in fiscal year 2021-22. As of the preparation of the District's second interim report for fiscal year 2022-23 (the "Fiscal Year 2022-23 Second Interim Report"), total enrollment in the District is projected to be approximately [24,024] students in fiscal year 2022-23. The District operates under the jurisdiction of the San Bernardino County Superintendent of Schools. Total assessed valuation of taxable property in the District in fiscal year 2022-23 is approximately $12.16 billion.

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

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

THE SERIES 2023 BONDS

Authority for Issuance; Purpose

Authority for Issuance. The Series 2023 Bonds are issued by the District under the provisions of California Government Code Section 53506 *et seq.,* including Section 53508.7 thereof, and California Education Code Sections 15140 and 15146 and Article XIIIA of the Constitution of the State of California (the "California Constitution") and pursuant to a resolution of the Board of Education of the District, adopted on March 22, 2023 (the "Resolution").

Purpose. At an election held on November 8, 2022, the District received approval by at least 55% of the votes cast by eligible voters within the District to issue general obligation bonds of the District in an aggregate principal amount not to exceed $340,000,000 to upgrade school fire/security/safety systems, science, engineering, math, arts, vocational classrooms; replace drinking water pipes, gas lines, leaky roofs, portable classrooms, electrical wiring; remove asbestos, lead paint, mold (collectively, the "2022 Authorization"). The Series 2023 Bonds represent the first series of authorized bonds to be issued under the 2022 Authorization. Proceeds of the Series 2023 Bonds will be applied to (i) finance specific construction, reconstruction, rehabilitation or replacement projects approved by the voters of the District under the 2022 Authorization, and (ii) pay costs of issuance of the Series 2023 Bonds. See "–

Application and Investment of Series 2023 Bond Proceeds" herein. Prior to the issuance of the Series 2023 Bonds, the District has $340,000,000 aggregate principal amount of bonds authorized but unissued under the 2022 Authorization.

Pursuant to the Resolution, the "Bonds" means all bonds, including the Series 2023 Bonds and refunding bonds, of the District heretofore or hereafter issued pursuant to voter-approved measures of the District, including bonds approved by the voters of the District on September 14, 1999, November 2, 2010, and pursuant to the 2022 Authorization.

Form and Registration

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

Bond Insurance Policy

[Concurrently with the issuance of the Series 2023 Bonds, [INSURER] ("[___]" or "Insurer") will issue its Municipal Bond Insurance Policy (the "Policy") for the Series 2023 Bonds. The Policy guarantees the scheduled payment of principal, accreted value or maturity value of and interest on the Series 2023 Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement. See "BOND INSURANCE" and APPENDIX G – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."]

Payment of Principal and Interest

The Series 2023 Bonds will be issued as Current Interest Bonds, Capital Appreciation Bonds and/or Convertible Capital Appreciation Bonds, all as set forth on the inside front cover pages hereof.

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

Interest Bond, interest is in default on any outstanding Current Interest Bonds, such Current Interest Bond will bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Current Interest Bonds.

Interest; Capital Appreciation Bonds. The Capital Appreciation Bonds will be dated as of their date of delivery. The [Series 2023][Tax-Exempt] Bonds issued as Capital Appreciation Bonds will not bear interest on a current, periodic basis; instead, each Capital Appreciation Bond will accrete in value daily over the term to its maturity or earlier redemption thereof (on the basis of a 360-day year consisting of twelve 30-day months), from its initial principal amount on the date of issuance thereof to its stated maturity value at maturity thereof ("Maturity Value"), as stated on the inside front cover pages of this Official Statement, or to its accreted value if subject to redemption prior to maturity thereof, on the basis of a constant interest rate or rates compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates), commencing on August 1, 2023.

Interest; Convertible Capital Appreciation Bonds. The Convertible Capital Appreciation Bonds will be dated as of their date of delivery. The Convertible Capital Appreciation Bonds will initially constitute capital appreciation bonds and will convert to current interest bonds on their respective conversion dates as set forth on the inside front cover pages hereof (each a "Conversion Date"). Prior to the Conversion Date thereof, the Convertible Capital Appreciation Bonds will not bear interest on a periodic basis; instead, each Convertible Capital Appreciation Bond will accrete in value daily from its initial principal amount on the date of issuance thereof (as stated on the inside front cover pages of this Official Statement) to its stated accreted value at the Conversion Date thereof (on the basis of a 360-day year consisting of twelve 30-day months), as stated on the inside front cover pages of this Official Statement, on the basis of a constant interest rate or rates compounded semiannually on each Interest Date (with straight-line interpolations between Interest Dates), commencing on August 1, 2023.

From and after the Conversion Date of a Convertible Capital Appreciation Bond, such Convertible Capital Appreciation Bonds will bear current interest on the accreted value thereof at the rate applicable thereto set forth on the inside front cover page of this Official Statement, payable on each Interest Date, commencing on the February 1 or August 1 immediately following such Conversion Date, computed on the basis of a 360-day year consisting of twelve 30-day months. Following the Conversion Date thereof, each Convertible Capital Appreciation Bond will bear interest from the Interest Date next preceding the date of authentication thereof, unless it is authenticated after the close of business on a Record Date and on or prior to the succeeding Interest Date, in which event it shall bear interest from such Interest Date, or unless it is authenticated on or before the Record Date preceding the first Interest Date following its Conversion Date, in which event it will bear interest from its Conversion Date; provided, however, that if, at the time of authentication of any Convertible Capital Appreciation Bond, interest is in default on any outstanding Convertible Capital Appreciation Bonds, such Convertible Capital Appreciation Bond shall bear interest from the Interest Date to which interest has previously been paid or made available for payment on the outstanding Convertible Capital Appreciation Bonds.

Accreted Values. The rate of interest at which a Capital Appreciation Bond's Maturity Value or Convertible Capital Appreciation Bond's stated accreted value at the Conversion Date thereof is discounted to its initial principal amount is known as the "Accretion Rate," and is stated on the inside front cover pages hereof. For any Capital Appreciation Bond, the value of the initial principal plus accrued interest on any given Interest Date prior to maturity (the "accreted value") may be calculated by discounting the Maturity Value of the Capital Appreciation Bond from its maturity date to that Interest Date at a discount rate equal to the Accretion Rate, assuming a year of 360 days comprising twelve 30-day months. The imputed value on any other date may be calculated on the basis of a straight-line interpolation between the values calculated for the Interest Dates immediately preceding and following the date in question.

For any Convertible Capital Appreciation Bond, the value of principal plus accrued interest on any given Interest Date prior to the Conversion Date thereof may be calculated by discounting the stated accreted value at the Conversion Date of the Convertible Capital Appreciation Bond from its Conversion Date to that Interest Date at a discount rate equal to the Accretion Rate, assuming a year of 360 days comprising twelve 30-day months. The imputed value on any other date may be calculated on the basis of a straight-line interpolation between the values calculated for the Interest Dates immediately preceding and following the date in question.

The Underwriters have prepared the Tables of Accreted Values shown in Appendices H and I hereto with respect to the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds, respectively, in order to provide the value per $5,000 of Maturity Value for each Capital Appreciation Bond on each Interest Date prior to maturity and the value per $5,000 of accreted value at the Conversion Date for each Convertible Capital Appreciation Bond on each Interest Date prior to the Conversion Date thereof.

Payment of Series 2023 Bonds. The principal, accreted value or maturity value of and interest on the Series 2023 Bonds is payable in lawful money of the United States of America to the registered owner thereof (the "Owner"), upon the surrender thereof at the principal corporate trust office of U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent") at the maturity thereof or upon redemption prior to maturity.

The interest on the Current Interest Bonds and the Convertible Capital Appreciation Bonds after the Conversion Date is payable on each Interest Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Date, such interest to be paid by check or draft mailed on such Interest Date (if a business day, or on the next business day if the Interest Date does not fall on a business day) to the Owner thereof at such Owner's address as it appears on the bond registration books kept by the Paying Agent or at such address as the Owner may have filed with the Paying Agent for that purpose, except that the payment will be made by wire transfer of immediately available funds to any Owner of at least $1,000,000 in principal amount of outstanding Current Interest Bonds or accreted value as of the Conversion Date of outstanding Convertible Capital Appreciation Bonds who request in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Date. So long as the Series 2023 Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer. See APPENDIX F − "BOOK-ENTRY ONLY SYSTEM."

Redemption*

Optional Redemption. The Current Interest Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to their respective stated maturity dates. The Current Interest Bonds maturing on or after August 1, 20__ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the principal amount of the Current Interest Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

The Capital Appreciation Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to their respective stated maturity dates. The Capital Appreciation Bonds maturing on or after August 1, 20__ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after

* *Preliminary; subject to change.*

August 1, 20__, at a redemption price equal to the initial principal amount of the Capital Appreciation Bonds called for redemption plus accreted interest thereon to the date of redemption, without premium.

The Convertible Capital Appreciation Bonds maturing on or before August 1, 20__ are not subject to optional redemption prior to their respective stated maturity dates. The Convertible Capital Appreciation Bonds maturing on or after August 1, 20__ are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after August 1, 20__, at a redemption price equal to the stated accreted value at the Conversion Date of the Convertible Capital Appreciation Bonds called for redemption, together with interest accrued thereon from the last Interest Date for which interest has been paid to the date of redemption, without premium.

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

Mandatory Sinking Fund Redemption Date (August 1,)	Principal Amount to be Redeemed
	$
†	

† Maturity.

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

The $__________ term Capital Appreciation Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective accreted value amounts as set forth in the following schedule, at a redemption price equal to 100% of the accreted value to be redeemed, without premium:

Mandatory Sinking Fund Redemption Date (August 1,)	Initial Principal Amount to be Redeemed	Accreted Value Amounts to be Redeemed
	$	$
†		

† Maturity.

The accreted value amount of the $_________ term Capital Appreciation Bonds maturing on August 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000 of Maturity Value, by any portion of such term Capital Appreciation Bonds, optionally redeemed prior to the mandatory sinking fund redemption date.

[The $_________ term Convertible Capital Appreciation Bonds maturing on August 1, 20__ are subject to mandatory sinking fund redemption on August 1 in each of the years and in the respective initial principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the accreted value amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (August 1,)	Initial Principal Amount to be Redeemed	Accreted Value Amounts to be Redeemed
†		

† Maturity.

The accreted value amount of the $__________ term Convertible Capital Appreciation Bonds maturing on August 1, 20__, to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of $5,000, by any portion of such term Convertible Capital Appreciation Bonds optionally redeemed prior to the mandatory sinking fund redemption date.]

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

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

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

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

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

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

Defeasance of Series 2023 Bonds

The Resolution provides that if at any time the District will pay or cause to be paid or there will otherwise be paid to the Owners of any or all of the outstanding Series 2023 Bonds all or any part of the principal of, interest and premium, if any, on the Series 2023 Bonds at the times and in the manner provided in the Resolution and in the Series 2023 Bonds, or as described in the following paragraph, or as otherwise provided by law consistent with the provisions of the Resolution, then such Owners will cease to be entitled to the obligation of the District and the County as provided in the Resolution, and such obligation and all agreements and covenants of the District and the County to such Owners under the Resolution and under the Series 2023 Bonds will thereupon be satisfied and discharged and will terminate, except only that the District will remain liable for payment of all principal, interest and premium, if any, represented by the Series 2023 Bonds, but only out of monies on deposit in the Interest and Sinking Fund or otherwise held in trust for such payment; and provided further, however, that the provisions of the Resolution described below under "– Unclaimed Monies" will apply.

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

Unclaimed Monies

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

Application and Investment of Series 2023 Bond Proceeds

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

RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

Estimated Sources and Uses of Funds

Sources of Funds:	
Aggregate Initial Principal Amount of Series 2023 Bonds	$
[Plus/Less] [Net] Original Issue [Premium/Discount]	
Total Sources of Funds	$
Uses of Funds:	
Deposit to Building Fund	$
Deposit to Interest and Sinking Fund(1)	
Costs of Issuance(2)	
Underwriters' Discount	
Total Uses of Funds	$

(1) Consists of premium received by the District.
(2) Includes legal fees, municipal advisor fees, rating agency fees, bond insurance premium, printing fees and other miscellaneous expenses.

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

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

Debt Service

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

RIALTO UNIFIED SCHOOL DISTRICT
(COUNTY OF SAN BERNARDINO, CALIFORNIA)
GENERAL OBLIGATION BONDS, ELECTION OF 2022, SERIES 2023

	Current Interest Bonds		Capital Appreciation Bonds		Convertible Capital Appreciation Bonds		
Period Ending (August 1,)[(1)]	Principal	Interest	Principal	Interest Paid at Maturity	Principal	Interest including Interest Paid at Maturity[(2)]	Total Debt Service
2023	$	$	$	$	$	$	$
2024							
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
2038							
2039							
2040							
2041							
2042							
2043							
2044							
Total:	$	$	$	$	$	$	$

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

[(2)] From and after the Conversion Date, such Convertible Capital Appreciation Bonds will bear interest on the accreted value thereof at the rate applicable thereof set forth on the inside front cover pages of this Official Statement, payable on each Interest Date, commencing on the February 1 or August 1 immediately following such Conversion Date.

Source: Piper Sandler & Co.

Outstanding Bonds

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

1999 Authorization. At an election held on September 14, 1999, the District received approval by at least a two-thirds majority of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed $60,000,000 to finance specific construction and modernization projects approved by the voters (the "1999 Authorization"). On June 6, 2000, the District issued $19,995,038.25 aggregate initial principal amount of its Election of 1999 General Obligation Bonds, Series A (the "Series 2000A Bonds"), as the District's first series of bonds issued under the 1999 Authorization to finance authorized projects. On February 4, 2003, the District issued $20,000,000 aggregate principal amount of its General Obligation Bonds, Election of 1999, Series B (the "Series 2003B Bonds"), as the District's second series of bonds issued under the 1999 Authorization to finance authorized projects. On May 19, 2004, the District issued $20,000,000 aggregate principal amount of its General Obligation Bonds, Election of 1999, Series C (the "Series 2004C Bonds"), as the District's third and final series of bonds issued under the 1999 Authorization to finance authorized projects.

2010 Authorization. At an election held on November 2, 2010, the District received approval by at least 55% of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed $98,000,000 to acquire, construct and improve classrooms and support facilities, provide career and technical classrooms, including science labs, to enhance preparation for college and careers, replace portable facilities with permanent classrooms, and increase student access to modern technology (the "2010 Authorization"). On March 17, 2011, the District issued $26,932,186.85 aggregate initial principal amount of its General Obligation Bonds, Election of 2010, Series 2011A (the "Series 2011A Bonds"), and $9,695,000 aggregate principal amount of its General Obligation Bonds, Election of 2010, Series 2011B (Federally Taxable/Qualified School Construction Bonds) (the "Series 2011B Bonds"), as its first and second, respectively, series of bonds issued under the 2010 Authorization to finance authorized projects.

A portion of the Series 2011B Bonds were issued as "qualified school construction bonds" under the provisions of the American Recovery and Reinvestment Act of 2009 (the "Recovery Act"), and the District expects to receive a cash subsidy payment from the United States Treasury (the "Treasury") equal to a portion of the interest due on each interest payment date on such Series 2011B Bonds. The subsidy does not constitute a full faith and credit guarantee of the United States with respect to such Series 2011B Bonds, but, assuming the District satisfies the requirements of the Internal Revenue Code of 1986, is required to be paid by the Treasury under the Recovery Act. Any subsidy payments received by the District are required to be deposited into the interest and sinking fund of the District established for the Series 2011B Bonds within the County treasury. The Board of Supervisors of the County (the "Board of Supervisors") is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District for the payment of principal of and interest on the Series 2011B Bonds whether or not such subsidy payments are received and deposited in the interest and sinking fund of the District established for the Series 2011B Bonds. As a result, the levy of *ad valorem* property taxes will only take into account amounts actually received from the Treasury and deposited in the interest and sinking fund of the District established for the Series 2011B Bonds. The District makes no assurances about the effect of future legislative or policy changes or tax liabilities of the District on the amount or receipt of the subsidy payments from the Treasury.

On March 26, 2015, the District issued $32,015,000 aggregate principal amount of its General Obligation Bonds, Election of 2010, Series 2015 (Federally Taxable) (the "Series 2015 Bonds"), as its third series of bonds issued under the 2010 Authorization to finance authorized projects. On December 5, 2019, the District issued $29,356,650.35 aggregate initial principal amount of its General Obligation Bonds, Election of 2010, Series 2019 (the "Series 2019 Bonds"), as its fourth and final series of bonds issued under the 2010 Authorization to finance authorized projects.

Refunding Bonds. On June 5, 2012, the District issued $29,865,000 aggregate principal amount of its General Obligation Refunding Bonds, Series 2012 (the "Series 2012 Refunding Bonds") to refund a portion of the series 2003B Bonds and a portion of the Series 2004C Bonds.

A summary of the District's outstanding general obligation bond debt service is set forth on the following page.

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Aggregate Debt Service

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

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
General Obligation Bonds − Aggregate Debt Service

Period Ending (August 1,)[(1)(2)]	Series 2000A Bonds	Series 2011A Bonds	Series 2011B Bonds[(3)]	Series 2012 Refunding Bonds	Series 2015 Bonds	Series 2019 Bonds	Series 2023 Bonds[(4)]	Aggregate Total Debt Service
2023	$1,662,587.00	-	$2,027,499.46	$2,694,606.26	$3,369,525.30	$1,143,500.00	$	
2024	1,659,806.00	-	2,354,059.46	2,686,656.26	3,185,683.70	1,271,800.00		
2025	1,660,000.00	-	2,678,707.46	2,679,000.02	2,988,035.40	1,495,450.00		
2026	-	$4,175,000.00	315,387.46	2,681,325.02	1,258,466.20	1,711,450.00		
2027	-	4,810,037.50	-	2,671,050.02	1,197,472.00	1,769,800.00		
2028	-	6,565,037.50	-	1,340,325.00	-	1,560,000.00		
2029	-	8,310,037.50	-	-	-	-		
2030	-	8,670,037.50	-	-	-	-		
2031	-	9,040,037.50	-	-	-	-		
2032	-	9,429,925.95	-	-	-	-		
2033	-	9,834,663.50	-	-	-	-		
2034	-	10,259,639.25	-	-	-	-		
2035	-	10,700,097.15	-	-	-	-		
2036	-	11,160,037.50	-	-	-	-		
2037	-	11,640,037.50	-	-	-	-		
2038	-	12,141,225.00	-	-	-	-		
2039	-	12,663,032.50	-	-	-	-		
2040	-	13,208,110.00	-	-	-	-		
2041	-	13,778,372.50	-	-	-	-		
2042	-	-	-	-	-	13,625,000.00		
2043	-	-	-	-	-	13,970,000.00		
2044	-	-	-	-	-	14,245,000.00		
Total:	$4,982,384.00	$156,385,328.35	$7,375,653.84	$14,752,962.58	$11,999,182.60	$50,792,000.00		

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

[(2)] Debt service figures for period ending August 1, 2023 include payments made on February 1, 2023.

[(3)] The District expects to receive a cash subsidy payment from the United States Treasury equal to a portion of the interest due on each interest payment date on the portion of the Series 2011B Bonds designated as "qualified school construction bonds." See "– Outstanding Bonds" above. Amounts shown do not take into account the receipt of any subsidy payments.

[(4)] From and after the Conversion Date, such Convertible Capital Appreciation Bonds will bear interest on the accreted value thereof at the rate applicable thereof set forth on the inside front cover pages of this Official Statement, payable on each Interest Date, commencing on the February 1 or August 1 immediately following such Conversion Date.

Source: California Financial Services

SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS

General

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

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

Statutory Lien on Taxes (Senate Bill 222)

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

This statutory lien, by its terms, secures not only the Series 2023 Bonds, but also any other bonds of the District payable, as to both principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIIIA of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

Pledge of Tax Revenues

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

The pledge of tax revenues provided for in the Resolution specifies that said pledge and lien secures the Series 2023 Bonds and other general obligations bonds, including refunding bonds, previously issued or that may be issued in the future pursuant to voter-approved measures. Previous general obligation bonds of the District have been issued under resolutions that pledge tax revenues to secure the general obligation bonds and the general obligation refunding bonds issued thereunder, and the District may provide for a similar pledge of tax revenues in resolutions adopted in the future that authorize general obligation bonds and general obligation refunding bonds. The Resolution does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the lien of the pledges.

Property Taxation System

Property tax revenues result from the application of the appropriate tax rate to the total assessed value of taxable property in the District. School districts receive property taxes for payment of voter-approved bonds as well as for general operating purposes.

Local property taxation is the responsibility of various county officers. School districts whose boundaries extend into more than one county are treated for property tax purposes as separate jurisdictions in each county in which they are located. For each school district located in a county, the county assessor computes the value of locally assessed taxable property. Based on the assessed value of property and the scheduled debt service on outstanding bonds in each year, the county auditor-controller computes the rate of tax necessary to pay such debt service, and presents the tax rolls (including rates of tax for all taxing jurisdictions in the county) to the county board of supervisors for approval. The county treasurer-tax collector prepares and mails tax bills to taxpayers and collects the taxes. Both the county auditor-controller and the county treasurer-tax collector have accounting responsibilities related to the collecting of the property taxes. Once collected, the county auditor-controller apportions and distributes the taxes to the various taxing entities and related funds and accounts. The county treasurer-tax collector, the superintendent of schools of which has jurisdiction over the school district, holds school district funds, including taxes collected for payment of school bonds, and is charged with payment of principal of and interest on the school bonds when due, as *ex-officio* treasurer of the school district.

Assessed Valuation of Property Within the District

General. Taxable property located in the District has a fiscal year 2022-23 assessed value of $12,156,443,399. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the California Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See "*– Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

Under the California Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in each county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in the State, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect: generally reducing the assessed value in the District, as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies within the County, including the District.

Locally taxed property is classified either as "secured" or "unsecured," and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as "utility" property.

[Remainder of page left intentionally blank.]

The following table sets forth the assessed valuation of the various classes of property in the District's boundaries from fiscal years 2004-05 through 2022-23, each as of the date the equalized assessment roll is established in August of each year.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Assessed Valuations
Fiscal Years 2004-05 through 2022-23

Fiscal Year	Local Secured	Utility	Unsecured	Total Valuation
2004-05	$3,891,132,777	$5,785,742	$243,651,523	$4,140,570,042
2005-06	4,452,330,026	5,375,603	256,823,380	4,714,529,009
2006-07	5,348,163,842	5,139,270	276,168,125	5,629,471,237
2007-08	6,205,358,181	3,004,092	351,921,526	6,560,283,799
2008-09	6,250,762,989	3,002,209	384,352,229	6,638,117,427
2009-10	5,470,937,654	3,776,982	404,898,150	5,879,612,786
2010-11	5,116,956,930	3,789,700	384,837,952	5,505,584,582
2011-12	5,151,124,349	3,818,009	351,269,663	5,506,212,021
2012-13	5,246,718,901	3,819,258	399,336,562	5,649,874,721
2013-14	5,547,093,026	3,817,028	360,031,438	5,910,941,492
2014-15	5,986,625,515	2,149,197	407,045,980	6,395,820,692
2015-16	6,416,683,075	2,145,148	492,854,898	6,911,683,121
2016-17	6,871,316,099	2,132,287	456,531,924	7,329,980,310
2017-18	7,217,445,229	2,127,417	597,008,329	7,816,580,975
2018-19	8,273,570,367	2,121,281	598,663,881	8,874,355,529
2019-20	9,094,553,801	4,751,093	628,556,353	9,727,861,247
2020-21	9,690,334,873	4,712,202	826,759,421	10,521,806,496
2021-22	10,383,495,675	4,675,856	798,448,848	11,186,620,379
2022-23	11,298,711,133	4,576,267	853,155,999	12,156,443,399

Source: California Municipal Statistics, Inc.

Risk of Decline in Property Values. Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control, such as a general market decline in property values, including potential market declines caused by the effects of a reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, drought, flood, landslide, liquefaction, levee failure, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also "*– Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

Risk of Changing Economic Conditions. Property values could be reduced by factors beyond the District's control, including a depressed real estate market due to general economic conditions in the County, the region, and the State. A pandemic, like the COVID-19 pandemic, may result in an economic recession or depression that causes a general market decline in property values therefore affecting the assessed value of the property in the District. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Infectious Disease Outbreak."

Risk of Climate Change. The change in the earth's average atmospheric temperature, generally referred to as "climate change," is expected to, among other things, increase the frequency of extreme weather events. The direct risks posed by climate change currently include or are expected to include more extreme heat events, increased incidence of wildfire and drought, rising sea levels, changes in precipitation levels, including flooding, and more intense storms. As greenhouse gas emissions continue to accumulate, climate change will intensify and increase the frequency of such extreme weather events. One or more of such extreme weather events could negatively impact the assessed value of the property within the District. The District cannot predict the timing, extent, or severity of climate change and its impact on property values in the District.

Risk of Earthquake. The District is located in a seismically active region. The most notable earthquake faults in the region include the San Andreas and San Jacinto faults. Property values could be reduced by the complete or partial destruction of taxable property as a result of an earthquake.

Risk of Drought. The State is experiencing severe drought conditions. In March 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in the State as primary natural disaster areas due to drought. In April 2021, the Governor of California (the "Governor") proclaimed a regional drought emergency in two counties due to record drought conditions, and subsequently expanded such proclamation three times until the drought emergency applied to all counties in the State. After calling for a State-wide voluntary reduction in water use of 15% from 2020 levels that failed to achieve such goal, the Governor prompted the California State Water Resources Control Board to adopt a regulation requiring local water agencies to implement water use restrictions and banning irrigation of non-functional turf in the commercial, industrial, and institutional sectors. Such regulation became effective in June 2022. The District cannot predict the extent to which drought conditions within the County or any of the adjoining counties could cause reduced economic activity within the boundaries of the District or the extent to which drought conditions may impact District facilities or the assessed value of taxable property within the District.

Risk of Wildfires. Property damage due to wildfire could result in significant damage to, destruction of, and significant decreases in the assessed value of taxable property within the boundaries of the District, as well as in damage to or destruction of District facilities and property. In recent years, portions of the State, including the County and adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Notable incidents that have impacted the County and adjacent counties in recent years include the Cranston Fire, Taboose Fire, Apple Fire, Lake Fire, El Dorado Fire, Blue Ridge Fire and Silverado Fire. [Within the boundaries of the District, no facilities or property was damaged or destroyed by said wildfires or other recent wildfires.] ***[District to confirm.]*** The adjacent counties of Inyo, Kern, Los Angeles, Orange and Riverside have also been impacted by the wildfires mentioned above. The District cannot predict the extent to which any future wildfires within the District, the County, or any of the adjoining counties could cause reduced economic activity within the boundaries of the District or the extent to which wildfires may impact District facilities or the assessed value of taxable property within the District.

Prospective purchasers of the Series 2023 Bonds should be aware that, notwithstanding any decrease in assessed valuation for any fiscal year, the County is required to levy sufficient taxes to pay debt service on the Series 2023 Bonds. The consequence of any decrease in assessed valuation is a corresponding increase in the tax rate on taxable property so that sufficient tax revenues may be collected from taxpayers to cover debt service on the Series 2023 Bonds in full.

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs. Any base year appeal must be made within four years of the change of ownership or new construction date.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (such pre-reduction level escalated by the annual inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIIIA of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIIIA of the California Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues" for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

Bonding Capacity. As a unified school district, the District may issue bonds in an amount up to 2.50% of the assessed valuation of taxable property within its boundaries. The District's fiscal year 2022-23 gross bonding capacity (also commonly referred to as the "bonding limit" or "debt limit") is approximately $[_____] million and its net bonding capacity is approximately $[_____] million (taking into account current outstanding debt before the issuance of the Series 2023 Bonds). Refunding bonds may be issued without regard to this limitation; however, once issued, the outstanding principal of any refunding bonds is included when calculating the District's bonding capacity.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of the property within the District's boundaries by political jurisdiction in the City of Colton, the City of Fontana, the City of Rialto, the City of San Bernardino, and unincorporated portions of the County for fiscal year 2022-23.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Fiscal Year 2022-23 Assessed Valuation by Jurisdiction

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Colton	$ 658,913,747	5.42%	$5,016,940,896	13.13%
City of Fontana	890,217,298	7.32	$27,019,267,552	3.29%
City of Rialto	8,894,982,199	73.17	$13,115,586,958	67.82%
City of San Bernardino	879,094,839	7.23	$19,097,789,522	4.60%
Unincorporated San Bernardino County	833,235,316	6.85	$42,962,663,648	1.94%
Total District	$12,156,443,399	100.00%		
County of San Bernardino	$12,156,443,399	100.00%	$290,515,911,972	4.18%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following table sets forth a distribution of taxable property located in the District on the fiscal year 2022-23 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Fiscal Year 2022-23 Assessed Valuation and Parcels by Land Use

	2022-23 Assessed Valuation(1)	% of Total	No. of Parcels	% of Total
Non-Residential:				
Commercial	$ 822,234,230	7.28%	476	1.52%
Professional/Office	101,423,741	0.90	82	0.26
Industrial	2,457,251,960	21.75	250	0.80
Recreational	27,252,097	0.24	19	0.06
Government/Social/Institutional	11,123,466	0.10	68	0.22
Miscellaneous	8,550,484	0.08	311	1.00
Subtotal Non-Residential	$ 3,427,835,978	30.34%	1,206	3.86%
Residential:				
Single Family Residence	$ 6,137,013,509	54.32%	23,505	75.22%
Condominium/Townhouse	563,845,475	4.99	1,793	5.74
Mobile Home	81,920,953	0.73	2,234	7.15
Mobile Home Park	88,444,773	0.78	35	0.11
2-4 Residential Units	150,235,600	1.33	487	1.56
5+ Residential Units/Apartments	316,936,798	2.81	78	0.25
Miscellaneous Residential Improvements	25,244,373	0.22	129	0.41
Subtotal Residential	$ 7,363,641,481	65.17%	28,261	90.44%
Vacant Parcels	$507,233,674	4.49%	1,783	5.71%
TOTAL	$ 11,298,711,133	100.00%	31,250	100.00%

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

Assessed Valuation of Single-Family Homes. The following table sets forth the assessed valuation of single-family homes in the District's boundaries for fiscal year 2022-23, including the average and median per parcel assessed value.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Fiscal Year 2022-23 Per Parcel Assessed Valuation of Single-Family Homes

	Number of Parcels	2022-23 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single-Family Residential	23,505	$6,137,013,509	$261,094	$238,841

2022-23 Assessed Valuation	No. of Parcels[1]	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $24,999	48	0.204%	0.204%	$ 779,595	0.013%	0.013%
$25,000 - $49,999	485	2.063	2.268	20,071,100	0.327	0.340
$50,000 - $74,999	553	2.353	4.620	34,143,082	0.556	0.896
$75,000 - $99,999	554	2.357	6.977	49,254,231	0.803	1.699
$100,000 - $124,999	982	4.178	11.155	111,900,036	1.823	3.522
$125,000 - $149,999	1,753	7.458	18.613	242,347,255	3.949	7.471
$150,000 - $174,999	2,200	9.360	27.973	357,768,441	5.830	13.301
$175,000 - $199,999	2,215	9.424	37.396	414,853,688	6.760	20.061
$200,000 - $224,999	2,030	8.636	46.033	430,243,872	7.011	27.071
$225,000 - $249,999	1,675	7.126	53.159	397,684,079	6.480	33.551
$250,000 - $274,999	1,487	6.326	59.485	390,600,868	6.365	39.916
$275,000 - $299,999	1,302	5.539	65.024	373,833,444	6.091	46.007
$300,000 - $324,999	1,135	4.829	69.853	354,313,714	5.773	51.781
$325,000 - $349,999	1,188	5.054	74.907	401,074,927	6.535	58.316
$350,000 - $374,999	1,158	4.927	79.834	419,457,904	6.835	65.151
$375,000 - $399,999	1,065	4.531	84.365	412,836,180	6.727	71.878
$400,000 - $424,999	945	4.020	88.385	388,998,820	6.339	78.217
$425,000 - $449,999	744	3.165	91.551	324,754,861	5.292	83.508
$450,000 - $474,999	621	2.642	94.193	286,980,952	4.676	88.185
$475,000 - $499,999	482	2.051	96.243	234,925,029	3.828	92.013
$500,000 and greater	883	3.757	100.000	490,191,431	7.987	100.000
Total	23,505	100.000%		$6,137,013,509	100.000%	

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

Largest Secured Taxpayers in District. The following table sets forth the 20 taxpayers with the greatest combined ownership of secured taxable property in the District on the fiscal year 2022-23 tax roll, and the secured assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Largest Fiscal Year 2022-23 Local Secured Taxpayers

	Property Owner	Primary Land Use	2022-23 Assessed Valuation	Percent of Total[(1)]
1.	Target Corporation	Industrial	$ 362,847,936	3.21%
2.	Prologis-A4/Prologis/MacQuarie	Industrial	268,074,057	2.37
3.	Rialto Merrill Holdings LLC	Industrial	123,353,000	1.09
4.	GPT BTS Linden II Owner LP	Industrial	119,047,652	1.05
5.	Northwestern Mutual Life Insurance Co.	Industrial	112,545,045	1.00
6.	Fairfield Potomac Club LLC	Industrial	111,881,595	0.99
7.	USCLP CA Rialto2 LLC	Industrial	94,025,276	0.83
8.	AG Essential Housing CA 4 LP	Residential Land	91,800,000	0.81
9.	DCT Renaissance Rialto LLC	Industrial	83,104,599	0.74
10.	GPT BTS Linden Avenue Owner LP	Industrial	80,280,859	0.71
11.	Renaissance Commercial Property LLC	Shopping Center	73,146,726	0.65
12.	LBA RVI-Company XXVII LLC	Industrial	69,756,610	0.62
13.	Thrifty Oil Co.	Industrial	67,251,146	0.60
14.	Sierra Lakes Commerce LLC	Industrial	63,630,936	0.56
15.	Standard Foothill Venture LP	Apartments	59,160,000	0.52
16.	L/S Five Crescent Drive LP	Industrial	55,754,510	0.49
17.	ET Sub REIT LLC	Industrial	54,682,307	0.48
18.	Madison-Ind Locust CA LLC	Industrial	52,987,157	0.47
19.	100 Cedar Avenue LLC	Industrial	52,614,031	0.47
20.	Rialto 360 LLC	Apartments	49,930,984	0.44
			$2,045,874,426	18.11%

(1) The fiscal year 2022-23 local secured assessed valuation is $11,298,711,133.
Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control. See "− *Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" above.

Tax Rates

General. The California Constitution permits the levy of an *ad valorem* tax on taxable property not to exceed 1% of the full cash value of the property, and State law requires the full 1% tax to be levied. The levy of special *ad valorem* property taxes in excess of the 1% levy is permitted as necessary to provide for debt service payments on school bonds and other voter-approved indebtedness.

The rate of tax necessary to pay fixed debt service on the Series 2023 Bonds in a given year depends on the assessed value of taxable property in that year. (The rate of tax imposed on unsecured property for repayment of the Series 2023 Bonds is based on the prior year's secured property tax rate.) Economic and other factors beyond the District's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, drought, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the Series 2023 Bonds. Issuance of additional authorized bonds in the future could also cause the tax rate to increase.

Typical Tax Rate Area. The following table sets forth *ad valorem* property tax rates for the last five fiscal years in the typical tax rate area of the District (TRA 6-000). TRA 6-000 comprises approximately 15.26% of the total assessed value of taxable property in the District for fiscal year 2022-23.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Typical Total Tax Rates as Percentage of Assessed Valuation (TRA 6-000)[(1)]
Fiscal Years 2018-19 through 2022-23

	2018-19	2019-20	2020-21	2021-22	2022-23
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Rialto Unified School District	0.0771	0.0848	0.0805	0.0829	0.0746
San Bernardino Community College District	0.0407	0.0562	0.0651	0.0534	0.0450
San Bernardino Valley Municipal Water	0.1525	0.1425	0.1425	0.1300	0.1300
Total Tax Rate	1.2703%	1.2835%	1.2881%	1.2663%	1.2496%

(1) Fiscal year 2022-23 assessed valuation of TRA 6-000 is $1,855,273,550.
Source: California Municipal Statistics, Inc.

In accordance with the California Constitution and the California Education Code, bonds approved pursuant to the 2022 Authorization may not be issued unless the District projects that repayment of all outstanding bonds approved under the 2022 Authorization will require a tax rate no greater than $60.00 per $100,000.00 of assessed value. Based on the assessed value of taxable property in the District at the time of issuance of the Series 2023 Bonds, the District projects that the maximum tax rate required to repay the Series 2023 Bonds under the 2022 Authorization will be within that legal limit. The tax rate limitation applies only when new bonds are issued and does not restrict the authority of the Board of Supervisors to levy taxes at such rate as may be necessary to pay debt service on the Series 2023 Bonds and any other series of bonds issued under the 2022 Authorization in each year.

Tax Charges and Delinquencies

General. A school district's share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness, including the Series 2023 Bonds, are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The Treasurer-Tax Collector prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a $10 fee is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a $15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the Treasurer-Tax Collector. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. A 10% penalty and a $28 fee attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the Treasurer-Tax Collector may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The Treasurer-Tax Collector may also bring a civil suit against the taxpayer for payment. In light of the financial hardship that many taxpayers experienced due to COVID-19, the Governor issued Executive Order N-61-20, which suspended, until May 6, 2021, the statutory requirements for the imposition of penalties, costs, and interest for the failure to pay property taxes on the secured or unsecured roll, or to pay a supplemental bill provided certain conditions were met.

Property tax delinquencies may be impacted by economic and other factors beyond the District's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a pandemic or a natural or manmade disaster, such as earthquake, drought, flood, fire or toxic dumping. However, the County has adopted the Teeter Plan (defined herein), according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. For more information, see "– Teeter Plan" below. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – "INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET – DISTRICT FINANCIAL MATTERS – Infectious Disease Outbreak." If delinquencies increase substantially as a result of events outside the control of the District, the County has the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies.

The County does not provide the secured tax charges and corresponding delinquencies for the general obligation bond debt service levy with respect to property located within the District. While some counties also provide information on the secured tax charges and corresponding delinquencies for the portion of the County's 1% general fund levy that is allocated to the District with respect to property located in the District as an indication of comparative delinquency rates, the County does not provide such information. The portion of the County's 1% general fund levy that is allocated to the District is not pledged to and does not secure the repayment of the Series 2023 Bonds. See "– Teeter Plan" below.

Teeter Plan

The Board of Supervisors has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the Teeter Plan, each participating local agency levying property taxes in the County, including school districts, receives the full amount of uncollected taxes levied on the secured tax roll credited to its fund, in the same manner as if the full amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the Teeter Plan to taxes levied for repayment of school district general obligation bonds on the secured tax roll. There can be no assurances that the County will have sufficient funds available to distribute the full amount of the

District's share of property tax collections to the District. However, State law requires the County to levy *ad valorem* property taxes sufficient to pay the Series 2023 Bonds when due.

The Teeter Plan is to remain in effect unless the Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. [The District is not aware of any plans by the Board of Supervisors to discontinue the Teeter Plan.] ***[District to provide whether this is correct.]***

Direct and Overlapping Debt

Set forth on the following page is a schedule of direct and overlapping debt prepared by California Municipal Statistics, Inc. effective February 3, 2023 for debt outstanding as of March 1, 2023. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not set forth in the table) produces the amount set forth in column three, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

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

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Statement of Direct and Overlapping Bonded Debt

February 3, 2023

2022-23 Assessed Valuation: $12,156,443,399

	% Applicable	Debt 3/1/23
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:		
Metropolitan Water District	0.040%	$ 7,686
San Bernardino Community College District	13.151	93,110,129
Rialto Unified School District	100.000	85,991,428(1)
City of Fontana Community Facilities District No. 71	100.000	5,015,000
City of Rialto Community Facilities District No. 2006-1	100.000	4,050,000
San Bernardino County Community Facilities Districts	34.091-74.059	5,790,132
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$193,964,375
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
San Bernardino County General Fund Obligations	4.184%	$ 6,730,382
San Bernardino County Pension Obligation Bonds	4.184	2,634,246
San Bernardino County Flood Control District General Fund Obligations	4.184	1,718,160
Rialto Unified School District Certificates of Participation	100.000	8,041,091
City of Colton General Fund and Pension Obligation Bonds	13.134	2,938,653
City of Fontana Certificates of Participation	3.295	1,688,852
City of Rialto Certificates of Participation	67.820	7,131,464
City of San Bernardino General Fund Obligation and Pension Obligation Bonds	4.603	911,624
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		$ 31,794,472
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)		$ 73,894,134
COMBINED TOTAL DEBT		$299,652,981(2)

Ratios to 2022-23 Assessed Valuation:
Direct Debt ($85,991,428)..0.71%
Total Direct and Overlapping Tax and Assessment Debt.......................1.60%
Combined Direct Debt ($94,032,519) 0.77%
Combined Total Debt 2.46%

Ratio to Redevelopment Incremental Valuation ($5,287,751,919):
Total Overlapping Tax Increment Debt 1.40%

(1) Excludes the Series 2023 Bonds. Also excludes accreted value.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

BOND INSURANCE

[Insurance disclosure to come.]

TAX MATTERS

[Tax-Exempt Bonds]

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

To the extent the issue price of any maturity of the [Tax-Exempt][Series 2023] Bonds is less than the amount to be paid at maturity (or the first optional call date (the "Call Date") for the Convertible Capital Appreciation Bonds) of such [Tax-Exempt][Series 2023] Bonds (excluding amounts stated to be interest and payable at least annually over the term, or the period to the Call Date, of such [Tax-Exempt][Series 2023] Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the [Tax-Exempt][Series 2023] Bonds which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular maturity of the [Tax-Exempt][Series 2023] Bonds is the first price at which a substantial amount of such maturity of the [Tax-Exempt][Series 2023] Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the [Tax-Exempt][Series 2023] Bonds accrues daily over the term to maturity (or the period to the Call Date) of such [Tax-Exempt][Series 2023] Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such [Tax-Exempt][Series 2023] Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such [Tax-Exempt][Series 2023] Bonds. Beneficial Owners of the [Tax-Exempt][Series 2023] Bonds should consult their own tax advisors with respect to the tax consequences of ownership of [Tax-Exempt][Series 2023] Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such [Tax-Exempt][Series 2023] Bonds in the original offering to the public at the first price at which a substantial amount of such [Tax-Exempt][Series 2023] Bonds is sold to the public. In the case of the Convertible Capital Appreciation Bonds, the original issue discount on them may accrue during the period from the issue date until the Call Date, which is after the Conversion Date. If the yield on any maturity of Convertible Capital Appreciation Bonds, from the issue date to the Call Date, is lower than the interest coupon to be paid after the Conversion Date, a portion of the interest coupon paid between the Conversion Date and the Call Date may be treated, for federal income tax purposes, as a reduction in the Beneficial Owner's tax basis.

[Tax-Exempt][Series 2023] Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the [Tax-Exempt][Series 2023] Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the [Tax-Exempt][Series 2023] Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the [Tax-Exempt][Series 2023] Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the [Tax-Exempt][Series 2023] Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the [Tax-Exempt][Series 2023] Bonds may adversely affect the value of, or the tax status of interest on, the [Tax-Exempt][Series 2023] Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the [Tax-Exempt][Series 2023] Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the [Tax-Exempt][Series 2023] Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the [Tax-Exempt][Series 2023] Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the [Tax-Exempt][Series 2023] Bonds. Prospective purchasers of the [Tax-Exempt][Series 2023] Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the [Tax-Exempt][Series 2023] Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the [Tax-Exempt][Series 2023] Bonds ends with the issuance of the [Tax-Exempt][Series 2023] Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the [Tax-Exempt][Series 2023] Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the [Tax-Exempt][Series 2023] Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the [Tax-Exempt][Series 2023] Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

Payments on the [Tax-Exempt][Series 2023] Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of [Tax-Exempt][Series 2023] Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the [Tax-Exempt][Series 2023] Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the [Tax-Exempt][Series 2023] Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.]

[Federally Taxable Bonds

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Federally Taxable Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the Federally Taxable Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Federally Taxable Bonds. The proposed form of opinion of Bond Counsel is set forth in Appendix C.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to holders of the Federally Taxable Bonds that acquire their Federally Taxable Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Federally Taxable Bonds as part of a hedge, straddle or an integrated or conversion transaction, investors whose "functional currency" is not the U.S. dollar, or certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Federally Taxable Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Federally Taxable Bonds pursuant to this offering for the issue price that is applicable to such Federally Taxable Bonds (i.e., the price at which a substantial amount of the Federally Taxable Bonds are sold to the public) and who will hold their Federally Taxable Bonds as "capital assets" within the meaning of Section 1221 of the Code.

As used herein, "U.S. Holder" means a Beneficial Owner of a Federally Taxable Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a Beneficial Owner of a Federally Taxable Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Federally Taxable Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Federally Taxable Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Federally Taxable Bonds (including their status as U.S. Holders or Non-U.S. Holders).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Federally Taxable Bonds in light of their particular circumstances.

U.S. Holders

Interest. Interest on the Federally Taxable Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

Federally Taxable Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Federally Taxable Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Federally Taxable Bond.

Sale or Other Taxable Disposition of the Federally Taxable Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition of a Federally Taxable Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Federally Taxable Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Federally Taxable Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Federally Taxable Bond (generally, the purchase price paid by the U.S. Holder for the Federally Taxable Bond, decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Federally Taxable Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Federally Taxable Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the Federally Taxable Bonds. If the District defeases any Federally Taxable Bond, the Federally Taxable Bond may be deemed to be retired for U.S. federal income tax purposes as a result of the defeasance. In that event, in general, a holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the holder's adjusted U.S. federal income tax basis in the Federally Taxable Bond.

Information Reporting and Backup Withholding. Payments on the Federally Taxable Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Federally Taxable Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the Federally Taxable Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Federally Taxable Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders," payments of principal of, and interest on, any Federally Taxable Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation described in Section 881(c)(3)(C) of the Code, and (2) a bank which acquires such Federally Taxable Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the Beneficial Owner of the Federally Taxable Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the Federally Taxable Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S. Holders," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the District or a deemed retirement due to defeasance of the Federally Taxable Bond) or other disposition of a Federally Taxable Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for

183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the District) or other disposition and certain other conditions are met.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "Foreign Account Tax Compliance Act ("FATCA") – U.S. Holders and Non-U.S.Holders," under current U.S. Treasury Regulations, payments of principal and interest on any Federally Taxable Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the Beneficial Owner of the Federally Taxable Bond or a financial institution holding the Federally Taxable Bond on behalf of the Beneficial Owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a Beneficial Owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

Foreign Account Tax Compliance Act ("FATCA")—U.S. Holders and Non-U.S. Holders

Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Under current guidance, failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest on the Federally Taxable Bonds. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to certain "passthru" payments no earlier than the date that is two years after publication of final U.S. Treasury Regulations defining the term "foreign passthru payments." Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Federally Taxable Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Federally Taxable Bonds, including the application and effect of state, local, non-U.S., and other tax laws.]

OTHER LEGAL MATTERS

Legal Opinion

The validity of the Series 2023 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District. Bond Counsel expects to deliver an opinion with respect to the Series 2023 Bonds at the time of issuance substantially in the form set forth in Appendix C. Bond Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, for the District by

Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, as counsel to the District; and for the Underwriters by James F. Anderson Law Firm, A Professional Corporation, as counsel to the Underwriters.

Legality for Investment in California

Under the provisions of the California Financial Code, the Series 2023 Bonds are legal investments for commercial banks in the State to the extent that the Series 2023 Bonds, in the informed opinion of the bank, are prudent for the investment of funds of depositors, and, under provisions of the California Government Code, the Series 2023 Bonds are eligible securities for deposit of public monies in the State.

Continuing Disclosure

The District will covenant under the Continuing Disclosure Certificate to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the "EMMA System") certain annual financial information and operating data relating to the District (the "Annual Report") by not later than nine months following the end of the District's fiscal year (currently ending June 30), commencing with the report for fiscal year 2022-23 (such initial Annual Report due no later than April 1, 2024) and notice of the occurrence of certain enumerated events ("Notice Events") in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX D − "FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made for the benefit of the holders and Beneficial Owners of the Series 2023 Bonds in order to assist the Underwriters in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "Rule").

[To be updated per results from dissemination agent's CD Report.]

KNN Public Finance LLC currently serves as the District's dissemination agent in connection with each of the District's prior continuing disclosure undertakings pursuant to the Rule and will serve as dissemination agent in connection with the continuing disclosure undertaking pursuant to the Rule relating to the Series 2023 Bonds.

Litigation

No litigation is pending or threatened concerning or contesting the validity of the Series 2023 Bonds or the District's ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District's ability to issue and retire the Series 2023 Bonds. The District is not aware of any litigation pending or threatened questioning the political existence of the District or contesting the title to their offices of District officers who will execute the Series 2023 Bonds or District officials who will sign certifications relating to the Series 2023 Bonds, or the powers of those offices. A certificate (or certificates) to that effect will be furnished to the Underwriters at the time of the original delivery of the Series 2023 Bonds.

[The District is occasionally subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.] ***[District to confirm.]***

FINANCIAL STATEMENTS

The District's audited financial statements for fiscal year ended June 30, 2022 are included in Appendix B. Such financial statements have been audited by Eide Bailly, Rancho Cucamonga, California ("Eide Bailly"). The District has not requested nor has the District obtained the consent of Eide Bailly to the inclusion of its report in Appendix B. Eide Bailly has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Eide Bailly has not been requested to perform and has not performed any procedures relating to the Official Statement.

MISCELLANEOUS

Ratings

[S&P][S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC] has assigned its underlying and uninsured rating of "[___]" to the Series 2023 Bonds. A rating agency generally bases its rating on its own investigations, studies and assumptions as well as information and materials furnished to it (which may include information and materials from the District, which are not included in this Official Statement). The rating reflects only the view of the rating agency furnishing the same, and any explanation of the significance of the rating should be obtained only from the rating agency providing the same. Such rating is not a recommendation to buy, sell or hold the Series 2023 Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency providing the same, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2023 Bonds. Neither the Underwriters nor the District has undertaken any responsibility after the offering of the Series 2023 Bonds to assure the maintenance of the rating or to oppose any such revision or withdrawal.

In addition, Moody's Investors Service Inc. is expected to assign its insured rating of "[___]" to the Series 2023 Bonds with the understanding that, upon delivery of the Series 2023 Bonds, the Policy will be delivered by [___]. See "BOND INSURANCE." Such rating is expected to be assigned solely as a result of the issuance of the Policy and will reflect only the rating agency's view of the claims-paying ability and financial strength of [___]. Neither the District nor the Underwriters have made any independent investigation of the claims-paying ability of [___] and no representation is made that any insured rating of the Series 2023 Bonds based upon the purchase of the Policy will remain higher than the rating agency's underlying and uninsured rating of the Series 2023 Bonds described above, which did not take bond insurance into account. The existence of the Policy will not, of itself, negatively affect such underlying and uninsured rating. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal or maturity value of and interest on the Series 2023 Bonds and the claims paying ability of [___], particularly over the life of the investment. Without regard to any bond insurance, the Series 2023 Bonds are payable from the proceeds of an *ad valorem* tax approved by the voters of the District pursuant to all applicable laws and constitutional requirements, and required to be levied by the County on property within the District in an amount sufficient for the timely payment of principal or maturity value of and interest on the Series 2023 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS." However, any downward revision or withdrawal of any rating of [___] may have an adverse effect on the market price or the marketability (liquidity) for the Series 2023 Bonds.

Professionals Involved in the Offering

Orrick, Herrington & Sutcliffe LLP is acting as Bond Counsel and Disclosure Counsel with respect to the Series 2023 Bonds, and will receive compensation from the District contingent upon the sale and delivery of the Series 2023 Bonds. California Financial Services is acting as the District's municipal advisor (the "Municipal Advisor") with respect to the Series 2023 Bonds. James F. Anderson Law Firm, A Professional Corporation, Laguna Hills, California, is acting as counsel to the Underwriters with respect to the Series 2023 Bonds. Payment of the fees and expenses of the Municipal Advisor and counsel to the Underwriters is also contingent upon the sale and delivery of the Series 2023 Bonds.

Underwriting

The Series 2023 Bonds are being purchased for reoffering to the public by Piper Sandler & Co., on behalf of itself and as representative of Loop Capital Markets LLC (the "Underwriters") pursuant to the terms of a bond purchase agreement executed on __________, 2023 (the "Purchase Agreement"), by and between the Underwriters and the District. The Underwriters have agreed to purchase the Series 2023 Bonds at a price of $__________ [(which represents the aggregate initial principal amount of the Series 2023 Bonds, [plus/less] [net] original issue [premium/discount] of $__________, and less Underwriters' discount in the amount of $__________)]. The Purchase Agreement provides that the Underwriters will purchase all of the Series 2023 Bonds, subject to certain terms and conditions set forth in the Purchase Agreement.

The Underwriters may offer and sell the Series 2023 Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices set forth on the inside front cover page of this Official Statement. The public offering prices may be changed from time to time by the Underwriters.

[Distribution language of Underwriters, if applicable.]

ADDITIONAL INFORMATION

The purpose of this Official Statement is to supply information to purchasers of the Series 2023 Bonds. Quotations from and summaries and explanations of the Series 2023 Bonds and of the statutes and documents contained herein do not purport to be complete, and reference is made to such documents and statutes for full and complete statements of their provisions.

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

The District has duly authorized the delivery of this Official Statement.

RIALTO UNIFIED SCHOOL DISTRICT

By: ______________________________________
Superintendent

APPENDIX A

INFORMATION RELATING TO THE DISTRICT'S OPERATIONS AND BUDGET

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The information in this appendix concerning the operations of the Rialto Unified School District (the "District"), the District's finances, and State of California (the "State") funding of education, is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal, accreted value or maturity value of or interest on the Series 2023 Bonds are payable from the general fund of the District or from State revenues. The Series 2023 Bonds are payable from the proceeds of an ad valorem tax approved by the voters of the District pursuant to all applicable laws and requirements of the Constitution of the State (the "California Constitution"), and required to be levied by the County of San Bernardino (the "County") on property within the District in an amount sufficient for the timely payment of principal of and interest on the Series 2023 Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS" in the front portion of this Official Statement.

THE DISTRICT

Introduction

The District was founded in 1891 and has operated as a unified school district since 1964. The District provides preschool, elementary and secondary educational services to residents of an area of the County encompassing approximately 55 square miles that includes the City of Rialto, the western portion of the City of San Bernardino, small segments of the cities of Colton and Fontana and some unincorporated County territory. [The District currently operates 19 elementary schools, five middle schools, three comprehensive high schools, one continuation high school, one virtual academy, and one adult education school.] Total enrollment in the District was approximately 24,098 students in fiscal year 2021-22. As of the preparation of the District's second interim report for fiscal year 2022-23 (the "Fiscal Year 2022-23 Second Interim Report"), total enrollment in the District is projected to be approximately [24,024] students in fiscal year 2022-23. The District operates under the jurisdiction of the San Bernardino County Superintendent of Schools. Total assessed valuation of taxable property in the District in fiscal year 2022-23 is approximately $12.16 billion.

Board of Education

The District is governed by a five-member Board of Education (the "Board of Education"), each member of which is a voting member. The members are elected at-large to four-year terms in alternate slates of two and three, and elections are held every two years. The District currently has two multi-member trustee areas. [The District is in the process of transitioning from an "at-large" election system to a "trustee area" election system, beginning with the election held in November 2022. As such, the three board members elected prior to November 2022 were elected at-large, and the two board members elected in November 2022 were elected by trustee areas.] Each December the Board of Education elects a President, Vice President and Clerk to serve one-year terms. Current voting members of the Board of Education, together with their office, their trustee area, if applicable, and the date their current term expires, are set forth in the following table.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)

Board of Education

Name	Office	Trustee Area	Term Expires
Stephanie E. Lewis	President	N/A*	December 2024
Nancy G. O'Kelley	Vice President	N/A*	December 2024
Joseph W. Martinez	Clerk	N/A*	December 2024
Evelyn Dominguez	Member	5	December 2026
Edgar Montes	Member	3	December 2026

* Elected at-large. See "– Board of Education" above for information on the District's transition from an "at-large" election system to a "trustee area" election system.

Superintendent and Business Services Personnel

General. The Superintendent of the District is appointed by the Board of Education. The Superintendent reports directly to the Board of Education. The Lead Business Services Agent is hired by and reports directly to the Superintendent. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators, including the Lead Business Services Agent. The current Superintendent, Dr. Cuauhtémoc Avila, has served in this position since July 2015. The Lead Business Services Agent is responsible for management of the District's finances and business operations. Diane Romo has served as the Lead Business Services Agent since [_____].

Dr. Cuauhtémoc Avila, Superintendent. to joining the District, Dr. Avila served as the Assistant Superintendent of Educational Programs for the Los Angeles County Office of Education. Dr. Avila also previously served as Principal of Alternative Education and Director of Educational Services for the Glendale Unified School District for five years. Dr. Avila began his career in public education in 1997, serving as a high school principal, middle school principal, elementary principal, curriculum specialist and middle school teacher for the Compton Unified School District. Dr. Avila earned a bachelor's degree in Sociology from the University of California, Los Angeles, a master's degree in Educational Administration from California State University, Dominguez Hills, and a doctoral degree in Educational Leadership from the University of Southern California.

Diane Romo, Lead Business Services Agent. [District to provide short bio.]

Cybersecurity

School districts, like other governmental and business entities, face significant risks relating to the use and application of computer software and hardware for educational and operational and management purposes. The District also collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, and contractors. As the custodian of such information, the District may face cybersecurity threats from time to time. Given the importance of cybersecurity for school districts, federal lawmakers approved the K-12 Cybersecurity Act of 2021 to study cybersecurity risks that school districts face and develop recommended guidelines and an online training toolkit for school district officials to address such cybersecurity risks.

[The District [is/is not] aware of any major cyberattack or breach of its systems during the last five years. The District employs [security systems] to protect against cyberattacks. As a result, the District expects that any such disruptions caused by a cyberattack would be temporary in nature. The District [currently maintains][does not maintain] cyber liability insurance.] ***[District to confirm whether it has cyber liability insurance, what security systems it employs, and whether it has experienced any cybersecurity events within the past five years. District to explain whether it has a cybersecurity policy in place.]*** There can be no assurance that a future cyberattack or attempted cyberattack would not compromise the personal information that the District collects, processes and stores or cause a disruption in District operations, particularly given that students, teachers, and staff are accessing District computer systems and platforms remotely which may increase the risks of intrusion by third parties.

DISTRICT FINANCIAL MATTERS

State Funding of Education; State Budget Process

General. As is true for all school districts in the State, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (the "Local Control Funding Formula" or "LCFF") (see "− *Allocation of State Funding to School Districts; Local Control Funding Formula*") and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the California Constitution (see "− Local Property Tax Revenues"). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. As of the Fiscal Year 2022-23 Second Interim Report, the District projects it will receive approximately [___]% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), projected at approximately $[___] million in fiscal year 2022-23. Such amount includes both the State funding provided under the LCFF as well as other State revenues (see "− *Allocation of State Funding to School Districts; Local Control Funding Formula," "– Enrollment, A.D.A. and LCFF*" and "− Other District Revenues – *Other State Revenues*" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations.

Under Proposition 98, a constitutional and statutory amendment adopted by voters of the State in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the California Constitution), a minimum level of funding is guaranteed to school districts, community college districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands about 45% of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented the LCFF. Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See "*– Allocation of State Funding to School Districts; Local Control Funding Formula*" for more information.

State Budget Process. According to the California Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. The budget requires a simple majority vote of each house of the State Legislature for passage. The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. A two–thirds vote of the State Legislature is required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2022-23 State budget on June

27, 2022, which was amended through a series of legislative bills, many of which were signed by the Governor on June 30, 2022 (as amended, the "2022-23 State Budget").

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a California Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the California Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over $4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State did in fiscal years 2019-20 and 2020-21; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the California Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to maturity of the Series 2023 Bonds, and the District takes no responsibility for informing owners of the Series 2023 Bonds as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, **www.dof.ca.gov**, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at **www.lao.ca.gov**. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, **www.treasurer.ca.gov**. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

2022-23 State Budget. The 2022-23 State Budget reflects a strong State economy, which has strengthened the State's fiscal health and provided record levels of available general fund and Proposition 98 resources that the 2022-23 State Budget allocates. However, the 2022-23 State Budget notes economic warning signs indicating that challenging times may arrive in the coming years. Accordingly, with approximately $37.2 billion in budgetary reserves, the 2022-23 State Budget continues building reserves by eliminating budgetary debt, reducing retirement liabilities, and focusing on one-time spending over ongoing investments to maintain structurally balanced budgets over the long term. Specifically, the 2022-23 State Budget allocates 92% of the discretionary surplus to one-time investments that can be adjusted in future years, if needed. Citing the record high inflationary conditions nationwide, the 2022-23 State Budget includes an added inflation adjustment beginning in fiscal year 2023-24 reflecting that State services are likely to cost more than currently estimated.

The 2022-23 State Budget projects total resources available in fiscal year 2021-22 of approximately $265.4 billion, including revenues and transfers of approximately $227.1 billion and a prior year balance of approximately $38.3 billion, and total expenditures in fiscal year 2021-22 of approximately $242.9 billion. The 2022-23 State Budget projects total resources available for fiscal year 2022-23 of approximately $242.2 billion, inclusive of revenues and transfers of approximately $219.7 billion and a prior year balance of approximately $22.5 billion. The 2022-23 State Budget projects total expenditures in fiscal year 2022-23 of approximately $234.4 billion, inclusive of non-Proposition 98 expenditures of approximately $152.1 billion and Proposition 98 expenditures of approximately $82.3 billion. The 2022-23 State Budget includes $37.2 billion in reserves in fiscal year 2022-23 and allocates reserves as follows: approximately $23.3 billion in the State Rainy Day Fund for fiscal emergencies, approximately $9.5 billion in the Proposition 98 Rainy Day Fund (also known as the "Public School System Stabilization Account"), approximately $900 million in the Safety Net Reserve, and approximately $3.5 billion to the State's Special Fund for Economic Uncertainties. In addition, the 2022-23 State Budget allocates approximately $4.3 billion of the State general fund's projected fund balance in fiscal year 2022-23 to the State's Reserve for Liquidation of Encumbrances. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues, requiring approximately $465 million to be dedicated for infrastructure investments in fiscal year 2022-23. Over the multi-year forecast period, the 2022-23 State Budget reflects approximately $8 billion in supplemental deposits split evenly between the State Rainy Day Fund and the Safety Net Reserve. Such deposits are above what is constitutionally required. The 2022-23 State Budget estimates that the State will be below its appropriations limit (referred to as the "Gann Limit") for fiscal year 2022-23 as a result of statutory changes in connection with the 2022-23 State Budget.

The 2022-23 State Budget includes total funding of $128.6 billion for all K-12 education programs, including $78.6 billion from the State's general fund and $50 billion from other funds. Per-pupil funding is at the highest levels for school districts in the State's history, totaling $16,993 per pupil in Proposition 98 funding and $22,893 per pupil when accounting for all funding sources.

Certain budgeted programs and adjustments for K-12 education set forth in the 2022-23 State Budget include the following:

- Proposition 98 Minimum Guarantee. The 2022-23 State Budget projects increased Proposition 98 funding, resulting in funding estimates of $96.1 billion in fiscal year 2020-21, $110.2 billion in fiscal year 2021-22, and $110.4 billion in fiscal year 2022-23, due to a significant increase in projected revenues for fiscal years 2020-21 through 2022-23. Such funding represents a historically high three-year increase in the minimum guarantee of roughly $35.8 billion over the level funded in the fiscal year 2021-22 State budget.

- Proposition 98 Rainy Day Fund (Public School System Stabilization Account). The 2022-23 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2020-21 through 2022-23 for a total account balance of $9.5 billion at the end of fiscal year 2022-23. The balance of approximately $7.1 billion in fiscal year 2021-22 triggers a cap on school district reserves beginning in fiscal year 2022-23. For more information, see "– School District Reserves" and "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – *SB 751*."

- Local Control Funding Formula. The 2022-23 State Budget includes a LCFF cost-of-living adjustment of 6.56%, which is the largest cost-of-living adjustment in the history of LCFF. The 2022-23 State Budget also includes approximately $4.3 billion in ongoing Proposition 98 general fund resources to provide an approximately 6.28% discretionary increase in Base Grant funding to address ongoing fiscal pressures, staffing shortages, and other operational needs of local educational agencies. This discretionary increase, together with the cost-of-living adjustment, results in an increase of approximately 13% in Base Grant amounts from fiscal year 2021-22. Lastly, the 2022-23 State Budget includes approximately $101.2 million in ongoing Proposition 98 general fund resources to augment LCFF funding for county offices of education, which face similar cost pressures to school districts and charter schools.

- Declining Enrollment Protections. To support the fiscal stability of all local educational agencies, including those with a declining student population, the 2022-23 State Budget allows school districts to use the greater of current year or prior year average daily attendance or an average of the three prior years' average daily attendance to calculate LCFF funding. Further, to minimize reductions in LCFF funding that would otherwise occur due to increased absences in fiscal year 2021-22, the 2022-23 State Budget enables all classroom-based local educational agencies that can demonstrate they provided independent study offerings to students in fiscal year 2021-22 to be funded at the greater of their average daily attendance or their enrollment adjusted for pre-COVID-19 absence rates in fiscal year 2021-22. The 2022-23 State Budget reflects approximately $2.8 billion in ongoing Proposition 98 general fund resources and approximately $413 million in one-time Proposition 98 general fund resources to implement such policies.

- Block Grants. The 2022-23 State Budget establishes the Learning Recovery Emergency Fund and appropriates approximately $7.9 billion in one-time Proposition 98 general fund resources to support the Learning Recovery Emergency Block Grant, which will support local educational agencies in establishing learning recovery initiatives through the 2027-28 school year. Such funds may be expended on instructional learning time, closing learning gaps, pupil supports, instruction, and academic services. The 2022-23 State Budget also provides approximately $3.6 billion in one-time Proposition 98 general fund resources for grants to be spent on arts and music programs, standards-aligned professional development, instructional materials, development of diverse book collections, operational costs, and expenses related to the COVID-19 pandemic through the 2025-26 school year.

- Expanded Learning Opportunities Program. The 2022-23 State Budget increases investments in the Expanded Learning Opportunities Program by approximately $3 billion in ongoing Proposition 98 general fund resources, bringing the ongoing program total to $4 billion. Beginning in fiscal year 2023-24, local educational agencies will be required to offer expanded learning opportunities to all low-income students, English language learners, and youth in foster care in the State. The 2022-23 State Budget assumes that full fiscal implementation of the program will take place by fiscal year 2025-26.

- Transitional Kindergarten. The 2022-23 State Budget provides approximately $614 million in ongoing Proposition 98 general fund resources beginning in fiscal year 2022-23 to support the first year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2. The 2022-23 State Budget also provides approximately $383 million in Proposition 98 general fund resources to provide one additional certificated or classified staff person in each transitional kindergarten classroom. Lastly, the 2022-23 State Budget increases the pipeline of qualified transitional kindergarten teachers by allowing the Commission on Teaching Credentialing to issue a one-year emergency specialist teaching permit in early childhood education to certain eligible individuals.

- State Preschool Program. The 2022-23 State Budget includes the following investments in pre-kindergarten education: approximately $312.7 million in Proposition 98 general fund resources and $172.3 million in general fund resources to increase State Preschool Program adjustment factors for students with disabilities, dual language learners, and childhood mental health; approximately $300 million in one-time Proposition 98 general fund resources for planning and implementation of grants for all local educational agencies; approximately $250 million in one-time Proposition 98 general fund resources to support a program that funds infrastructure to support general education and special education students in inclusive classrooms; approximately $166.2 million in Proposition 98 general fund resources to support the full-year costs of State preschool rate increases that began January 1, 2022; and approximately $10.5 million in one-time Proposition 98 general fund resources and $10.8 million in one-time non-Proposition 98 general fund resources to waive the family share of cost for children participating in the State Preschool Program. The 2022-23 State Budget includes a hold harmless provision that allows State Preschool providers to receive reimbursement for maximum authorized care for the 2022-23 school year.

- Educator Workforce. The fiscal year 2021-22 State budget included $2.9 billion to accelerate the preparation and support the training and retention of well-prepared educators. To further support such effort, the 2022-23 State Budget includes an additional $48.1 million in general fund resources. In addition, the 2022-23 State Budget provides approximately $250 million in one-time Proposition 98 general fund resources to expand residency slots for teachers and school counselors. Lastly, the 2022-23 State Budget invests approximately $85 million in one-time Proposition 98 general fund resources to create pre-kindergarten through 12th grade educator resources and professional learning to implement STEM educator support initiatives; and approximately $35 million in one-time Proposition 98 general fund resources over three years to continue the work of the Educator Workforce Investment Grant program in the areas of computer science, special education, and support for English learners.

- School Transportation Programs. The 2022-23 State Budget includes approximately $637 million in ongoing Proposition 98 general fund resources to support school transportation programs by reimbursing local education agencies for up to 60% of their transportation costs in the prior year. In addition, the 2022-23 State Budget includes approximately $1.5 billion in one-time Proposition 98 general fund resources, available over five years, to support greening school bus fleets through programs that will be operated by the California Air Resources Board and the California Energy Commission.

- Nutrition. The 2022-23 State Budget includes the following investments related to school meals: approximately $596 million in Proposition 98 general fund resources to fund universal access to subsidized school meals and an additional $611.8 million in ongoing Proposition 98 general fund resources to augment the State meal reimbursement rate sufficient to maintain meal reimbursement rates beginning in fiscal year 2022-23; approximately $600 million in one-time Proposition 98 general fund resources, available over three years, for school kitchen infrastructure and equipment upgrades and training for food service employees; approximately $100 million in one-time Proposition 98 general fund resources to support local educational agency procurement practices for plant-based or restricted diet meals; and approximately $30 million in one-time general fund resources to establish additional farm to school demonstration projects with priority towards high-need schools.

- Special Education. The 2022-23 State Budget includes approximately $500 million in ongoing Proposition 98 general fund resources for the special education funding formula, paired with certain policy changes to further the State's commitment to improving special education instruction and services. In addition, the 2022-23 State Budget provides approximately $2 million in Proposition 98 general fund resources to support families of pupils with disabilities and approximately $2 million in Proposition 98 general fund resources to create resources for inclusionary practices for families and communities.

- K-12 School Facilities. On November 8, 2016, voters of the State approved Proposition 51, which authorized $7 billion in State general obligation bonds to support K-12 school facilities construction. The 2022-23 State Budget allocates the remaining Proposition 51 bond funds in the amount of approximately $1.4 billion to support school construction projects and provides an additional investment of $1.3 billion in one-time general fund resources to support new construction and modernization projects through the School Facility Program.

The complete 2022-23 State Budget is available from the California Department of Finance website at **www.dof.ca.gov** or **www.ebudget.ca.gov**. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Proposed 2023-24 State Budget. The Governor released the fiscal year 2023-24 proposed State budget (the "Proposed 2023-24 State Budget") on January 10, 2023, which reflects a revenue outlook that differs substantially from the last two years. Risks to the State's economic and revenue outlook highlighted in the 2022-23 State Budget have been realized, including continued high inflation, multiple federal reserve bank interest rate increases and further stock market declines. The last risk is particularly important to the State, as market-based compensation greatly influences the incomes of high-income Californians.

Combined with a progressive income tax structure, this can have an outsized effect, both good and bad, on State revenues. Prior to accounting for solutions, the Proposed 2023-24 State Budget forecasts general fund revenues will be approximately $29.5 billion lower than at the 2022-23 State Budget projections, and the State now faces an estimated budget gap of approximately $22.5 billion in fiscal year 2023-24.

The Proposed 2023-24 State Budget includes the following actions to address the substantial downward revision in general fund revenues and close the budget gap:

- $7.4 billion in funding delays for multiple items across fiscal years 2021-22 through 2023-24. The Proposed 2023-24 State Budget spreads such funding across the multi-year projections without reducing the total amount of funding through the multi-year projections.

- $5.7 billion in spending reductions for various items across fiscal years 2021-22 through 2023-24 and removal of certain measures that were included in the 2022-23 State Budget to provide additional budget resilience, such as eliminating the $3.0 billion included in the 2022-23 State Budget as an inflationary adjustment.

- $4.3 billion in fund shifts from the general fund to other funds in fiscal years 2022-23 and 2023-24.

- $3.9 billion in funding reductions for certain items in fiscal years 2020-21 through 2023-24, which will be restored if it is determined that sufficient funds will be available to cover certain commitments, thus "triggering" such restoration.

- $1.2 billion in limited revenue generation and borrowing in fiscal year 2023-24.

In addition, the Proposed 2023-24 State Budget utilizes a number of the resiliency measures in the 2022-23 State Budget to close shortfalls projected in the coming years, including eliminating planned redemption of certain callable bonds and deposits to reserve accounts. However, to preserve the State's ability to respond to any potentially significant negative changes to the outlook in early 2023, the Proposed 2023-24 State Budget does not include draws on the State's reserve accounts to close the budget gap.

The Proposed 2023-24 State Budget estimates total resources available in fiscal year 2022-23 of approximately $261.6 billion, including revenues and transfers of approximately $208.9 billion and a prior year balance of approximately $52.7 billion, and total expenditures in fiscal year 2022-23 of approximately $240.1 billion. The Proposed 2023-24 State Budget projects total resources available for fiscal year 2023-24 of approximately $231.7 billion, inclusive of revenues and transfers of approximately $210.2 billion and a prior year balance of approximately $21.5 billion. The Proposed 2023-24 State Budget projects total expenditures in fiscal year 2023-24 of approximately $223.6 billion, inclusive of non-Proposition 98 expenditures of approximately $143.1 billion and Proposition 98 expenditures of approximately $80.6 billion. The Proposed 2023-24 State Budget includes approximately $35.6 billion in reserves in fiscal year 2023-24 and allocates reserves as follows: approximately $22.4 billion in the State Rainy Day Fund for fiscal emergencies, approximately $8.5 billion in the Proposition 98 Rainy Day Fund (Public School System Stabilization Account), approximately $900 million in the Safety Net Reserve, and approximately $3.8 billion in the State's Special Fund for Economic Uncertainties. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues, requiring approximately $951 million to be dedicated for infrastructure investments in fiscal year 2023-24.

The Proposed 2023-24 State Budget includes total funding of approximately $128.5 billion for all K-12 education programs, including approximately $78.7 billion from the State's general fund and approximately $49.8 billion from other funds. Per-pupil funding is at the highest levels for school districts in the State's history, totaling $17,519 per pupil in Proposition 98 funding and $23,723 per pupil when accounting for all funding sources.

Certain budgeted programs and adjustments for K-12 education set forth in the Proposed 2023-24 State Budget include the following:

- Proposition 98 Minimum Guarantee. The revised estimates of general fund revenues in the Proposed 2023-24 State Budget modestly reduce the Proposition 98 minimum guarantee, resulting in funding estimates of approximately $110.4 billion in fiscal year 2021-22, $106.9 billion in fiscal year 2022-23, and $108.8 billion in fiscal year 2023-24, representing a three-year decrease in the minimum guarantee of approximately $4.7 billion over the level funded in the 2022-23 State Budget.

- Local Property Tax Adjustments. The Proposed 2023-24 State Budget includes a decrease of $153 million in Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2022-23, and a decrease of $1.3 billion in ongoing Proposition 98 general fund resources for school districts and county offices of education in fiscal year 2023-24, as a result of increased offsetting property taxes.

- Proposition 98 Rainy Day Fund (Public School System Stabilization Account). The Proposed 2023-24 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2021-22 through 2023-24 for a total account balance of approximately $8.5 billion at the end of fiscal year 2023-24. As indicated in the Proposed 2023-24 State Budget, the balance of approximately $8.1 billion in fiscal year 2022-23 continues to trigger a cap on school district reserves in fiscal year 2023-24. For more information, see "– School District Reserves" and "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – *SB 751*."

- Local Control Funding Formula and Equity Multiplier. The Proposed 2023-24 State Budget includes a LCFF cost-of-living adjustment of approximately 8.13%, which is the highest cost-of-living adjustment in recent history of the LCFF. When combined with growth adjustments, this increase will result in approximately $4.2 billion in additional discretionary funds for local educational agencies. To fully fund this increase and to maintain the level of current year LCFF apportionments, the Proposed 2023-24 State Budget includes approximately $613 million in one-time resources and $1.4 billion in one-time resources to support the ongoing cost of LCFF in fiscal years 2022-23 and 2023-24, respectively. Lastly, the Proposed 2023-24 State Budget includes approximately $300 million in ongoing Proposition 98 general fund resources to establish an equity multiplier as an add-on to the LCFF to accelerate learning gains and close opportunity gaps. Such funding will be allocated to local educational agencies based on school-site eligibility, using a more targeted methodology than the existing Supplemental Grant eligibility.

- Block Grants. The Proposed 2023-24 State Budget includes approximately $7.9 billion in one-time Proposition 98 general fund resources to support the Learning Recovery Emergency Block Grant, which supports local educational agencies in establishing and expanding learning recovery initiatives. Such funds may be expended on expanded instructional time, tutoring, or other one-on-one or small group learning supports, and learning recovery programs. The Proposed 2023-24 State Budget also includes approximately $1.5 billion in one-time general fund resources for the Educator Effectiveness Block Grant to train school staff in high-need topics, including literacy.

- Arts and Cultural Enrichment. On November 8, 2022, voters of the State approved Proposition 28, which requires approximately one percent of the Proposition 98 minimum guarantee to be allocated to schools to increase arts instruction and/or arts programs in public education. As a result, the Proposed 2023-24 State Budget includes approximately $941 million to fund Proposition 28. Given this investment and the need for one-time funds to cover the costs of the LCFF in fiscal years 2022-23 and 2023-24, the Proposed 2023-24 State Budget reflects a reduction of approximately $1.2 billion from the Arts, Music, and Instructional Materials Discretionary Block Grant included in the 2022-23 State Budget, taking the one-time allocation from approximately $3.5 billion to $2.3 billion in Proposition 98 general fund resources. The Proposed 2023-24 State Budget also proposes approximately $100 million in one-time Proposition 98 general fund resources to enable local educational agencies to provide high school seniors with access to cultural enrichment experiences across the State.

- Transitional Kindergarten. The Proposed 2023-24 State Budget revises estimates for the first-year investment in transitional kindergarten from $614 million to approximately $604 million to expand eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2 and revises the first-year investment from $383 million to approximately $337 million to add one additional certificated or classified staff person to every transitional kindergarten classroom. The Proposed 2023-24 State Budget also includes approximately $690 million to implement the second year of transitional kindergarten expansion to all children turning five-years-old between September 2 and April 2 and approximately $165 million to support the addition of one additional certificated or classified staff person to transitional kindergarten classrooms. According to the Proposed 2023-24 State Budget, full implementation of universal transitional kindergarten is expected in fiscal year 2025-26.

- State Preschool Program. The Proposed 2023-24 State Budget proposes the following investments in pre-kindergarten education: approximately $64.5 million in Proposition 98 general fund resources and $51.8 million in general fund resources to continue a multi-year plan to ramp up the State Preschool Program. The Proposed 2023-24 State Budget proposes expenditure of approximately $152.7 million in one-time general fund resources to support reimbursement rate increases; and approximately $112 million in Proposition 98 general fund resources and $63.3 million in non-Proposition 98 general fund resources to support an 8.13% statutory cost-of-living adjustment.

- Grant Program for Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities. The Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (the "FDK Program") supports the construction of new school facilities or retrofitting existing school facilities for the purpose of providing transitional kindergarten, full-day kindergarten, or preschool classrooms. The Proposed 2023-24 State Budget delays approximately $550 million for the FDK Program from fiscal year 2023-24 to fiscal year 2024-25.

- Educator Workforce. The Proposed 2023-24 State Budget includes approximately $500 million in one-time Proposition 98 general fund resources over five years for the Golden State Teacher Grant Program, which funds are available for expenditure until fiscal year 2025-26. The Proposed 2023-24 State Budget also includes approximately $600 million in one-time Proposition 98 general fund resources over five years to establish or expand school counselor residency programs, which funds are available for expenditure until fiscal year 2025-26.

- K-12 School Facilities. On November 8, 2016, voters of the State approved Proposition 51, which authorized $7.0 billion in State general obligation bonds to support K-12 school facilities construction. The Proposed 2023-24 State Budget proposes a decrease in planned support for the School Facility Program of approximately $100 million in general fund resources, reducing the planned allocation in fiscal year 2023-24 from approximately $2.1 billion to approximately $2.0 billion.

- Special Education. The Proposed 2023-24 State Budget includes an increase of approximately $669 million in ongoing Proposition 98 general fund resources to reflect an 8.13% cost-of-living adjustment for categorical programs that remain outside of the LCFF, including special education.

The complete Proposed 2023-24 State Budget is available from the California Department of Finance website at **www.dof.ca.gov** or **www.ebudget.ca.gov**. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

LAO Overview of Proposed 2023-24 State Budget. The Legislative Analyst's Office ("LAO"), a nonpartisan State office which provides fiscal and policy information and advice to the State Legislature, released its report on the Proposed 2023-24 State Budget entitled "The 2023-24 Budget: Overview of the Governor's Budget" on January 13, 2023 (the "2023-24 Proposed Budget Overview"). In the 2023-24 Proposed Budget Overview, the LAO summarizes the condition of the Proposed 2023-24 State Budget and analyzes the budgetary challenges therein and the Governor's proposal to address such challenges.

The Proposed 2023-24 Budget currently addresses the estimated budget gap without using funds from the State's reserves. The LAO notes that, under the Proposed 2023-24 State Budget, the State would end fiscal year 2023-24 with approximately $27.1 billion in total general purpose reserves. In addition, the State would have approximately $8.5 billion in the Proposition 98 Rainy Day Fund, available only for K-14 education programs. Under the Proposed 2023-24 State Budget, the State would continue to make its otherwise constitutionally required deposits, including a deposit of approximately $911 million into the State Rainy Day Fund and approximately $365 million into the Proposition 98 Rainy Day Fund in fiscal year 2023-24. The LAO explains that the Governor's approach to refrain from drawing on reserves is warranted given the manageable size of the budget gap and the downside risk to revenues posed by the presently heightened risk of recession.

The Proposed 2023-24 State Budget reflects operating deficits of approximately $9.0 billion in fiscal year 2024-25, approximately $9.0 billion in fiscal year 2025-26, and approximately $4.0 billion in fiscal year 2026-27. Based on these projections, the LAO notes that additional budget solutions will be required in fiscal years 2024-25 through 2026-27. Instead of the State Legislature enacting a budget that plans for future deficits as is presented in the Proposed 2023-24 State Budget, the LAO recommends either reducing proposed spending delays and making more spending-related reductions or adding trigger reductions to trigger off more multi-year spending if needed.

The extent of the budget gap that is presented and addressed in the Proposed 2023-24 State Budget depends on how certain spending is accounted. The LAO observes that the Governor solved an $18.0 billion budget gap in the Proposed 2023-24 State Budget, which is somewhat lower than the $22.0 billion budget gap that the Governor has acknowledged with respect to the Proposed 2023-24 State Budget. The LAO explains that the difference stems from what is considered as baseline spending. While the Governor views baseline spending to include a $3.0 billion unallocated set-aside for inflation-related costs and a shift of $1.4 billion in authorized capital outlay projects from lease revenues bonds to cash, the LAO does not view such items as baseline spending because they were not approved in any budget-related legislation.

The LAO also estimates the budget gap to be higher – at approximately $24.0 billion based on the LAO's Fiscal Outlook, released in November 2022. Relative to the LAO's Fiscal Outlook, released in November 2022, the Governor's estimates include (i) $13.6 billion in higher revenues across the three-year budget window, which reduces the size of the budget gap; (ii) $2.6 billion in higher expenditures on K-14 education, which increases the size of the budget gap; (iii) a $3.8 billion set-aside in the State's Special Fund for Economic Uncertainties, which increases the size of the budget gap; (iv) $2.0 billion in discretionary spending proposals, which increases the size of the budget gap; and (v) $800 million in other differences from the LAO's Fiscal Outlook, which reduces the size of the budget gap. The LAO estimates there is a good chance that revenues will be lower than the Governor's projections for the budget window, particularly in fiscal years 2022-23 and 2023-24. Nonetheless, the trigger proposals in the Proposed 2023-24 State Budget implicitly place more emphasis on revenue upside, suggesting the Governor anticipates that revenues are more likely to be higher than their current projections. Given the greater downside risk, the LAO recommends that the State Legislature plan for a larger budget gap and address it by reducing more one-time and temporary spending.

The 2023-24 Proposed Budget Overview is available on the LAO website at **www.lao.ca.gov**. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Changes in State Budget. The final fiscal year 2023-24 State budget, which requires approval by a majority vote of each house of the State Legislature, may differ substantially from the Proposed 2023-24 State Budget. In May 2023, the Governor will revise the Proposed 2023-24 State Budget based on updated information available at such time. Such revision in May 2023 may also differ substantially from the Proposed 2023-24 State Budget. The final fiscal year 2023-24 State budget may be affected by national and State economic conditions and other factors which the District cannot predict. Accordingly, the District cannot provide any assurances that there will not be any changes in the final fiscal year 2023-24 State budget from the Proposed 2023-24 State Budget. The District cannot predict the impact that the final fiscal year 2023-24 State budget, or subsequent budgets, will have on its finances and operations.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District's ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State's ability to fund schools during the current fiscal year and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Series 2023 Bonds are payable from *ad valorem* property taxes, the Proposed 2023-24 State Budget and the final fiscal year 2023-24 State budget are not expected to have a material impact on the payment of the Series 2023 Bonds.

School District Reserves. Even though the State's economic and revenue outlook has changed, the State still projects deposits into the Proposition 98 Rainy Day Fund in fiscal years 2022-23 and 2023-24 (see "*– 2022-23 State Budget*" and "*– Proposed 2023-24 State Budget*"); however, school districts may still need to access their local reserves in light of operational needs that may exceed expected funding under LCFF in a given fiscal year. The District, which has an average daily attendance ("A.D.A.") of less than 30,000 (but greater than 1,001), is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. At the time of preparation of the Fiscal Year 2022-23 Second Interim Report, the District projects it [will/will not] meet the 3% statutory reserve requirement in fiscal years 2022-23 through 2024-25. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects it [may/will not] need to use its existing general fund balance to a limited extent in fiscal years 2022-23 through 2024-25 to meet its obligations, while still maintaining the 3% statutory requirement in such fiscal years. ***[Information to be updated when Second Interim is available.]***

Payments allocated to the Proposition 98 Rainy Day Fund under the fiscal year 2021-22 State budget triggered a reserve cap for school districts beginning in fiscal year 2022-23. Such reserve cap is triggered when the amount of money in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total State general fund revenues appropriated for school districts Statewide. In accordance with Section 42127.01(a) of the California Education Code, once the reserve cap is triggered, a school district's assigned and unassigned ending fund balance cannot exceed 10% of such school district's general fund balance. However, pursuant to Section 42127.01(c) of the California Education Code, community funded districts and small school districts with fewer than 2,501 units of A.D.A. are exempt from the reserve cap. [Since the District is neither a community funded school nor a small school district with fewer than 2,501 units of A.D.A., the District is subject to the reserve cap.] ***[District to provide information on how it is dealing with such reserve cap.]*** For more information on the reserve cap legislation, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – *SB 751*."

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund ("ERAF") in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the California Constitution, which voters of the State approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of an initiative constitutional amendment at the November 2010 election, known as "Proposition 22."

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. One effect of this amendment has been to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert $1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of $1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*"). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State's authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget in some years such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

Allocation of State Funding to School Districts; Local Control Funding Formula. Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, each school district received State funding based on a unique revenue limit multiplied by such school district's A.D.A. Under the revenue limit funding system, school districts also received funding for categorical programs based on the demographics and needs of the students in each school district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant ("Base Grant") per unit of A.D.A. with additional supplemental funding (referred to as a "Supplemental Grant" and a "Concentration Grant") allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF was projected to have an eight-year implementation program to incrementally close the gap between actual funding and the target level of funding, but achieved full implementation ahead of schedule in fiscal year 2018-19. The LCFF includes the following components:

- A Base Grant for each local education agency ("LEA"). The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2022-23, the LCFF provided to school districts and charter schools: (a) a Base Grant for each LEA equivalent to \$10,119 per A.D.A. for kindergarten through grade 3; (b) a Base Grant for each LEA equivalent to \$9,304 per A.D.A. for grades 4 through 6; (c) a Base Grant for each LEA equivalent to \$9,580 per A.D.A. for grades 7 and 8; (d) a Base Grant for each LEA equivalent to \$11,391 per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. The fiscal year 2022-23 Base Grant amount includes a cost-of-living adjustment of 6.56% in fiscal year 2022-23 and a 6.70% discretionary increase in Base Grant funding in fiscal year 2022-23, resulting in an increase of approximately 13.26% in Base Grant amounts from fiscal year 2021-22.

- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.

- An additional Concentration Grant of up to 65% of a LEA's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.

- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF in fiscal year 2018-19. Upon full implementation in fiscal year 2018-19, LEAs now receive the greater of the Base Grant or the ERT.

Prior to fiscal year 2022-23, school districts received their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. This apportionment method helped to temporarily mitigate the impact of LCFF funding losses on school districts that result from declining enrollment. To further mitigate the impact of LCFF funding losses in light of the COVID-19 pandemic, the fiscal year 2020-21 State budget included a temporary hold harmless provision for the purpose of calculating apportionments in fiscal year 2020-21 in which A.D.A. for fiscal year 2020-21 was based on fiscal year 2019-20 (specifically, the period July 1, 2019 through February 29, 2020). The fiscal year 2021-22 State budget did not extend the A.D.A. hold harmless provision to fiscal year 2021-22. Nonetheless, in fiscal year 2021-22, school districts still retained the ability to receive their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. in accordance with the LCFF.

The 2022-23 State Budget amends the LCFF calculation to consider the greater of a school district's current fiscal year, prior fiscal year, or the average of three prior fiscal years' A.D.A. to allow school districts more time to adjust to enrollment-related LCFF funding declines. See "*– 2022-23 State Budget*." For purposes of fiscal year 2021-22, a school district that can demonstrate it provided independent study offerings to students in fiscal year 2021-22 may consider the greater of such school district's fiscal year 2021-22 A.D.A. or such school district's fiscal year 2021-22 enrollment adjusted for pre-COVID-19 absence rates. Such adjustment is applicable to fiscal year 2021-22 for purposes of calculating a school district's prior year A.D.A. or the average of three prior years' A.D.A. in fiscal year 2022-23 and future fiscal years in accordance with the amendments made in connection with the 2022-23 State Budget. See "*– 2022-23 State Budget*."

Under LCFF, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts continue to receive the same level of State aid as allocated under the prior revenue limit funding system in fiscal year 2012-13.

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Enrollment, A.D.A. and LCFF. The following table sets forth the District's actual A.D.A., funded A.D.A., the basis for such funded A.D.A. (the current fiscal year A.D.A., the prior fiscal year A.D.A., or the average of three prior years' A.D.A.), enrollment (including the percentage of students who are English language learners, from low-income families and/or foster youth (collectively, "EL/LI Students")), and Base Grant (or targeted Base Grant, as applicable) per unit of A.D.A. for fiscal years 2017-18 through 2021-22, and the District's projected A.D.A., funded A.D.A., the basis for such funded A.D.A., enrollment (including the percentage of EL/LI Students), and Base Grant per unit of A.D.A. for fiscal year 2022-23 as of October 27, 2022. The A.D.A. and enrollment numbers below include special education students and TK students.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Average Daily Attendance, Enrollment and Base Grant
Fiscal Years 2017-18 through 2022-23

		A.D.A./Base Grant						Enrollment[12]	
Fiscal Year		TK-3	4-6	7-8	9-12	Total A.D.A	Funding Basis	Total Enrollment	Unduplicated % of EL/LI Students
2017-18	Actual A.D.A.[1]:	7,244.85	5,811.17	3,930.82	7,497.68	24,484.52	--	25,476	86.12%
	Funded A.D.A.[1]:	7,372.61	6,000.28	3,761.52	7,598.73	24,733.14	Prior Year	--	--
	Targeted Base Grant[2][3]:	$7,941	$7,301	$7,518	$8,939	--	--	--	--
2018-19	Actual A.D.A.[1]:	7,146.93	5,565.64	4,009.08	7,334.65	24,056.30	--	25,064	87.35%
	Funded A.D.A.[1]:	7,244.85	5,811.17	3,930.82	7,497.68	24,484.52	Prior Year	--	--
	Targeted Base Grant[2][4]:	$8,235	$7,571	$7,796	$9,269	--	--	--	--
2019-20	Actual A.D.A.[1][5]:	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	--	25,177	88.48%
	Funded A.D.A.[1][5]:	7,146.93	5,565.64	4,009.08	7,334.65	24,056.30	Prior Year	--	--
	Base Grant[2][6]:	$8,503	$7,818	$8,050	$9,572	--	--	--	--
2020-21	Actual A.D.A.[1][7]:	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	--	24,453	89.17%
	Funded A.D.A.[1][7]:	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	Current Year	--	--
	Base Grant[2][8]:	$8,503	$7,818	$8,050	$9,572	--	--	--	--
2021-22	Actual A.D.A.[1]:	6,382.42	5,010.61	3,412.47	6,811.80	21,617.30	--	24,098	88.02%
	Funded A.D.A.[1]:	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	Prior Year	--	--
	Base Grant[2][9]:	$8,935	$8,215	$8,458	$10,057	--	--	--	--
2022-23[10]	A.D.A.:	6,633.30	4,993.48	3,223.22	6,987.97	21,837.97	--	24,024	88.04%
	Funded A.D.A.:	6,977.77	5,478.44	3,795.14	7,419.23	23,670.58	3 Year Avg.	--	--
	Base Grant[2][11]:	$10,119	$9,304	$9,580	$11,391	--	--	--	--

(1) A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a "material decrease" in attendance or attendance at Saturday school.
(2) Such amounts include the grade span adjustment, but do not include any Supplemental Grants and Concentration Grants under the LCFF.
(3) Targeted fiscal year 2017-18 Base Grant amount reflects a 1.56% cost-of-living adjustment from targeted fiscal year 2016-17 Base Grant amounts.
(4) Targeted fiscal year 2018-19 Base Grant amount reflects a 3.70% cost-of-living adjustment from targeted fiscal year 2017-18 Base Grant amounts.
(5) Condensed reporting period due to the COVID-19 pandemic. For more information on Senate Bill 117 (as defined herein), see "– Infectious Disease Outbreak – *State Legislation Relating to School Districts*" below.
(6) Fiscal year 2019-20 Base Grant amount reflects a 3.26% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.
(7) Attendance reporting not required for fiscal year 2020-21. The fiscal year 2020-21 State budget included a hold harmless provision, providing that A.D.A. for fiscal year 2020-21 was based on A.D.A. for fiscal year 2019-20 (for the condensed reporting period), as discussed in more detail above.
(8) Fiscal year 2020-21 Base Grant amount reflects a 0% cost-of-living adjustment from fiscal year 2019-20 Base Grant amounts.
(9) Fiscal year 2021-22 Base Grant amount reflects a 5.07% adjustment from fiscal year 2020-21 Base Grant amounts, which includes a 4.05% cost-of-living adjustment and a 1% discretionary increase in Base Grant funding.
(10) Reflects projected A.D.A., funded A.D.A., enrollment, and percentage of unduplicated EL/LI Students as of October 27, 2022.
(11) Fiscal year 2022-23 Base Grant amount reflects an approximately 13.26% adjustment from fiscal year 2021-22 Base Grant amounts, which includes a 6.56% cost-of-living adjustment and a 6.70% discretionary increase in Base Grant funding.
(12) Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district's funded percentage of unduplicated EL/LI Students is based on a rolling average of such school district's EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: Rialto Unified School District.

The District received approximately $[____] million in aggregate revenues reported under LCFF sources in fiscal year 2021-22 (or approximately [____]% of its general fund revenues in fiscal year 2021-22). Such amount includes Supplemental Grants and Concentration Grants for targeted groups of approximately $[38.35] million and $[46.76] million, respectively, in fiscal year 2021-22. As of the Fiscal Year 2022-23 Second Interim Report, the District projects to receive approximately $[____] million in aggregate revenues reported under LCFF sources in fiscal year 2022-23 (or approximately [____]% of its general fund revenues in fiscal year 2022-23). Such amount includes Supplemental Grants and Concentration Grants for targeted groups projected at approximately $[42.67] million and $[52.04] million, respectively, in fiscal year 2022-23.

Local Control Accountability Plans. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year LCAP. Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district's budget to ensure adequate funding is allocated for the planned actions.

Typically, each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district's LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State template, and (ii) the district's budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the "Collaborative"), a newly established body of educational specialists, was created to advise and assist local education agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency's LCAP.

Local Property Tax Revenues

General. The principal component of local revenues is a school district's property tax revenues, i.e., each district's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. The District's share of the local 1% property tax is separate from and in addition to the *ad valorem* tax pledged to the repayment of all general obligation bonds of the District, including the Series 2023 Bonds. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the "basic aid" of $120 per student per year guaranteed by Article IX, Section 6 of the California Constitution. Such districts were known as "basic aid districts," which are now referred to as "community funded districts." School districts that received some State equalization aid were commonly referred to as "revenue limit districts." The District was a revenue limit district and is now referred to as a LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See "– State Funding of Education; State Budget Process − *Allocation of State Funding to School Districts; Local Control Funding Formula"* for more information about the LCFF.

Based on the Fiscal Year 2022-23 Second Interim Report, local property tax revenues are projected to account for approximately [_____]% of the District's aggregate revenues reported under LCFF sources in fiscal year 2022-23 and are projected to be approximately $[_____] million, or [______]% of total general fund revenues in fiscal year 2022-23.

For information about the property taxation system in the State and the District's property tax base, see "– Property Taxation System," "– Assessed Valuation of Property Within the District," and "– Tax Charges and Delinquencies" under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2023 BONDS" in the front portion of the Official Statement.

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS" below.

Effect of Changes in Enrollment. Changes in local property tax income and A.D.A. affect LCFF districts and community funded districts differently.

In a LCFF district, such as the District, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In a community funded district, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it a LCFF district, but since all LCFF income (and more) is already generated by local property taxes, there is no increase in State income, other than the $120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax income is stretched further. Declining enrollment does not reduce property tax income, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that federal revenues, most of which are restricted, will comprise approximately [_____]% (or approximately $[_________]) of the District's general fund projected revenues for fiscal year 2022-23.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the LCFF, the District receives other State revenues, consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into LCFF. Categorical funding for certain programs was excluded from LCFF, and school districts will continue to receive restricted State revenues to fund these programs. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that other State revenues will comprise approximately [_____]% (or approximately $[_________]) of the District's general fund projected revenues for fiscal year 2022-23.

A portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects to receive approximately $[_________] in State lottery revenue for fiscal year 2022-23.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues from sources, such as interest income, leases and rentals, educational foundations, donations and sales of property. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that other local revenues will comprise approximately [_____]% (or approximately $[_____] million) of the District's general fund projected revenues for fiscal year 2022-23.

Infectious Disease Outbreak

General. In general, the outbreak of a highly contagious disease or epidemic disease could harm the District's financial results or result in a temporary shutdown of the District's facilities. As discussed above, many school districts in the State are funded based on the LCFF, which allocates a Base Grant per unit of average daily attendance with additional supplemental funding in the form of Supplemental Grants and Concentration Grants based on certain factors. See "– State Funding of Education; State Budget Process – *Allocation of State Funding to School Districts; Local Control Funding Formula*." Thus, a temporary shutdown of a school or an entire school district would reduce the average daily attendance and could impact the funding a school district receives. Further, any impact on the State's tax and other revenue receipts as a result of a highly contagious or epidemic disease may in turn impact other educational funding that the District receives from the State. See "– State Funding of Education; State Budget Process – *Future Budgets and Budgetary Actions.*" In addition, the District may incur increased operational costs to conduct distance learning or to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease.

COVID-19 Background. The outbreak of the respiratory disease caused by COVID-19 has been declared a pandemic by the World Health Organization, a national emergency by former President Trump and a state of emergency by the Governor.

Federal Response. On March 22, 2020, former President Trump approved the Major Disaster Declaration for the State of California's COVID-19 pandemic, authorizing federal emergency aid related to COVID-19 administered through the Federal Emergency Management Agency ("FEMA"). Local educational agencies may submit a request for FEMA public assistance through the California Office of Emergency Services for reimbursement of certain costs incurred as a result of COVID-19. [The District has [not] submitted a FEMA request for public assistance, [and does not plan to submit such request].]

On March 27, 2020, the U.S. House of Representatives approved and former President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES

Act provided $30 billion to education, specifically $3 billion allocated to state governors to be used at their discretion to address the emergency, $13.5 billion for K-12 education, and $14.25 billion for postsecondary institutions. School districts are able to use their share of the $13.5 billion K-12 education allocation under the CARES Act, which was based on the proportion of Title I funding received for the then most recent fiscal year, for purposes authorized by federal law and other specified uses.

The District received approximately $[7.58] million under the CARES Act, which is the full amount allocated to the District under the CARES Act and includes funding from the Elementary and Secondary School Emergency Relief Fund provided directly from the federal government to the District, from the Coronavirus Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, from the Governor's Emergency Education Relief Fund for learning loss mitigation provided from CARES Act funding administered through the State, and from the State's general fund for learning loss mitigation provided from CARES Act funding administered through the State.

On December 27, 2020, HR 133 was enacted, which includes a $900 billion COVID-19 relief package. HR 133 provided approximately $81.9 billion to education, specifically about $4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which approximately $2.75 billion was reserved for private K-12 education, about $54.3 billion for public K-12 education, around $22.7 billion for postsecondary institutions, and about $819 million for outlying areas and Bureau of Indian Affairs schools. School districts are able to use their share of the approximately $54.3 billion K-12 education allocation under HR 133, which was based on the proportion of Title I funding received for the then most recent fiscal year, for purposes authorized by federal law and other specified uses. [The District received approximately $[30.03] million under HR 133, which is the full amount allocated to the District under HR 133] [The District expects to receive approximately $[30.03] million under HR 133. The District has received approximately $[___] million to date and expects to receive the remaining funding due under HR 133 once it requests reimbursement for authorized COVID-19 expenditures].

On March 11, 2021, the American Rescue Plan Act of 2021 ("HR 1319"), a $1.9 trillion COVID-19 relief package, was enacted. HR 1319 provided approximately $165.15 billion to education, specifically about $122.8 billion to public K-12 education, around $2.75 billion to private K-12 education and about $39.6 billion to postsecondary institutions. Of the approximately $122.8 billion in K-12 funding, about $7.2 billion was set aside for purchasing technology to support digital learning and around $800 million was set aside for supporting homeless students. HR 1319 allocated K-12 funding to states and school districts according to the proportion of Title I funding received for the then most recent fiscal year. It further stipulated that of the K-12 funds received by states, 90% must be distributed to local educational agencies, 5% must be used to address learning loss, 1% must be used for summer enrichment programs and 1% must be used for comprehensive afterschool programs, and of the K-12 funds received by school districts, 20% must be used to address learning loss. HR 1319 allocated postsecondary funding based on the relative share of students receiving Federal Pell Grants at an institution. It also required that at least 50% of postsecondary funding must be spent on emergency, need-based financial aid grants to students and that a portion of remaining funds must be used to implement practices that monitor and suppress COVID-19. The District expects to receive approximately $[67.5] million under HR 1319. The District has received approximately $[___] million to date [and expects to receive the remaining funding due under HR 1319 once it requests reimbursement for authorized COVID-19 expenditures].

State Legislation Relating to School Districts. On March 17, 2020, the Governor signed Senate Bill 117 ("SB 117") as urgency legislation effective immediately. For purposes of school district funding for fiscal year 2019-20, SB 117 limited the A.D.A. reported to the California Department of Education to include the full school months from July 1, 2019, to February 29, 2020. This condensed A.D.A. period applied to school districts that complied with Executive Order N-26-20, which provided that school districts that initiate a school closure to address COVID-19 will continue to receive State funding to support certain enumerated school functions during the period of closure. SB 117 further states the intent of the State Legislature is that a school district's employees and contractors be paid during the period of a school closure due to COVID-19. SB 117 also waived instructional time penalties that would otherwise accrue, as long as the school district superintendent, county superintendent or charter school administrator certify that the closure due to COVID-19 caused the school district to fall below applicable instructional time requirements. SB 117 also included $100 million in additional funding to school districts for certain costs incurred as a result of COVID-19. The District received $[____] from such additional State funding in fiscal year 2019-20.

The Governor signed Assembly Bill 86 ("AB 86") into law on March 5, 2021. AB 86 provided approximately $6.6 billion to local educational agencies to encourage a return to in-person education, with a focus on students who are younger (TK-2) and most disproportionately impacted by the COVID-19 pandemic. Funding was distributed as follows: $725 per student, an additional $1,000 per homeless student, and funds remaining after these apportionments are distributed proportionally based on LCFF. $2 billion was set aside as incentive for school districts that returned to in-person instruction by March 31, 2021 for at least TK-2 and ramping up to include higher grades if county transmission rates allow. Beginning April 1, 2021, school districts' apportioned incentive funding was reduced by 1% for every academic calendar day they do not offer in-person education until May 15, 2021, after which school districts forfeit their entire apportionment of incentive funding. AB 86 also established reporting requirements to monitor COVID-19 cases and in-person education status and apportioned $25 million to the State's "Safe Schools For All Team" to provide technical assistance, community engagement, oversight and accountability to school districts. AB 86 further set aside 10% of the State's vaccine supply for childcare and TK-12 education sector staff. [Under AB 86, the District received approximately $[___ million], which is the full amount of incentive funding allocated to the District for returning to in-person instruction before April 1, 2021.][Under AB 86, the District expects to receive approximately $[___] million in incentive funding for returning to in-person instruction prior to April 1, 2021. The District has received approximately $[___] million to date and expects to receive the remaining funding due under AB 86 once it requests reimbursement for authorized COVID-19 expenditures.]

In addition to providing incentive funding, AB 86 allocated approximately $4.6 billion to local educational agencies to support expanded learning opportunities that target learning loss resulting from the COVID-19 pandemic. To be eligible for such funding, school districts were required to implement learning recovery programs that included, at minimum, supplemental instruction, resources for social and emotional well-being and meal programs. Subsequent to enacting AB 86, the Governor signed Assembly Bill 130 ("AB 130") into law on July 9, 2021. AB 130 replaced approximately $2.02 billion of State funding that AB 86 had allocated to support the expanded learning opportunities program with federal stimulus funds that the State received pursuant to the CARES Act, HR 133 and HR 1319. Pursuant to AB 86, the District expects to receive approximately $[21.43] million in expanded learning opportunities funding. The District has received approximately $[____] million to date and expects to receive the remaining funding due under AB 86 once it requests reimbursement for authorized COVID-19 expenditures.

District Response. As a result of the outbreak of COVID-19, the District closed its schools for in-person instruction in March 2020 for the remainder of the 2019-20 school year, implemented a distance learning model and continued to use the distance learning model until August 9, 2021, the beginning of the 2021-22 school year, at which point the District returned to in-person instruction. The District offers an independent study program to students who do not wish to participate in in-person instruction.

In August 2021, the California Department of Public Health issued a public health order requiring all school employees in the State to either show proof of full vaccination or be tested at least once a week effective October 15, 2021. As of September 17, 2022, such public health order is no longer effective[, so the District does not presently require proof of vaccination or weekly testing for school employees]. In

October 2021, the Governor announced plans to add the COVID-19 vaccine to the list of vaccinations required for students to attend school in-person when the vaccine receives full approval from the Food and Drug Administration for middle and high school grades. Since the Food and Drug Administration did not fully approve the COVID-19 vaccine for individuals of all ages within the 7-12 grade span until summer 2022, such Statewide vaccination requirement will not be implemented for the 2022-23 school year; thus any Statewide student vaccination requirement, if implemented, would not take effect before July 1, 2023. [Accordingly, the District currently plans to continue following State requirements for student vaccinations.] ***[District to provide update.]***

Pursuant to the COVID-19 relief measures described above, the District has been allocated approximately $[___ million] in State and federal funding to mitigate the impact of the COVID-19 pandemic during fiscal years 2019-20 through 2022-23. As of the [Fiscal Year 2022-23 Second Interim Report], the District has spent or encumbered approximately $[___ million] of such State and federal funding on COVID-19 related expenditures, such as cleaning supplies, technology, COVID-19 testing, and staffing. The District [currently expects/does not expect] such funding will cover the increased expenditures relating to COVID-19 that the District has incurred and expects to incur through fiscal year 2022-23. ***[District to provide update.]***

While State and federal one-time COVID-19 relief funding has provided and will continue to provide some immediate relief to school districts, including the District, the short-term and long-term impacts of the COVID-19 outbreak on the District's operations and finances are not fully known as the situation continues to evolve. The District cannot predict whether similar legislation providing State and federal one-time relief funding would be enacted in the future in the event the outbreak of COVID-19 continues or a similar or other outbreak of a highly contagious disease or epidemic disease were to occur in the future.

Monkeypox. In August 2022, Governor Newsom declared a state of emergency with respect to the orthopoxvirus (known more commonly as "monkeypox") outbreak. Unlike COVID-19, monkeypox is not spread through the air and requires a prolonged period of contact. At this time, the risk of monkeypox in children and adolescents in the United States is considered to be low by public health officials. [Consistent with this and as of the date hereof, the District has not experienced any material impact to its operations or finances as a result of the monkeypox outbreak.] ***[District to provide update.]***

Charter Schools

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the California Education Code (the "Charter School Law"). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based system of accountability, and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. However, independent charter schools that receive their funding directly from the State are generally not included in a school district's financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would generally be included in the school district's financial reports and audited financial statements.

[At this time, there are no charter schools operating in the District, and there are no applications for charter schools currently pending.] ***[District to review and provide updates.]*** The District cannot provide any assurances as to whether any new charter schools will be established within the territory of the District, or as to the impact any charter school developments may have on the District's finances in future years.

Significant Accounting Policies and Audited Financial Statements

The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are required to be accounted for in accordance with the Department of Education's California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all State school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the District's audited financial statements for the fiscal year ended June 30, 2022, which are included as Appendix B to the Official Statement.

Independently audited financial statements are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. Typically, school districts in the State are required to file their audited financial statements for the preceding fiscal year with the State Controller's Office, the State Superintendent of Public Instruction, and the county superintendent of schools by December 15 of each year. However, in response to the COVID-19 pandemic and the challenges it presents for school district operations, Senate Bill 98 (Chapter 24, enacted on June 29, 2020, as an urgency bill) provided that a school district's audited financial statements for fiscal year 2019-20 were not due until March 31, 2021. Accordingly, the District filed its audited financial statements for fiscal year 2019-20 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Bernardino County Superintendent of Schools by [March 31, 2021]. Pursuant to Assembly Bill 130 (Chapter 44, enacted on July 9, 2021), the deadline for school districts to file their audited financial statements for fiscal year 2020-21 was extended to January 31, 2022. Accordingly, the District filed its audited financial statements for fiscal year 2020-21 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Bernardino County Superintendent of Schools by [January 31, 2022]. The deadline for school districts to file their audited financial statements for fiscal year 2021-22 was not extended.

The District's audit firm changed from CliftonLarsonAllen LLP, Glendora, California ("CLA") to Eide Bailly LLP, Rancho Cucamonga, California ("Eide Bailly") in fiscal year 2019-20. ***[District to provide reason for change in audit firm.]*** The change in auditor in fiscal year 2019-20 resulted in the District presenting certain financial information differently in its audited financial statements. Thus, the information presented in the tables below for fiscal years 2017-18 and 2018-19, and fiscal years 2019-20 through 2021-22 are categorized differently. Although historical total revenue and expenditure figures are comparatively consistent, the categorical breakdown of revenues and expenditures is different for the revised accounting formats and is not directly comparable.

CLA and Eide Bailly have not been requested to consent to the use or to the inclusion of their respective reports in this Official Statement, and they have not audited or reviewed this Official Statement. The following tables are only a summary of the general fund financial statements of the District for the fiscal years shown. The District's audited financial statements for the fiscal year ended June 30, 2022 are attached as Appendix B to this Official Statement. The complete audited financial statements of the District, including the notes to the audited financial statements, are an integral part of this Official Statement.

The following table sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2017-18 and 2018-19. The table on page [A-25] sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2019-20 through 2021-22.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Years 2017-18 and 2018-19

	Fiscal Year 2017-18 Audited Actuals	Fiscal Year 2018-19 Audited Actuals
REVENUES		
LCFF sources:		
State apportionments	$228,317,639	$240,262,835
Local sources	25,674,876	30,666,659
Total LCFF sources	253,992,515	270,929,494
Federal sources	17,871,192	17,600,098
Other State sources	29,342,790	44,709,985
Other local sources	12,723,728	14,062,623
Total Revenues	313,930,225	347,302,200
EXPENDITURES		
Instruction	173,272,060	191,910,641
Instruction – related services	42,184,096	49,168,925
Pupil services	31,422,351	37,093,695
Community services	927	-
General administration	16,150,632	18,274,473
Plant services	37,096,893	40,420,149
Other outgo	668,910	96,282
Debt service	1,541,323	5,629,968
Total Expenditures	302,337,192	342,594,133
Excess (deficiency) of revenues over expenditures	11,593,033	4,708,067
Other Financing Sources (Uses)		
Interfund transfers in(1)	1,194,351	887,045
Interfund transfers out(2)	(5,388,298)	(2,115,814)
Other financing sources(3)	-	905,872
Total other financing sources (uses)	(4,193,947)	(322,897)
Net change in fund balance	7,399,086	4,385,170
Fund Balances at Beginning of Year	64,520,300	71,919,386
Fund Balances at End of Year	$71,919,386	$76,304,556

(1) [Transfers in from the special reserve fund for capital outlay projects and the building fund for various project costs.]
(2) [The District makes period transfers to the child development fund for operating contributions and to the special reserve fund for capital outlay projects.]
(3) Proceeds from debt are reported in the general fund as a source of financing.
Source: Rialto Unified School District Audited Financial Statements for fiscal years 2017-18 and 2018-19.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Years 2019-20 through 2021-22[1]

	Fiscal Year 2019-20 Audited Actuals	Fiscal Year 2020-21 Audited Actuals	Fiscal Year 2021-22 Audited Actuals
REVENUES			
Local Control Funding Formula	$281,031,623	$280,954,452	
Federal sources	16,171,129	54,288,043	
Other State sources	29,887,793	40,188,453	
Other local sources	16,849,074	21,204,720	
Total Revenues	343,939,619	396,635,668	
EXPENDITURES			
Current			
Instruction	202,125,207	209,763,108	
Instruction-related activities:			
Supervision of instruction	12,988,875	11,214,542	
Instructional library, media, and technology	4,588,620	4,820,521	
School site administration	22,353,750	23,506,991	
Pupil services:			
Home-to-school transportation	9,430,452	4,632,438	
Food services	27,493	43,668	
All other pupil services	27,082,097	26,606,778	
Administration:			
Data processing	5,534,547	8,348,859	
All other administration	11,965,891	13,612,976	
Plant services	31,353,934	43,783,620	
Other outgo	80,189	163,247	
Facility acquisition and construction	6,352,366	7,456,726	
Debt service:			
Principal	821,471	839,998	
Interest and other	479,746	460,357	
Total Expenditures	335,184,638	355,253,829	
Excess (Deficiency) of Revenues Over Expenditures	8,754,981	41,381,839	
Other Financing Sources (Uses)			
Transfers in	-	-	
Transfers out[2]	(5,105,461)	(7,396,942)	
Net Financing Sources (Uses)	(5,105,461)	(7,396,942)	
Net Change in Fund Balances	3,649,520	33,984,897	
Fund Balance – Beginning, as restated	76,304,556	79,954,076	
Fund Balance – Ending	$79,954,076	$113,938,973	

(1) Pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 54, the District's audited financial statements include the financial activity of the deferred maintenance fund with the District's general fund.
(2) [The District makes period transfers to the child development fund for operating contributions and to the special reserve fund for capital outlay projects.]
Source: Rialto Unified School District Audited Financial Statements for fiscal years 2019-20 through 2021-22.

The following table sets forth the general fund balance sheet of the District for fiscal years 2017-18 and 2018-19. The table on page [A-27] sets forth the general fund balance sheet of the District for fiscal years 2019-20 through 2021-22.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Summary of General Fund Balance Sheet
Fiscal Years 2017-18 and 2018-19

	Fiscal Year 2017-18 Audited Actuals	Fiscal Year 2018-19 Audited Actuals
ASSETS		
Cash in County treasury	$91,727,192	$88,974,132
Cash in revolving fund	90,000	90,000
Accounts receivable:		
Federal and State governments	8,692,001	9,290,268
Miscellaneous	1,943,930	3,263,060
Due from other funds	634,738	3,755,486
Inventories	160,352	158,770
Prepaid expenditures	364,449	533,295
Total Assets	$103,612,662	$106,065,011
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$29,977,100	$25,674,462
Due to other funds	1,317,335	2,981,073
Unearned revenue	398,841	1,104,920
Total Liabilities	31,693,276	29,760,455
Fund Balances		
Nonspendable	614,801	782,065
Restricted	9,748,086	10,019,175
Assigned	23,668,256	42,461,718
Unassigned	37,888,243	23,041,598
Total Fund Balances	71,919,386	76,304,556
Total Liabilities and Fund Balances	$103,612,662	$106,065,011

Source: Rialto Unified School District Audited Financial Statements for fiscal years 2017-18 and 2018-19.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Summary of General Fund Balance Sheet
Fiscal Years 2019-20 through 2021-22

	Fiscal Year 2019-20 Audited Actuals	Fiscal Year 2020-21 Audited Actuals	Fiscal Year 2021-22 Audited Actuals
ASSETS			
Deposits and investments	$64,699,953	$142,635,248	
Receivables	48,359,179	37,650,190	
Due from other funds	3,268,160	3,837,718	
Prepaid expenditures	324,981	382,009	
Stores inventories	169,177	169,997	
Total Assets	$116,821,450	$184,675,162	
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$33,034,420	$31,695,508	
Due to other funds	2,102,780	3,380,072	
Current loans	-	31,630,000	
Unearned revenue	1,730,174	4,030,609	
Total Liabilities	36,867,374	70,736,189	
Fund Balances			
Nonspendable	$599,158	$657,006	
Restricted	11,718,863	22,757,552	
Committed	-	10,841,230	
Assigned	57,423,931	65,017,959	
Unassigned	10,212,124	14,665,226	
Total Fund Balances	79,954,076	113,938,973	
Total Liabilities and Fund Balances	$116,821,450	$184,675,162	

Source: Rialto Unified School District Audited Financial Statements for fiscal years 2019-20 through 2021-22.

District Budget Process and County Review

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

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

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction (the "State Superintendent") may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations. If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

Interim Reporting. A State law adopted in 1991 (known as "A.B. 1200") imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the California Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then-current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then-current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then-current projections, may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30.

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district's repayment of indebtedness is probable. [In the past five years, the District has not received a negative or qualified certification for an interim financial report.]

County and State Response to School Districts Under Financial Distress. For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

District's Fiscal Year 2022-23 Budget and Second Interim Report. The District's original adopted general fund budget for fiscal year 2022-23 (the "Fiscal Year 2022-23 Budget"), which was adopted by the Board of Education on June 22, 2022, is included in the table that follows. The Fiscal Year 2022-23 Budget reflects the assumptions contained in the Governor's May revision to the proposed fiscal year 2022-23 State budget. [After analyzing the 2022-23 State Budget, District officials presented a 45-day budget update to the Board of Education that identified certain funding adjustments resulting from the 2022-23 State Budget, including an increase in ongoing LCFF funding and an increase in one-time funds for block grants, both of which were not reflected in the Fiscal Year 2022-23 Budget. For more information on the 2022-23 State Budget, see "– State Funding of Education; State Budget Process – *2022-23 State Budget*." [The District incorporated such changes in its first interim report for fiscal year 2022-23.]] ***[District to review and provide updates as applicable.]***

The Fiscal Year 2022-23 Budget does not contain historical facts but consist of forecasts and "forward-looking statements." The achievement of certain results or other expectations contained in the

Fiscal Year 2022-23 Budget involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2022-23 Budget are expressly qualified in their entirety by the foregoing and the other cautionary statements.

The District revises its projections of revenues, expenditures, and ending fund balances contained in the Fiscal Year 2022-23 Budget as more financial data becomes available throughout the fiscal year. Accordingly, the Fiscal Year 2022-23 Second Interim Report reflects actual financial data for the period ending January 31, 2023 and projections for the remainder of fiscal year 2022-23 based on such data. The Fiscal Year 2022-23 Second Interim Report, which was approved by the Board of Education on [_______], 2023, is also included in the table that follows and described throughout this Appendix A. The achievement of certain results or other expectations contained in the Fiscal Year 2022-23 Second Interim Report involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2022-23 Second Interim Report are expressly qualified in their entirety by the foregoing and the other cautionary statements.

The table on the following page sets forth the District's original adopted general fund budgets for fiscal years 2020-21 through 2022-23, unaudited actuals for fiscal years 2020-21 and 2021-22, and the Fiscal Year 2022-23 Second Interim Report.

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RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
General Fund Budgets for Fiscal Years 2020-21 through 2022-23,
Unaudited Actuals for Fiscal Years 2020-21 and 2021-22
and Second Interim Report for Fiscal Year 2022-23[1]

	2020-21 Original Budget[2]	2020-21 Unaudited Actuals	2021-22 Original Budget	2021-22 Unaudited Actuals	2022-23 Original Budget	2022-23 Second Interim Report[3]
REVENUES						
LCFF Sources	$258,540,873.00	$280,954,451.47	$295,013,933.00	$304,448,343.38	$324,475,179.00	
Federal Revenue	43,022,857.00	54,933,602.70	35,959,576.00	27,721,436.43	45,723,101.00	
Other State Revenue	24,492,806.00	40,188,453.17	25,923,342.00	52,794,019.98	56,641,003.00	
Other Local Revenue	12,387,132.00	20,443,390.35	15,452,191.00	21,989,110.33	20,720,072.00	
Total Revenues	338,443,668.00	396,519,897.69	372,349,042.00	406,952,910.12	447,559,355.00	
EXPENDITURES						
Certificated Salaries	132,131,005.00	130,738,916.87	150,669,513.10	147,188,688.66	174,480,440.00	
Classified Salaries	51,396,191.00	46,216,651.55	57,592,145.25	53,531,113.11	63,274,541.46	
Employee Benefits	94,653,894.76	97,539,757.10	111,761,906.26	106,092,223.08	134,557,829.25	
Books and Supplies	13,683,602.00	30,776,373.25	26,571,252.70	35,220,619.37	35,475,710.65	
Services, Other Operating Expenses	56,530,114.54	40,946,672.81	50,455,648.00	49,395,847.09	68,462,385.98	
Capital Outlay	2,921,971.00	4,382,560.00	18,242,051.00	4,347,970.87	14,407,403.00	
Other Outgo (excluding Transfers of Indirect Costs)	1,370,356.00	1,376,769.50	1,350,260.00	1,358,524.90	1,400,882.00	
Transfers of Indirect Costs	(669,850.00)	(466,489.48)	(803,319.00)	(535,477.74)	(834,674.00)	
Total Expenditures	352,017,284.30	351,511,211.60	415,839,457.31	396,599,509.34	491,224,518.34	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,573,616.30)	45,008,686.09	(43,490,415.31)	10,353,400.78	(43,665,163.34)	
OTHER FINANCING SOURCES (USES)						
Inter-fund Transfers In	-	-	-	-	-	
Inter-fund Transfers Out[4]	(1,055,225.00)	(9,863,097.18)	(3,179,573.00)	(15,435,681.45)	(2,108,725.00)	
Total, Other Financing Sources (Uses)	(1,055,225.00)	(9,863,097.18)	(3,179,573.00)	(15,435,681.45)	(2,108,725.00)	
NET INCREASE (DECREASE) IN FUND BALANCE	(14,628,841.30)	35,145,588.91	(46,669,988.31)	(5,082,280.67)	(45,773,888.34)	
BEGINNING BALANCE, as of July 1	62,652,311.84	72,987,790.56	110,205,064.86	108,133,379.47	91,250,331.30	
Audit Adjustments						
As of July 1 – Audited	62,652,311.84	72,987,790.56	110,205,064.86	108,133,379.47	91,250,331.30	
Other Restatements[5]	-	-	-	(150,059.07)	-	
Adjusted Beginning Balance	62,652,311.84	72,987,790.56	110,205,064.86	107,983,320.40	91,250,331.30	
ENDING BALANCE	$48,023,470.54	$108,133,379.47	$63,535,076.55	$102,901,039.73	$45,476,442.96	

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
General Fund Budgets for Fiscal Years 2020-21 through 2022-23, Unaudited Actuals for Fiscal Years 2020-21 and 2021-22 and Second Interim Report for Fiscal Year 2022-23[1]
(Continued)

	2020-21 Original Budget[2]	2020-21 Unaudited Actuals	2021-22 Original Budget	2021-22 Unaudited Actuals	2022-23 Original Budget	2022-23 Second Interim Report[3]
FUND BALANCE						
Nonspendable	$230,000.00	$657,005.63	$230,000.00	$1,099,472.41	$230,000.00	
Restricted	9,292,574.60	22,757,551.99	3,509,481.45	35,895,994.92	14,867,165.26	
Committed	-	10,841,230.00	8,850,418.00	9,133,450.30	9,734,255.00	
Assigned	27,908,720.66	59,212,365.00	37,814,116.13	44,200,000.00	5,835,128.57	
Reserved for Economic Uncertainties	10,592,175.28	10,841,230.00	12,570,571.00	12,361,055.72	14,799,997.00	
Unassigned/Unappropriated	-	3,823,996.85	560,489.97	211,066.38	9,897.13	
	$48,023,470.54	$108,133,379.47	$63,535,076.55	$102,901,039.73	$45,476,442.96	

(1) Pursuant to GASB Statement No. 54, the District's audited financial statements include the financial activity of the deferred maintenance fund with the District's general fund, but the District's unaudited actuals, adopted budgets, and interim reports reflect only the unrestricted and restricted general fund.

(2) Reflects the assumptions contained in the Governor's May revision to the proposed fiscal year 2020-21 State budget, which were significantly revised in the fiscal year 2020-21 State budget and in subsequent District financial projections for such fiscal year.

(3) Figures are projections.

(4) ***[District to provide reason for transfers out.]***

(5) ***[District to provide reason for restatement in fiscal year 2021-22 unaudited actuals.]***

Source: Rialto Unified School District original adopted general fund budgets for fiscal years 2020-21 through 2022-23; unaudited actuals for fiscal years 2020-21 and 2021-22; and Fiscal Year 2022-23 Second Interim Report.

District Debt Structure

Long-Term Debt Summary. Changes in the District's long-term obligations, other than other post-employment benefits ("OPEB") and pension liabilities, for the year ended June 30, 2022, consisted of the following:

	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Due in One Year
Long-Term Liabilities					
General Obligation Bonds					
Unamortized Debt Premiums					
Unamortized Debt Discounts					
Lease Financing – Energy Upgrades					
Energy Efficiency Financing					
City Redevelopment Agency Loan					
Compensated Absences					
Supplement Early Retirement Plan					
Total					

(1) Does not reflect the issuance of the Series 2023 Bonds.
Source: Rialto Unified School District Audited Financial Statements for fiscal year 2021-22.

General Obligation Bonds. Prior to the issuance of the Series 2023 Bonds, the District has outstanding six series of general obligation bonds, each of which is secured by *ad valorem* taxes levied upon all property subject to taxation by the District on parity with the Series 2023 Bonds.

See "THE SERIES 2023 BONDS – Outstanding Bonds" and "– Aggregate Debt Service" in the front portion of this Official Statement for more information about such outstanding bonds.

Energy Upgrades Lease. [On October 27, 2017, the Rialto Unified School District School Facilities Corporation (the "Corporation") entered into a lease and assignment financing agreement with Banc of America Public Capital Corp for $11,500,000. The proceeds were used for District-wide heating, ventilation, and air conditioning, LED lighting and energy managements system upgrades. Repayment terms are annual payments of $929,285 over 15 years at an interest rate of 2.70%. The lease payment period commenced on March 30, 2018 and the final lease payment is set to occur on March 30, 2032. At June 30, 2022, the principal balance outstanding was $[_____].] ***[To be updated when FYE 2022 Audit is available.]***

The District's lease payments are due through [_______] as follows:

Year Ending June 30,	Principal	Interest	Total
Total			

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2021-22.

4162-0314-5284.2

For more information, see Note [__] to the District's financial statements in APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

[In June 2017, GASB issued Statement No. 87, Leases ("Statement No. 87"), which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognizes as inflows of resources or outflows of resources based on the payment provisions of the contract. Under Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District has implemented Statement No. 87 in its financial statements beginning with fiscal year 2021-22. For more information on Statement No. 87, see Note 1 to the District's financial statements in APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."]

Energy Efficiency Financing. [On January 24, 2019, the District entered into an agreement with Southern California Edison Company ("SCE") to participate in SCE's "On-Bill Financing Program." The program allows SCE to provide interest free financing for the installation of various energy efficient equipment which is to be repaid over a specified period through the customer's electricity bill. The District financed $905,871 under the financing agreement. Under the terms of the agreement, monthly payments of $10,873 will be paid over 83 months. As of June 30, 2022, the remaining balance was $[_____].] ***[To be updated when FYE 2022 Audit is available.]***

As of June 30, 2022, the District's remaining payments are as follows:

Year Ending June 30,	Amount
Total	

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2021-22.

For more information, see Note [__] to the District's financial statements in APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

City of Rialto Redevelopment Agency Loan. [During 2005, the District entered into an agreement with the former City of Rialto Redevelopment Agency ("RDA") for a loan of $2,717,131 for the purpose of financing the cost of labor and materials for the design, installation and/or construction of a football stadium at Rialto High School. During 2008, the District borrowed an additional $3,390,000 to complete the project. During fiscal year 2014-15, the District was informed that the City of Rialto refinanced the 2005 portion of the RDA loans with the District and the former premium was written off.

Historically, the loan has been repaid by the RDA retaining pass-through payments due the District in amounts noted on the debt service schedule below. However, given the dissolution of redevelopment agencies in the State (see "− Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*" below for more information), the RDA has been dissolved and debt service payments are now paid directly to the City of Rialto. As of June 30, 2022, the principal balance outstanding was $[_____].] ***[To be updated when FYE 2022 Audit is available.]***

Future payments on the City of Rialto Redevelopment Agency Loan are as follows:

Year Ending June 30,	Principal	Interest	Total
Total			

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2021-22.

For more information, see Note [__] to the District's financial statements in APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Compensated Absences. Total unpaid employee compensated absences (unpaid employee vacation) for the District as of June 30, 2022, amounted to $[______].

For more information on compensated absences, see Note [__] to the District's financial statements in APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Supplemental Early Retirement Plan. [During fiscal year 2018-19, the District adopted a supplemental early retirement plan whereby certain eligible employees were provided an annuity to supplement the retirement benefits they were entitled to through CalSTRS and CalPERS (both as defined herein). The annuities offered to the employees are to be paid over a five-year period. The annuities, which were purchased for 172 employees who retired during the 2018-19 school year, were purchased from United of Omaha Life Insurance Company. As of June 30, 2022, the total balance of outstanding obligations for the supplemental early retirement plan was $[_____].

During fiscal year 2020-21, the District adopted a supplemental early retirement plan whereby certain eligible employees were provided an annuity to supplement the retirement benefits they were entitled to through CalSTRS and CalPERS. The annuities offered to the employees are to be paid over a five-year period. The annuities, which were purchased for 120 employees who retired during the 2020-21 school year, were purchased from United of Omaha Life Insurance Company. As of June 30, 2022, the total balance of outstanding obligations for the supplemental early retirement plan was $[_____].] ***[To be updated when FYE 2022 Audit is available.]***

Future payments for the SERP are as follows:

Year Ending June 30,	[_____] Plan	[_____] Plan	Total Future Payments

Total			

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2021-22.

For more information on the District's supplemental early retirement plan payments, see Note [__] to the District's financial statements in APPENDIX B − "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Other Post-Employment Benefits (OPEBs). In addition to the retirement plan benefits with California State Teachers' Retirement System ("CalSTRS") and California Public Employees' Retirement System ("CalPERS"), the District provides OPEB under two different plans: (1) the District's multiple-employer defined OPEB plan (the "District Plan") and (2) the cost-sharing multiple-employer OPEB plan administered by CalSTRS through the Teachers' Health Benefits Fund (the "MPP Plan").

For fiscal year 2021-22, the District reported the net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the District Plan and the MPP Plan as follows:

OPEB Plan	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan				
MPP Plan				
Total				

District Plan. The District Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the District Plan. The Board of Education administers the District Plan and has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements. In order to prefund its OPEB liability, the District has established and accumulated assets in the [_____] trust (the "Trust"), which meets the criteria of Statement No. 75 (as defined below). As of [June 30, 2022], the District Plan membership consisted of [___] total employees, including [___] active employees and [___] inactive employees or beneficiaries currently receiving benefits payments.

The contribution requirements for the District Plan are established and may be amended by the District, Rialto Education Association CTA/NEA ("REA"), California School Employees Association, Chapter 203 ("CSEA"), and unrepresented groups. The contribution amount is based on projected pay-as-you-go financing requirements, and any additional amounts to prefund benefits are determined annually by the District, REA, CSEA, and unrepresented groups. For fiscal year 2021-22, the District contributed approximately $[3,718,810] to the District Plan, of which $[2,402,926] was used for current premiums and $[1,315,884] was used to fund the Trust. Based on the Fiscal Year 2022-23 Second Interim Report, the District projects that it will contribute approximately $[_____] to the District Plan, of which $[_____] will be used for current premiums and $[_____] will be used to fund the Trust.

DFA, LLC prepared an actuarial valuation for the District Plan, dated July 26, 2022, using the June 30, 2021 valuation and measurement date (the "Actuarial Valuation"). According to the Actuarial Valuation, as of June 30, 2022, the District had a total OPEB liability of $43,517.764 and a net OPEB liability of $26,753.261, as a result of the fiduciary net position of the Trust of $16,764,503. Such total and net OPEB liability reflect an increase from the District's total and net OPEB liability for fiscal year 2020-21. As of June 30, 2021, the District had a total OPEB liability of $39,958,181 and a net OPEB liability of

$26,455,197, as a result of the fiduciary net position of the Trust of $13,502,984. The Actuarial Valuation uses the following assumptions: a discount rate of 5.50% (same as prior year), an inflation rate of 2.75% (previously 3.00%), a salary increase rate of 3.00% (same as prior year), and a healthcare cost trend rate of 6.00% for the year 2021 (previously 5.80% for the year 2020).

The following table summarizes the changes in the total OPEB liability, fiduciary net position, and net OPEB liability during the fiscal year ended June 30, 2022:

Total OPEB Liability	
Total OPEB Liability – June 30, 2020	$39,958,181
Service cost	1,685,763
Interest cost	2,198,223
Benefit payments*	(3,397,978)
Change in plan provisions	-
Difference between expected and actual experience	1,201,931
Changes in assumptions and other inputs	1,871,644
Total OPEB Liability – June 30, 2021	$43,517,764
Plan Fiduciary Net Position	
Plan Fiduciary Net Position – June 30, 2020	$13,502,984
Contributions*	4,713,862
Expected investment income	778,069
Benefit payments*	(3,397,978)
Net transfers	-
Difference between actual and expected return on assets	1,167,566
Plan Fiduciary Net Position – June 30, 2021	$16,764,503
Net OPEB Liability	**$26,753,261**

* Includes implicit rate subsidy of $995,052.
Source: Actuarial Valuation.

MPP Plan. The MPP Plan is established pursuant to Chapter 1032, Statutes of 2000 (SB 1435), and CalSTRS administers the MPP Plan through the Teachers' Health Benefits Fund ("THBF"). A full description of the MPP Plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2021 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: **http://www.calstrs.com/member-publications**. The information referred to at such website is prepared and maintained by CalSTRS and not by the District, and the District can take no responsibility for the continued accuracy of the internet address or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

The MPP Plan pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the Defined Benefit Program ("DB Program") who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services ("CMS") on a monthly basis. The MPP Plan is closed to new entrants as members who retire after July 1, 2012 are not eligible for coverage under the MPP Plan.

The MPP Plan is funded on a pay-as-you-go basis from a portion of monthly District benefit payments. In accordance with Section 25930 of the California Education Code, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Plan to fund monthly program and administrative costs. Total redirections to the MPP Plan are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

At June 30, 2022, the District reported a liability of $[_____] for its proportionate share of the net OPEB liability for the MPP Plan. The net OPEB liability was measured as of June 30, 20[__], and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 20[__]. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the MPP Plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2021 and June 30, 2022, respectively, was [_____]% and [_____]%, resulting in a net [increase/decrease] in the proportionate share of [_____]%. For the year ended June 30, 2022, the District recognized an OPEB expense of $[_____].

For more information regarding the District's OPEB obligations and liabilities for fiscal year 2021-22, see Note [__] to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("Statement No. 75"). OPEBs generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long-term care benefits. The objective of Statement No. 75 is to improve accounting and financial reporting by the State and local governments for OPEB by requiring the recognition of entire OPEB liability, a more comprehensive measure of OPEB expense, new note disclosures and certain required supplementary information. In addition, Statement No. 75 sets forth additional accounting methods to improve the usefulness of information about OPEB included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. Statement No. 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. Statement No. 75 replaces GASB Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented Statement No. 75 in its financial statements beginning with fiscal year 2017-18.

Tax and Revenue Anticipation Notes. [The District did not issue tax and revenue anticipation notes ("TRANS") or borrow funds to supplement the District's cash flow in fiscal years 2020-21 and 2021-22. The District does not currently plan to issue TRANS in fiscal year 2022-23.] ***[District to provide whether it has issued TRANS or plans to.]*** The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

Employment

As of [______] 2023, the District employs approximately [____] full-time equivalent ("FTE") employees, including approximately [____] FTE certificated (credentialed teaching) staff, approximately [____] FTE classified (non-teaching) staff, and approximately [____] FTE management personnel. For fiscal year 2021-22, the total certificated and classified salaries (including management personnel who are either counted as certificated or classified) paid from all applicable funds of the District were approximately $[130.74] million and $[50.12] million, respectively. As of the Fiscal Year 2022-23 Second Interim Report, the District projects that the total certificated and classified salaries (including management personnel who are either counted as certificated or classified) [paid from all applicable funds of the District] will be approximately $[____] and $[____], respectively, in fiscal year 2022-23. These employees, except unrepresented management employees, are represented by REA, CSEA, and Communications Workers of America Local 9588 ("CWA") as described in more detail below.

REA. REA represents approximately [___] FTE certificated (credentialed teaching) employees in the District. The District and REA entered into a multi-year contract effective July 1, 2020 that expires on June 30, 2023 and provides for the ability to reopen and renegotiate certain terms of the contract each year. Reopener negotiations between the District and REA for fiscal year 2022-23 are settled and the financial impact of such negotiations were reflected in the Fiscal Year 2022-23 Budget.

CSEA. CSEA represents approximately [___] FTE classified (non-teaching) employees in the District. [The District and CSEA entered into a multi-year contract effective July 1, 2022 that expires on June 30, 2025 and provides for the ability to reopen and renegotiate certain terms of the contract each year. The financial impact to the District of the multi-year contract is reflected in the Fiscal Year 2022-23 Second Interim Report.] ***[District to provide whether TA was approved and whether impact will be reflected in Second Interim.]***

CWA. CWA represents approximately [___] FTE certificated (credentialed teaching) employees in the District. The District and CWA entered into a multi-year contract effective July 1, 2021 that expires on June 30, 2024 and provides for the ability to reopen and renegotiate certain terms of the contract each year. ***[District to provide update on status of negotiations and whether there will be reopeners for FY 2022-23.]***

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, including teachers and administrators, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date, age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Assembly Bill 1469, signed into law by former Governor Brown as part of the fiscal year 2014-15 State budget, increased employee, employer and State contributions to CalSTRS as part of a plan to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014.

The employee contribution rate for CalSTRS members first hired on or before December 31, 2012 to perform CalSTRS creditable activities (i.e. CalSTRS 2% at 60 members) was 10.25% for fiscal years 2016-17 through 2021-22 and will remain 10.25% for fiscal year 2022-23. The employee contribution rate for CalSTRS members first hired on or after January 1, 2013 to perform CalSTRS creditable activities (i.e., CalSTRS 2% at 62 members) was 9.205% for fiscal years 2016-17 and 2017-18, 10.205% for fiscal years 2018-19 through 2021-22, and will remain 10.205% for fiscal year 2022-23. Under Assembly Bill 1469, employer contribution rates increased in fiscal year 2014-15 to 8.88% of payroll, with such rate increasing by 1.85% each year thereafter, plateauing at 19.10% of payroll in July 2020. On behalf of employers, the State made supplemental pension payments to CalSTRS in fiscal year 2019-20 to help pay down long-term unfunded liabilities, but in fiscal year 2020-21, the State redirected approximately $1.6 billion of such funding to reduce employer contribution rates in fiscal years 2020-21 and 2021-22. As a result, the employer contribution rate for fiscal year 2021-22 was 16.92%, which reflects a 2.18% reduction from the statutorily prescribed rate. For fiscal year 2022-23, the employer contribution rate is expected to be approximately 19.10% of covered payroll. The employer contribution rate is inclusive of the employer base contribution of 8.25% of payroll provided by the California Education Code. The State's total contribution was increased from approximately 3% in fiscal year 2013-14 to 6.828% of payroll in fiscal year 2017-18, and to 10.828% of payroll in fiscal year 2021-22. The State's contribution rate is expected to be 10.828% of payroll for fiscal year 2022-23. The State's contribution includes an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program.

The following table sets forth the District's employer contributions from [the general fund/all applicable funds] of the District to CalSTRS as well as the State's non-employer contributions to CalSTRS on behalf of the District for fiscal years 2018-19 through 2021-22, and the projected contributions for fiscal year 2022-23.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Contributions to CalSTRS for Fiscal Years 2018-19 through 2022-23

Fiscal Year	District Contribution	State On-Behalf Contribution
2018-19	20,578,638	13,909,090
2019-20	21,588,111	17,065,919
2020-21	20,407,816	13,041,903
2021-22		
2022-23(1)		

(1) Figures are projections based on Fiscal Year 2022-23 Second Interim Report.
Source: Rialto Unified School District.

The District's total employer contributions to CalSTRS for fiscal years 2018-19 through 2021-22 were equal to 100% of the required contributions for each year. The State Teachers' Retirement Board is authorized to modify the percentages paid by employers and employees beginning fiscal year 2021-22 to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. The District cannot predict the impact of State, national, and international events on investment earnings and employer contribution rates. However, under existing law, the State Teachers' Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers' Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. The District is unable to predict what the amount of pension liabilities will be beyond the fiscal years set forth in AB 1469 or the amount the District will be required to pay for pension related costs, as these amounts are subject to future rate actions taken by CalSTRS. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not significantly increase in the future above levels currently approved under State law.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2021 (the "2021 CalSTRS Actuarial Valuation") showed an estimated unfunded actuarial liability of $89.7 billion, a decrease of approximately $16.2 billion from the June 30, 2020 valuation. Such estimated unfunded actuarial liability was projected to increase in the June 30, 2020 valuation, which projected an unfunded actuarial liability of $108.0 billion as of June 30, 2021. The actual unfunded actuarial liability as of June 30, 2021 represents a net actuarial gain of approximately $18.2 billion. Such net actuarial gain is due primarily to member salary increases being less than assumed and market value returns (estimated at 27.1%) being greater than assumed (7.0%). The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2021 and June 30, 2020, based on the actuarial assumptions, were approximately 73.0% and 67.1%, respectively. According to the 2021 CalSTRS Actuarial Valuation, the funded ratio increased by 5.9% during the past year. As described in the 2021 CalSTRS Actuarial Valuation, the primary causes for the increase in the funded ratio are investment returns being greater than expected, salary increases being less than assumed, additional State contributions made in the prior fiscal year, and contributions to pay down the unfunded actuarial liability under the State Teachers' Retirement Board's valuation policy.

The following are certain of the actuarial assumptions set forth in the 2021 CalSTRS Actuarial Valuation: measurement of accruing costs by the "Entry Age Normal Actuarial Cost Method," an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2021 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See "− Governor's Pension Reform" below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

On July 29, 2022, after the release of the 2021 CalSTRS Actuarial Valuation, CalSTRS reported a negative 1.3% net return on investments for fiscal year 2021-22, which is CalSTRS' first negative return on investments since fiscal year 2008-09. The negative 1.3% net return on investments is less than the assumed annual rate of return on investments of 7.00%. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not significantly increase in the future.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to

CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of State, national or international events on investment earnings and school district contributions. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2021-22, which is expected to increase to 8.00% in fiscal year 2022-23. School districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.062% of eligible salary expenditures for fiscal year 2018-19 and originally 20.733% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the fiscal year 2020-21 State budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions is expected to be 25.37% for fiscal year 2022-23.

The following table sets forth the District's total employer contributions from [the general fund/all applicable funds] of the District to CalPERS for fiscal years 2018-19 through 2021-22, and the projected contribution for fiscal year 2022-23.

RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Contributions to CalPERS for Fiscal Years 2018-19 through 2022-23

Fiscal Year	District Contribution
2018-19	$8,620,018
2019-20	9,999,391
2020-21	10,389,114
2021-22	
2022-23[(1)]	

(1) Figures are projections based on Fiscal Year 2022-23 Second Interim Report.
Source: Rialto Unified School District.

The District's total employer contributions to CalPERS for fiscal years 2018-19 through 2021-22 were equal to 100% of the required contributions for each year.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2021 (the "2021 CalPERS Schools Pool Actuarial Valuation") reported an actuarial accrued liability of $110.5 billion with the market value of assets at $86.5 billion, and a funded status of 78.3%. The actuarial funding method used in the 2021 CalPERS Schools Pool Actuarial Valuation is the "Entry Age Normal Cost Method." The 2021 CalPERS Schools Pool Actuarial Valuation assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2021 CalPERS Schools Pool Actuarial Valuation reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2021. The CalPERS Board adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. The net impact of these assumption changes on the required employer contribution rate in fiscal year 2022-23 is an increase of 0.54%, which accounts for the increase in normal cost and unfunded liability to be paid over 20 years.

On July 20, 2022, CalPERS reported a negative 6.1% net return on investments for fiscal year 2021-22, which is CalPERS' first negative return on investments since fiscal year 2008-09. The negative 6.1% net return on investments is less than the assumed annual rate of return on investments of 6.80%. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District's required contributions to CalPERS will not significantly increase in the future.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

The District is unable to predict what the amount of State pension liabilities will be in the future, or the amount of the contributions which the District may be required to make. CalSTRS and CalPERS are more fully described in Note [__] to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022."

Governor's Pension Reform. On August 28, 2012, Governor Brown and the State Legislature reached agreement on a law that reforms pensions for State and local government employees. AB 340, which was signed into law on September 12, 2012, established the California Public Employees' Pension Reform Act of 2012 ("PEPRA") which governs pensions for public employers and public pension plans on and after January 1, 2013. For new employees, PEPRA, among other things, caps pensionable salaries at the Social Security contribution and wage base, which is $147,000 for 2022, or 120% of that amount for employees not covered by Social Security, increases the retirement age by two years or more for all new public employees while adjusting the retirement formulas, requires State employees to pay at least half of their pension costs, and also requires the calculation of benefits on regular, recurring pay to stop income spiking. For all employees, changes required by PEPRA include the prohibition of retroactive pension increases, pension holidays and purchases of service credit. PEPRA applies to all State and local public retirement systems, including county and district retirement systems. PEPRA only exempts the University of California system and charter cities and counties whose pension plans are not governed by State law.

Insurance, Risk Pooling and Joint Powers Agreements

[The District participates in two joint ventures under joint powers agreements ("JPAs"): the Southern California ReLIEF ("SRC") and Protection Insurance Program for Schools ("PIPS") public entity risk pools. The District pays an annual premium to the applicable entity for its workers' compensation coverage and property liability coverage. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes. The JPAs have budgeting and financial reporting requirements independent of member units, such as the District, and their financial statements are not presented in the District's financial statements; however, fund transactions between the JPAs and the District are included in the District's financial statements.

Workers' Compensation Coverage. For fiscal year 2021-22, the District participated in PIPS. The intent of PIPS is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in PIPS. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts. Each participant pays its workers' compensation premium based on its individual rate. During the fiscal year 2021-22, the District paid $[_____] to PIPS for workers' compensation insurance.

Property and Liability Coverage. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2021-22, the District contracted with SCR for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year. During fiscal year 2021-22, the District paid $[_____] to SCR for property and liability insurance coverage.

Employee Medical Benefits. The District has contracted with various commercial insurance carriers to provide employee health benefits, including health, dental, vision, and other miscellaneous insurance. The District pays a monthly premium based on the number of employees enrolled using pre-negotiated premium for each of the commercial insurance carriers.] ***[To be updated based on the new audit when available.]***

See Notes [__] and [__] to the District's audited financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2022" for more information.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

On June 6, 1978, voters of the State approved Proposition 13 ("Proposition 13"), which added Article XIIIA to the California 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) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article 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.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the California Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new "base year value" for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIIIA. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the California Supreme Court declined to review the ruling, leaving the recapture law in place.

Legislation Implementing Article 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 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

The tax rate is expressed as $1 per $100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

Article XIIIB of the California Constitution

An initiative to amend the California Constitution entitled "Limitation of Government Appropriations" was approved on September 6, 1979, thereby adding Article XIIIB to the California Constitution ("Article XIIIB"). Under Article XIIIB state and local governmental entities have an annual "appropriations limit" and are not permitted to spend certain moneys which are called "appropriations subject to limitation" (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the "appropriations limit." Article XIIIB does not affect the appropriation of moneys which are excluded from the definition of "appropriations subject to limitation," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the "appropriations limit" is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIIIB, if these entities' revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State's allowable limit.

Article XIIIC and Article XIIID of the California Constitution

On November 5, 1996, voters of the State approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID ("Article XIIIC" and "Article XIIID," respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article 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. 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.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIIIA of the California Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Statutory Limitations

On November 4, 1986, voters of the State approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 *in Santa Clara County Transportation Authority v. Guardino.* This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the California Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters of the State approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-12 districts and community college districts (collectively, "K-14 districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the

State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIIIB spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the appropriations limit for K-14 districts and the K-14 districts appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIIB surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, voters of the State approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the California Constitution to alter the spending limit and education funding provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the "change in the cost of living" by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State's spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the "excess" tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts' minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts' base expenditures for calculating their entitlement for State aid in the following year and would not increase the State's appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain "qualified capital outlay projects" and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the appropriations limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the "first test") or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to per capita personal income) and enrollment (the "second test"). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a "credit" to be paid in future years when general fund revenue growth exceeds personal income growth.

Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*

On February 1, 2012, pursuant to the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, Assembly Bill No. 26 (First Extraordinary Session) ("AB1X 26") dissolved all redevelopment agencies in existence and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency were transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

It is possible that there will be additional legislation proposed and/or enacted to clarify various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a "tax claw back" provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This "tax claw back" provision has been challenged in court by certain cities and successor agencies. The District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Proposition 30 and Proposition 55

On November 6, 2012, voters of the State approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2019 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see "– Proposition 98 and Proposition 111" above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative ("Proposition 55"), approved by voters of the State on November 8, 2016, extends by 12 years the temporary personal income tax increases on incomes over $250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales and use tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process."

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by voters of the State in the November 2014 election.

State Rainy Day Fund. The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year's deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multi-year budget forecast; and (vi) create a Proposition 98 reserve (the "Proposition 98 Rainy Day Fund") to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Proposition 98 Rainy Day Fund unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. Senate Bill 858 ("SB 858") became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Proposition 98 Rainy Day Fund, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the California Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the California Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

SB 751. Senate Bill 751 ("SB 751"), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The District, which has an A.D.A. of less than 30,000 (but greater than 1,001), is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. For more information on the District's reserves, current projections with respect to such reserves, and related policies, see "DISTRICT FINANCIAL MATTERS – State Funding of Education; State Budget Process – *School District Reserves*."

The Series 2023 Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Accordingly, the District does not expect SB 858 or SB

751 to adversely affect its ability to pay the principal of and interest on the Series 2023 Bonds as and when due.

Future Initiatives

Article XIIIA, Article XIIIB, Article XIIIC, Article XIIID, as well as Propositions 2, 30, 55, 62, 98, 111 and 218, were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District's ability to expend revenue.

APPENDIX B

FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the issuance and delivery of the Series 2023 Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, proposes to render its final approving opinion with respect to the Series 2023 Bonds in substantially the following form:

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E

COUNTY OF SAN BERNARDINO INVESTMENT POLICIES AND PRACTICES; DESCRIPTION OF INVESTMENT POOL

In accordance with Education Code Section 41001, substantially all District operating funds are required to be held by the Treasurer/Tax Collector of the County of San Bernardino (the "County Treasurer"). The Investment Policy describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the County Treasurer and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Treasurer/Tax Collector, 268 West Hospitality Lane, First Floor, San Bernardino, CA 92415-0360.

The District and the Underwriters have not made an independent investigation of the investments in the Pool and have made no assessment of the current Investment Policy. The value of the various investments in the Pool will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the County Treasurer, with the consent of the Treasury Oversight Committee and the County Board of Supervisors, may change the Investment Policy at any time. Therefore, there can be no assurance that the values of the various investments in the Pool will not vary significantly from the values described herein.

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Series 2023 Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Series 2023 Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2023 Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com which is not incorporated herein by reference.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant

through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

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

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

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

APPENDIX H

TABLE OF ACCRETED VALUES OF CAPITAL APPRECIATION BONDS

APPENDIX I

TABLE OF ACCRETED VALUES OF CONVERTIBLE CAPITAL APPRECIATION BONDS

PLEASE POST **PLEASE POST**

PUBLIC NOTICE

PURSUANT TO THE REQUIREMENTS OF GOVERNMENT CODE AND BOARD POLICY, THE ATTACHED INITIAL CONTRACT PROPOSAL FOR THE 2023-2024 SCHOOL YEAR SUBMITTED BY COMMUNICATIONS WORKERS OF AMERICA (CWA), FOR AN AGREEMENT BETWEEN THE COMMUNICATIONS WORKERS OF AMERICA (CWA) AND THE RIALTO UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION, IS HEREBY POSTED IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS FOR PUBLIC NOTICE.

Rhonda Kramer

Rhonda Kramer,
Lead Personnel Agent
Personnel Services

February 28, 2023

Article VI- Unit Member's Rights

Section 1 - Physical Examination

The District shall pay any or all fees charged by the District clinic for intradermal tests to detect Tuberculosis as required by the District. Union members who must provide x-rays, or choose to provide intradermal or survey certification clearances from personal physicians will do so at their expense. Additional expenses resulting from use of private medical facilities shall not be borne by the District. Such physical examination will be required as prescribed by the San Bernardino County Health Officer or State Law.

Section 2- Removal From Substitute System

In the event a decision is made to remove a substitute from the Substitute System, the District shall notify the employee within five (5) workdays from the date of removal. The unit member will be provided the reason(s) for removal. The unit member has the right to write a response and meet with the Director of Certificated Human Resources. If the employee is not satisfied with the reason(s) provided, he/she may request a review of the decision by the Assistant Superintendent, Human Resources.

Any complaints in the unit member's file that are older than three years shall be removed from their file.

Section 3 - Workplace Training

Unit members will be paid for all District-sponsored workplace trainings authorized for substitute teachers. The school district shall collaborate with the union on training subjects prior to the new school year with continual discussions on training subjects throughout the year.

Section 4 - Health and Benefits

A. Qualified unit members will receive health care according to Covered California Law and the Affordable Health Care Act. A teacher-in-training will receive health care coverage on the first of the month following the start of the assignment.

B. The District shall recognize and follow The Healthy Workplaces, Healthy Families Act of 2014.

C. Unit members working in a long-term assignment (21-days or more) and teachers-in-training shall be eligible for bereavement leave, not to exceed three days, for the following immediate family members:

Mother	Uncle	Spouse	Daughter
Stepmother	Grandmother	Domestic Partner	Daughter-in-law
Father	Grandfather	Son	Brother
Step Father	Grandchild	Son-in-law	Sister
Aunt			

D. Unit members working in a long-term assignment (21-days or more) and teachers-in-training shall be eligible for personal necessity leave, not to exceed three days/18 hours, for any of the following:

• Death of a relative who is not covered under bereavement
• District employee or a student of the Rialto Unified School District
• A close friend
• An unforeseen crisis involving the unit member's property. Such crisis must be serious in nature, involve circumstances the unit member cannot disregard, and require the attention of the unit member during the member's assigned hours of service

Personal Necessity shall be deducted from and shall not exceed the number of full-paid days of sick leave to which the unit member is entitled for the school year.

The unit member will be subject to appropriate discipline if the Personnel Necessity Leave is used for purposes other than the above circumstances.

E. If a member works 140 cumulative days in the previous school year, the member will be offered medical, dental and vision. They must continue to work at least fourteen (14) days per month.

F. If a member works 120 cumulative days in the previous school year, the member will be offered dental and vision. They must continue to work at least twelve (12) days per month.

Section -5 Jury or Supoena Leave

A. A unit member shall be entitled to paid leave to appear in court as a witness when subpoenaed, other than as a litigant, to serve on a jury or to respond to an official order from another governmental jurisdiction.

B. A unit member may be entitled to receive his her regular pay, plus money received for mileage. Any stipend received for jury duty or witness fees shall be automatically deducted from the unit member's payroll warrant following the district's receipt of the employee's jury duty verification and absence slip.

C. In the event a unit member is called for jury duty either is not required to report, or is dismissed at or before 11:00 am on a day he she is otherwise normally scheduled to work, said unit member shall subsequently report to work for the remaining portion of that day.

D. Any member who is required to report to jury duty and is in Long Term Substitute position or Teacher-in Training position shall maintain their status and pay rate.

District ______________ **CWA________**

APPENDIX A

<u>SUBSTITUTE TEACHER SALARY INFORMATION</u>
(EFFECTIVE JULY 1, 2023)

Daily Rate………………………………………………………………………………. ~~$200.00~~$212.80

11 or more consecutive days in the same assignment (retro to the first day)…….. ~~$225.00~~$239.40

Special Education, Retired Teacher and Credentialed Substitute……………...~~$225.00~~$239.40

Substitute Teacher has worked 60 days in Rialto USD during 2022/2023...…………………………………………………………………………………… ~~$225.00~~$239.40

Long-Term Rate (21 or more consecutive days, retro to the first day)………..…~~$225.00~~$266.00

Teacher-in-Training……………………………………………………………... ~~$250.00~~$266.00

****Substitute Teachers that work 100 or more full days with Rialto USD will receive a $2,000 stipend at the end of the school year.**

~~$80.00~~$85.12 to attend District sponsored training outside of normal business hours.

PLEASE POST **PLEASE POST**

PUBLIC NOTICE

PURSUANT TO THE REQUIREMENTS OF GOVERNMENT CODE AND BOARD POLICY, THE ATTACHED INITIAL CONTRACT PROPOSAL FOR THE 2023-2024 SCHOOL YEAR SUBMITTED BY THE RIALTO UNIFIED SCHOOL DISTRICT, FOR AN AGREEMENT BETWEEN THE RIALTO UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION AND THE RIALTO EDUCATION ASSOCIATION (REA), IS HEREBY POSTED IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS FOR PUBLIC NOTICE.

Rhonda Kramer

Rhonda Kramer,
Lead Personnel Agent
Personnel Services

February 28, 2023

RIALTO UNIFIED SCHOOL DISTRICT
Initial Proposal to
RIALTO EDUCATION ASSOCIATION
2023-2024
February 22, 2023

The following is the proposal of the Rialto Unified School District for the 2023-2024 school year:

1. **ARTICLE I: AGREEMENT**

   The Rialto Unified School District proposes a new term to the Collective Bargaining Agreement to be effective July 1, 2023 through June 30, 2026

2. **ARTICLE II: RECOGNITION**

   Modify Section A language regarding positions to be excluded from the bargaining unit

3. **ARTICLE VI: LEAVES**

   Modify language regarding leaves

4. **ARTICLE XI – UNIT MEMBER RIGHTS**

   Modify language to match language in other Articles

5. **ARTICLE XVI – ASSOCIATION RIGHTS**

   Modify language to correlate with AB119
   Modify language to match language in other Articles

6. **ARTICLE XVIII: TEACHING HOURS, NON-TEACHING HOURS AND EXTRA CURRICULAR DUTIES**

   Modify language regarding teaching hours
   Modify language regarding extra duty

7. **ARTICLE XIX: SALARY, HEALTH AND WELFARE BENEFITS**

   Modify language regarding Salary, Health and Welfare Benefits

8. **ARTICLE XXV – EXECUTION OF AGREEMENT**

   Modify the term of execution.

The District reserves the right to modify its proposal during the negotiation process.

CONSENT CALENDAR ITEMS

Weekend/Saturday Classes

~~Cautionary Notice 2010-13: AB 1610 (Ch. 724, Statutes of 2010) amended Education Code 37252.2 to relieve districts from the obligation, until July 1, 2013, to perform any activities that are deemed to be reimbursable state mandates under that section. As a result, certain provisions of the following policy or administrative regulation that reflect those requirements may be suspended~~.

The Board of Education **desires to increase educational opportunities outside of the regular school week in order to meet student needs and to promote academic achievement. When staffing, facilities, and other resources are available, the Board** may ~~provide classes on~~ **approve the provision** of classes on Saturday and/or Sunday. ~~in order to meet the academic needs of students.~~

(cf. 6111 - School Calendar)

Weekend classes may include but are not limited to: ~~(Education Code 37223)~~

1. Continuation classes **(Education Code 37223)**

   ~~(cf. 6184 - Continuation Education)~~

2. Special day classes for mentally gifted minors **(Education Code 37223)**

   (cf. 6172 - Gifted and Talented Student Program)

3. Makeup classes for ~~unexcused~~ absences occurring during the week **(Education Code 37223)**

   (cf. 5113 - Absences and Excuses)
   (cf. 5113.1 - Truancy)
   (cf. 6154 - Homework/Makeup Work)

4. The programs of a regional occupational center ~~or regional occupational~~ program (ROC/P) **(Education Code 37223)**

5. **Supplemental instruction for students who need additional assistance to meet academic standards or requirements**
6. **Enrichment classes in core academic subjects**

Except in ROC/Ps, weekend attendance shall not result in crediting any student with more than five days of attendance per week. (Education Code 37223)

Attendance at weekend classes offered pursuant to Education Code 37223 shall be voluntary, except that truants, as defined in Education Code 48260, may be required to attend classes on one day of a weekend in order to make up lost instructional time. (Education Code 37223)

Weekend/Saturday Classes

Students participating in an absence make up session will be required to attend a minimum of 240 minutes per session to receive credit for one full absence. (Education Code 37223, 46112, 46113, 46117)

A student shall be excused from a required weekend class if the student's parent/guardian notifies the school in writing that such attendance would be in conflict with his/her religious beliefs. Such students shall be given priority for enrollment in any other available supplemental instruction offered at a time other than during the weekend.

A teacher shall not be assigned to work on a Saturday or Sunday if he/she objects in writing that the assignment would conflict with his/her religious beliefs or practices. In addition, a full-time teacher employed by the district prior to the implementation of weekend classes shall not be required, without his/her consent, to teach for more than 180 full days during a school year or for more than the number of full days that district schools were maintained during the year preceding implementation of weekend classes, whichever is greater. (Education Code 44824)

Unless the requirement is waived by the California Department of Education, the district shall provide at least one nutritionally adequate meal during the weekend session in accordance with Education Code 49550.

Saturday classes also may be used to provide supplemental instruction for students who are failing to meet academic requirements and/or students who desire enrichment in core academic subjects in accordance with law, Board Policy and Administrative Regulation. (Education Code 37252, 37252.2, 37252.8, 37253, 41505-41506)

(cf. 5123 - Promotion/Acceleration/Retention)

(cf. 6146.1 - High School Graduation Requirements)

(cf. 6179 - Supplemental Instruction)

Policy Reference Disclaimer:
These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State	Description
Ed. Code 37223	Weekend classes
Ed. Code 41601	Reports of average daily attendance
Ed. Code 44824	Assignment of teachers to weekend classes
Ed. Code 48070-48070.5	Promotion and retention
Ed. Code 48205	Excused absences
Ed. Code 48260	Truants; definition
Ed. Code 49550	Meals for needy students

Management Resources	Description
California Department of Education Publication	Requesting a Summer School Meal Waiver and/or a Saturday School Meal Waiver, Nutrition Services Division Management Bulletin NSD-SNP-03-2013, Feb 2013
Website	CSBA District and County Office of Education Legal Services
Website	California Department of Education

Cross References

Code	Description
3550	Food Service/Child Nutrition Program
3553	Free And Reduced Price Meals
3553	Free And Reduced Price Meals
4113	Assignment
4113	Assignment
5030	Student Wellness
5030	Student Wellness
5113	Absences And Excuses
5113	Absences And Excuses
5113.1	Chronic Absence And Truancy
5113.1	Chronic Absence And Truancy
5123	Promotion/Acceleration/Retention
5123	Promotion/Acceleration/Retention
6000	Concepts And Roles
6111	School Calendar
6141.2	Recognition Of Religious Beliefs And Customs
6141.2	Recognition Of Religious Beliefs And Customs
6142.91	Reading/Language Arts Instruction

Weekend/Saturday Classes

6142.91	Reading/Language Arts Instruction
6142.92	Mathematics Instruction
6142.92	Mathematics Instruction
6146.1	High School Graduation Requirements
6146.1	High School Graduation Requirements
6154	Homework/Makeup Work
6154	Homework/Makeup Work
6159	Individualized Education Program
6159	Individualized Education Program
6164.5	Student Success Teams
6172	Gifted And Talented Student Program
6172	Gifted And Talented Student Program
6177	Summer Learning Programs
6178	Career Technical Education
6178	Career Technical Education
6178.2	Regional Occupational Center/Program
6179	Supplemental Instruction
6179	Supplemental Instruction
6184	Continuation Education
6184	Continuation Education

Policy
Adopted: September 22, 1999
Revised: January 10, 2007
Revised:

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California

DONATIONS

Monetary Donation(s)

Donor: Monte Vista Water District
Location/Description: Hughbanks Elementary/Science Field Trip Entry Fees
Amount: $1,200.00

Non-Monetary Donation(s)

None

RECOMMENDATION:

Accept the donation(s) and send a letter of appreciation to the donor(s): Monte Vista Water District.

Monetary Donations - March 8, 2023	$ 1,200.00
Donations - Fiscal Year-to-Date	$51,537.84

SUBMITTED/REVIEWED BY: Diane Romo

BUILDING FUND SUB FUND 21-9204

BACKGROUND:

A fund established to demonstrate fiscal accountability and compliance with finance-related legal, budgetary, and contractual provisions and restrictions on the use of public resources.

REASONING:

The District will be selling the first issuance of Measure A bond funds in April 2023. The Building Fund Sub Fund 21-9204 would be established to account for financing proceeds and expenditures generated from this bond issuance.

RECOMMENDATION:

Approve the establishment of the Building Fund Sub Fund 21-9204.

SUBMITTED/REVIEWED BY: Nicole Albiso/Diane Romo

Board of Education Agenda
March 8, 2023

RIALTO ADULT SCHOOL PHARMACY TECHNICIAN PARTNERSHIPS

BACKGROUND:

Rialto Adult School partners with pharmacies in various cities to complete student externships. As a result, 95% of participants have completed the program and continue on as a certified pharmacy technician.

REASONING:

In congruence with the District's Strategic Plan Strategy 3: We will create a culture of high expectations within the Rialto Unified School District and our community. Plan 5: Students gain hands-on experiences in professional/business environments. Rialto Adult School has up to twenty adult students training to become pharmacy technicians. Listed below are the corporate headquarters for the companies, whereby the internships will be established locally.

Larson's Drug - 142 W. H St. Colton, CA 92324

Rialto Family Pharmacy - 436 S. Riverside Ave. Rialto, CA 92376

RECOMMENDATION:

Approve the Rialto Adult School Pharmacy Technician internship program for students to be able to complete their required internship hours, effective March 9, 2023 through June 30, 2025, at no cost to the District.

SUBMITTED/REVIEWED BY: Kimberly Watson/Patricia Chavez, Ed.D.

AGREEMENT WITH VARIOUS VENDORS FOR THE DISTRICT'S LITERACY AND NUMERACY FAIR

BACKGROUND:

For two years, the District has hosted an end of the year Literacy Fair. This year's event will include a numeracy as well in congruence with our foundations focus. The goal of the fair is to celebrate and engage our elementary students and their families around literacy and numeracy foundational achievement. This year's Literacy fair will be held on April 29, 2023 at the Cesar Chavez Center for Education.

REASONING:

In congruence with the District's Strategic Plan Strategy V, "We will ensure full engagement of families in the education of their children", the event will provide interactive events and activities tied to literacy and numeracy academics and this year's theme of a circus. The following vendors' agreements are requested:

Name of Vendor	Product	Cost
La Petit Cirque	Entertainment	$7,500.00
Belda Velasquez	Decorations	$2,500.00
Franklin Hayes Marionettes	Educational Entertainment	$1,800.00
Juan Carlos Luna Vargas	DJ/Music	$400.00
		$12,200.00

RECOMMENDATION:

Approve an agreement with multiple vendors to provide entertainment, decorations and music at the District Literacy and Numeracy Fair on April 29, 2023, at a cost not-to-exceed $12,200.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Elizabeth Curtis/Patricia Chavez, Ed.D.

AGREEMENT WITH ART SPECIALTIES, INC. - EISENHOWER HIGH SCHOOL

BACKGROUND:

Art Specialties was founded in 1998 by Tim Edmonson, a graduate of Alta Loma High School. He started out by airbrushing youth baseball and soccer banners. Eventually he was invited to paint the gymnasium at Alta Loma High School. Based on that early success, Mr Edmonson's business evolved into digital printing and, as such, the products and services have since expanded. Art Specialties, Inc. has provided their services to Eisenhower High School in the past, as well as other schools in the Rialto Unified School District. Their work at Eisenhower High School can be seen in the administration office, the gym, and in the form of PBIS signage in front of the school.

REASONING:

In order to continue the process of campus beautification, Eisenhower High School would like to contract with Art Specialties, Inc. to provide signage for the inside and outside of the Career Center as well as the Main Entrance to the school. This supports and strengthens our efforts to incorporate Rialto Unified School District's Mission in creating a "safe and engaging learning environment."

RECOMMENDATION:

Approve an agreement with Art Specialties, Inc., to provide signage and installation at Eisenhower High School, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $13,000.00 and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Frank Camacho, Ed.D./Patricia Chavez, Ed.D.

AGREEMENT WITH ART SPECIALTIES - KUCERA MIDDLE SCHOOL

BACKGROUND:

Art Specialties was founded in 1998 by Tim Edmonson, a graduate of Alta Loma High School. He started out by airbrushing youth baseball and soccer banners. Eventually he was invited to paint the gymnasium at Alta Loma High School. Based on that early success, Mr Edmonson's business evolved into digital printing and, as such, the products and services have since expanded. Art Specialties, Inc. has provided their services to Kucera Middle School in the past, as well as other schools in the Rialto Unified School District. Their work at Kucera Middle School can be seen on the outside of the school, in the break room, and in the E-Sports Lab.

REASONING:

The requested signage will provide artwork around the campus.This will include signs, borders, design, and installation. Kucera will use the various signs and borders to beautify the campus and strengthen efforts to incorporate RUSD Strategy 5, "Providing a welcoming and friendly school environment."

RECOMMENDATION:

Approve an agreement with Art Specialties, Inc. to provide signage and installation for Kucera Middle School effective March 9, 2023 through June 30, 2023 at a cost not-to-exceed a total cost of $33,326.71, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Jennifer Cuevas/Patricia Chavez, Ed.D.

AGREEMENT WITH HISPANIC ASSOCIATION OF COLLEGES AND UNIVERSITIES (HACU) 28TH ANNUAL NATIONAL CAPITOL FORUM

BACKGROUND:

The Hispanic Association of Colleges and Universities Forum is held every spring in April. Advocates for higher education success convene to shape and promote an agenda for Congress and the country at the Forum on Hispanic Higher Education. The HACU 28th Annual National Capitol Forum will be held on April 18 through April 19, 2023 at the Hilton Washington D.C. Capitol Hill.

REASONING:

Participation of parents of Hispanic students at the HACU 28th Annual National Capitol Forum is congruent with Rialto USD's Strategic Plan 5, which focuses on ensuring full engagement of all Rialto families through workshops and programs based on self-reported needs of the families. The Capitol Forum brings together leaders of colleges and universities, public policymakers, key federal agency leaders, allied organizations, corporate, community and philanthropic representatives at what has become a powerful national platform for winning public- and private-sector support for Hispanic-Serving Institutions. This is also in congruence with the purpose of the Alianza Latina Parent Organization.

RECOMMENDATION:

Approve two (2) team members from the Rialto Unified School District Alianza Latina parent organization, one (1) District board member, and one (1) District employee to attend the HACU 28th Annual National Capitol Forum to be held April 18 through April 19, 2023 in Washington D.C., at a cost not-to-exceed $20,000.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Manuel Burciaga, Ed.D./Patricia Chavez, Ed.D.

AGREEMENT WITH INSTRUCTIONAL SOLUTIONS

BACKGROUND:

Instructional Solutions has been in business since 1998, and specializes in business writing training and coaching. With an exceptional delivery infrastructure and years of developed content available, they excel at improving complex writing and clear writing. They offer flexible training options, a deep resource library, and highly credentialed instructors. Instructional Solutions has helped international corporations with business writing training, such as: DuPont, FedEx, Ernst and Young, Freddie Mac, Liberty Mutual, Shell, Morgan Stanley, S&P Global, USAA, and all branches of the U.S. Military, including senior leadership at the Pentagon.

REASONING:

Business Services seeks Board approval to contract with Instructional Solutions to provide in-person training, over a two (2) day period, for up to fifteen (15) clerical staff members which includes secretaries from the business service areas and administrative support agents from other service areas within the District. The customized business writing course is titled Training to Enhance Consistency, Efficiency, and Kindness in Emails with a focus on concise, professional writing that establishes a connection with the reader.

This training is in congruence with the District's Strategic Plan, Strategies III and IV ensuring exemplary staff with high expectations. As well as the District's Foundation of Excellence growth measurements in the areas of Soul and Spirit: Work culture that fosters profound knowledge; Work culture that evokes intellectual ingenuity; Leader who is thoughtful, reasonable, and confident; and Work culture that inspires imagination.

RECOMMENDATION:

Approve an agreement with Instructional Solutions to provide an in-person training course on Business Writing for up to fifteen (15) clerical staff members, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $17,000.00 (course fee of $15,105.00 and reimbursable travel expenses) and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Diane Romo/Rhea McIver Gibbs

AGREEMENT WITH CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

BACKGROUND:

California State University, San Bernardino Institute of Child Development and Family Relations offers a Science of Parenting nine (9) week course designed for families of young children and those who work with young children and families. The course series provides participants with a general understanding of young children, positive child guidance strategies, and ways to support children's development.

REASONING:

Offering a Science of Parenting course for our families is in congruence with our Districts focus of supporting our students early childhood development in early literacy and early numeracy. This course is congruent with Strategy 5 of our District's Strategic Plan, "We will ensure full engagement of families in the education of their children." Participants will learn about the importance of early attachment and other key psychological needs of children. A review of early brain development and developmental milestones will assist participants in understanding children's behavior at various ages and stages, as well as supportive ways to respond. Participants will also learn effective, positive guidance skills for interacting with and guiding children's behavior, including setting limits and getting children to cooperate. The importance of play and rich language environment to support overall development, learning, and school readiness are also addressed. Data will be collected through the use of pre and post surveys to document program effectiveness. Data will be collected through the use of Google surveys.

RECOMMENDATION:

Approve an agreement with California State University, San Bernardino to provide 36 hours of professional development for parents. Sessions will be provided in English and Spanish for families. Classes will be held at the Rocking Horse Education Center, effective March 9, 2023 through May 18, 2023, at a cost not-to-exceed $9,600.00 and to be paid from the Kaiser THRIVE Grant.

SUBMITTED/REVIEWED BY: Karen Good/Patricia Chavez, Ed.D.

AGREEMENT WITH ALL ABOUT AERODYNAMICS - CASEY ELEMENTARY SCHOOL

BACKGROUND:

All About Aerodynamics is a team-oriented, science-based, experiential STEAM (Science Technology Engineering Art Math) learning project in which kindergarten through sixth grade students use Hot Wheels cars to learn about various physics-related concepts. All About Aerodynamics is presented in a series of classes broken into three sections. The first part of the program consists of a series of short video presentations that introduce various science concepts followed by discussions and demonstrations. Next, students use the scientific information learned in part one to form hypotheses and select a Hot Wheels car they believe will be fastest in a series of races, compile information about their cars in a spreadsheet before the races, and then race their cars. After the races, students assess the race outcomes and the performance of their cars. Finally, students create posters to highlight their learning and document information about their cars.

REASONING:

Casey's Mission is to inspire a community of lifelong learners equipped to engage in the global community. To work toward this goal, and to promote student participation in the Science and Engineering (STEAM), we would like to provide a hands-on science curriculum that addresses Next Generation Science Standards (NGSS) standards through a dynamic learning experience that revolves around an everyday toy. This learning opportunity is congruent with the District's Strategic Plan, Strategy 1 of providing rigorous and relevant learning experiences and the District's Mission to provide learning opportunities beyond the traditional school setting.

RECOMMENDATION:

Approve an agreement with All About Aerodynamics to provide Casey Elementary students with up to 15 days of in person instruction during the 2022- 2023 school year summer school session, effective June 1, 2023 through June 23, 2023, at a cost not-to-exceed $5,500.00, and to be paid from the Extended Learning Opportunities Program Fund (ELO-P).

SUBMITTED/REVIEWED BY: Emily Dominguez/Patricia Chavez, Ed.D.

AGREEMENT WITH EARTH BENEATH OUR FEET

BACKGROUND:

The Next Generation Science Standards (NGSS) for Earth and Space Science require fourth graders to study earth systems processes that shape the earth. Students should know about the history of the planet and about earth materials and systems. To inspire Rialto USD elementary fourth grade students to appreciate these systems and the natural resources in the community the Earth Beneath Our Feet will provide up to 19 presentations congruent with the grade 4 NGSS Earth and Space Science performance expectations.

REASONING:

Student pre and post surveys suggest that students that participate in the student presentations have a better understanding of NGSS PE 4-ESS1-1. Teachers pre- and post-surveys suggest that teachers believe that it is "a worthwhile learning opportunity that leads to better content understanding than what would be available from classroom instruction alone." Strong learning opportunities inside and outside of the classroom will leverage community based application of NGSS standards-based instruction with equity and social justice instructional strategies. By having hands-on materials that are local, students will be able to relate to scientific phenomena globally. The contract includes:

- Work folders including but not limited to petrology information
- Petrology (rock) samples
- Up to 19 student presentations

RECOMMENDATION:

Approve a renewal agreement with Earth Beneath Our Feet to provide presentations for all grade 4 students, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $4,900.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Juanita Chan/Patricia Chavez, Ed.D.

CLASSIFIED EXEMPT – PERSONNEL REPORT #1294

BACKGROUND/CRIMINAL HISTORY CHECKS HAVE BEEN COMPLETED, AS PER LAW, ON ALL INDIVIDUALS RECOMMENDED FOR EMPLOYMENT.

CROSSING GUARD

Butler, Yulonda	Werner Elementary School	02/16/2023	$16.00 per hour

WORKABILITY

Black, Tony	Melis Granero	02/15/2023	$13.60 per hour
Castillo, Sarai	Rainbow Shops	02/24/2023	$13.60 per hour
Flores-Robledo, Lesslie	Grocery Outlet	02/17/2023	$13.60 per hour
Harris, Keyshaun	Melis Granero	02/15/2023	$13.60 per hour
Hernandez, Esmeralda	CVS	02/15/2023	$13.60 per hour
Holmes, Taylor	Walgreens	03/01/2023	$13.60 per hour
Nava, Ramon	Walgreens	02/27/2023	$13.60 per hour
Penafiel, Angel	WSS	03/02/2023	$13.60 per hour
Reyes, Esdras	Walmart	02/15/2023	$13.60 per hour
Sanchez, Mario	Walgreens	02/21/2023	$13.60 per hour
Tafolla-Cervantes, Juan	Walmart	02/23/2023	$13.60 per hour
Tafoya, Zyier	Walgreens	02/21/2023	$13.60 per hour
Wright, Kyle	Grocery Outlet	02/17/2023	$13.60 per hour

NON-CERTIFICATED COACHES

A search of the certificated staff of the Rialto Unified School District has failed to fulfill the District's coaching needs. Pursuant to the Title 5 California Code of Regulations, Section 5531, this is to certify that the following non-certificated coaches employed by the Rialto Unified School District are competent in first aid and emergency procedures as related to coaching techniques in the sports to which they are assigned:

Kolb Middle School

Alducin, Luis	Boys' Soccer	$1,302.00
Alducin, Luis	Girls' Soccer	$1,302.00

Rialto Middle School

Erickson, Jason	Wrestling	$1,302.00
Sabogal, Erik	Girls' Soccer	$1,302.00

SUBMITTED/REVIEWED BY: Roxanne Dominguez, Rhonda Kramer, and Armando Urteaga

CLASSIFIED EMPLOYEES – PERSONNEL REPORT #1294

BACKGROUND/CRIMINAL HISTORY CHECKS HAVE BEEN COMPLETED, AS PER LAW, ON ALL INDIVIDUALS RECOMMENDED FOR EMPLOYMENT.

PROMOTIONS

Navarro Medrano, Ana (Repl. M. Sauceda)	To:	School Secretary Jehue Middle School	03/01/2023	36-5	$29.41 per hour (8 hours, 12 months)
	From:	Clerk Typist III Child Development Department		33-5	$27.28 per hour (8 hours, 237 days)
Sauceda, Mayra (Repl. M. Buckley)	To:	Administrative Support Agent*** Personnel Services	03/06/2023	04-1	$73,339.00 per year Management Salary Schedule (8 hours, 259 days)
	From:	School Secretary Jehue Middle School		36-6	$30.87 per hour (8 hours, 12 months)

EMPLOYMENT

Avila, Leonel (Repl. N. Juarez)	A.C/Heating/Ventilation Technician Maintenance & Operations	02/27/2023	44-1	$29.52 per hour (8 hours, 12 months)
Camberos, Esteven A.	Bus Driver Transportation	02/16/2023	34-1	$22.99 per hour (5 hours, 203 days)
Espinoza, Julio (Repl. M. Roldan II)	Locker Room Attendant Rialto High School	02/23/2023	25-1	$18.34 per hour (3 hours, 203 days)
Gonzalez, Valerie (Repl. E. Alvizar)	Nutrition Service Worker I Carter High School	02/16/2023	20-1	$16.15 per hour (3 hours, 203 days)
Mosley, Simone (Repl. L. Cardenas)	Behavioral Support Assistant Dunn Elementary School	02/21/2023	31-1	$21.32 per hour (7 hours, 203 days)
Portillo, Marlene (Repl. A. Hunt)	Behavioral Support Assistant Kelley Elementary School	02/21/2023	31-1	$21.32 per hour (7 hours, 203 days)
Romero, Monique (Repl. D. Plascencia)	Behavioral Support Assistant Preston Elementary School	02/21/2023	31-1	$21.32 per hour (8 hours, 203 days)

EMPLOYMENT (Continued)

Suarez, Sergio (Repl. E. Cuevas)	Custodian I** Eisenhower High School	02/23/2023	33-1	$22.42 per hour (8 hours, 12 months)

REEMPLOYMENT

Gonzalez, Raul (Repl. S. Bartel II)	Technology Support Technician III Technology Services	02/22/2023	45-1	$30.27 per hour (8 hours, 12 months)

RETIREMENTS

Daily, Bonnie	Nutrition Service Worker I Simpson Elementary School	05/31/2023
Smith, Lauren	Instructional Assistant III-SE (SED/MH/AUTISM) Rialto High School	06/01/2023

RESIGNATIONS

Ahedo, Nichole	Instructional Assistant II-SE (RSP/SDC) Fitzgerald Elementary School	03/10/2023
Berlin, Ivy	Instructional Assistant II-SE (RSP/SDC) Morgan Elementary School	03/06/2023
Calderon Jr., Jose	Instructional Assistant III-SE (SED/MH/AUTISM) Jehue Middle School	02/27/2023
Gamino, Stephanie	Nutrition Service Worker I Carter High School	02/21/2023
Merlos, Samantha	Instructional Assistant II-SE (RSP/SDC) Curtis Elementary School	02/16/2023
Monge, Ariana	Instructional Assistant II-SE (RSP/SDC) Eisenhower High School	02/15/2023

RESIGNATIONS (Continued)

Navarrette, Alyssa	Instructional Assistant II-SE (RSP/SDC) Preston Elementary School	02/06/2023
Resendez, Abel	Instructional Assistant III-SE (SED/MH/AUTISM) Kordyak Elementary School	03/01/2023
Villalpando, William	Child Development Instructional Assistant Werner Preschool	02/26/2023

SHORT TERM ASSIGNMENTS

Clerical Support	Expanded Learning Programs (Not to exceed 744 hours)	03/09/2023-06/30/2023	$20.28 per hour
Clerical Support	Myers Elementary School (Not to exceed 150 hours)	03/09/2023-06/30/2023	$20.28 per hour

SUBSTITUTES

Anaya, Gladys	IAIII-SE (SED/MH/AUTISM)	02/24/2023	$20.28 per hour
Calva Zorrilla, Eileen	Clerk Typist I	02/17/2023	$20.28 per hour
Gamino, Stephanie	Nutrition Service Worker I	02/22/2023	$16.15 per hour
Robles, Cynthia M.	Clerk Typist I	02/09/2023	$20.28 per hour
Rosales, Jonah	Clerk Typist I	02/08/2023	$20.28 per hour
Rosales, Jonah	Custodian I	02/14/2023	$21.87 per hour
Soto, Marlene	Health Aide	02/24/2023	$18.34 per hour
Villegas, Sandra	Nutrition Service Worker I	02/24/2023	$16.15 per hour

ADDITION OF BILINGUAL STIPEND (2.75% of base salary)

Navarro Medrano, Ana	School Secretary Jehue Middle School	03/01/2023

ADDITION OF SPECIAL NEEDS STIPEND (2.75% of base salary)

Mosley, Simone	Behavioral Support Assistant Dunn Elementary School	02/21/2023
Portillo, Marlene	Behavioral Support Assistant Kelley Elementary School	02/21/2023

ADDITION OF SPECIAL NEEDS STIPEND (Continued)

Romero, Monique		Behavioral Support Assistant Preston Elementary School	02/21/2023		

VOLUNTARY DEMOTION

Cardenas, Lizbeth	To:	Instructional Assistant III-SE (SED/MH/AUTISM Dunn Elementary School	02/06/2023	29-2	$21.31 per hour (7 hours, 203 days)
	From:	Behavioral Support Assistant Rialto Middle School		31-2	$22.40 per hour (6 hours, 203 days)
Ruiz-Plascencia, Daniel	To:	Health Clerk Frisbie Middle School	02/24/2023	31-2	$22.40 per hour (7.5 hours, 217 days)
	From:	Custodian I** Maintenance & Operations		33-2	$23.56 per hour (8 hours, 12 months)

TERMINATION OF PROBATIONARY CLASSIFIED EMPLOYEES

Employee # 2577533	Behavioral Support Assistant	12/16/2022
Employee #2697533	Locker Room Attendant	01/25/2023

CERTIFICATION OF ELIGIBILITY LIST – Benefits Insurance Claims Technician

Eligible: 03/09/2023
Expires: 09/09/2023

CERTIFICATION OF ELIGIBILITY LIST – Custodian II

Eligible: 03/09/2023
Expires: 09/09/2023

CERTIFICATION OF ELIGIBILITY LIST – Health Aide

Eligible: 03/09/2023
Expires: 09/09/2023

**Position reflects the equivalent to a one-Range increase for night differential
*** Position reflects a $50.00 monthly stipend for Confidential position

SUBMITTED/REVIEWED BY: Roxanne Dominguez, Rhonda Kramer, and Armando Urteaga

CERTIFICATED EMPLOYEES – PERSONNEL REPORT #1294

BACKGROUND/CRIMINAL HISTORY CHECKS HAVE BEEN COMPLETED, AS PER LAW, ON ALL INDIVIDUALS RECOMMENDED FOR EMPLOYMENT.

SUBSTITUTES (To be used as needed at the appropriate rate per day, effective March 9, 2023, unless earlier date is indicated)

Ahedo, Nichole	
Corona Perez, Edgar	02/22/2023
Miller, Skylar	02/22/2023
Murray, Yvette	02/22/2023

EMPLOYMENT

Villalpando, William	Preschool Teacher Trapp Preschool	02/27/2023	II-1	$63,843.00	(180 days)

ADMINISTRATIVE APPOINTMENTS

Black, Italia	Program Specialist Special Services	02/21/2023
Perez, Annie	Program Specialist Special Services	03/20/2023

SUPPLEMENTAL SERVICES (Ratify retired teacher to provide intervention support in the areas of reading, writing, and mathematics to students at Dollahan Elementary School, from January 11, 2023 through April 29, 2023, at an hourly rate of $50.40, not to exceed 42 hours, and to be charged to Title I Funds)

Girvan, Davolyn

SUPPLEMENTAL SERVICES (Ratify retired teacher to provide intervention support in the areas of reading, writing, and mathematics to students at Dollahan Elementary School, from January 11, 2023 through April 29, 2023, at an hourly rate of $50.40, not to exceed 126 hours, and to be charged to Title I Funds)

Franco, Rose

SUPPLEMENTAL SERVICES (Ratify retired teacher to provide intervention support in the areas of reading, writing, and mathematics to students at Werner Elementary School, from January 23, 2023 through May 31, 2023, at an hourly rate of $50.40, not to exceed 125 hours, and to be charged to Comprehensive, Support and Improvement Funds)

Klein, Cynthia

EXTRA DUTY COMPENSATION (Ratify additional class assignment at 1/6 of their daily rate or $50.40, whichever is greater, for Carter High School certificated staff to provide credit recovery from January 10, 2023 through March 24, 2023, not to exceed a total of 264 hours, to be charged to General Funds)

Bravo, John	Demery, Margarita	Joham, Monty
Sanchez, Catherine	Simmons, Johnnie	Lawrence-Hennessy, Erin
Le, Ky	Aviles Vital, Arturo	

EXTRA DUTY COMPENSATION (Ratify counselors at Rialto High School to create additional classes for second semester for credit recovery, at their per diem rate, December 17, 2022 through January 7, 2023, not to exceed a total of 93 hours, to be charged to General Funds)

Bertoldo, Marcena	Conner, Rachael	Gomez, Karla
McLeod Weiser, Amanda		

EXTRA DUTY COMPENSATION (Ratify Adult Education teacher to secure signed contracts for the pharmacy technician program, from January 30, 2023 through February 10, 2023, at an hourly rate of $35.00, to increase total hours by 10, not to exceed 20 total hours, to be charged to General Funds)

Savage, Rhonda

EXTRA DUTY COMPENSATION (Ratify certificated teacher at Rialto Middle School to manage and maintain the parental involvement information on the school website for the second semester of the 2022-2023 school year, at an hourly rate of $50.40, not to exceed 60 hours, to be charged to Title I Funds.

Garcia, Daniel

CERTIFICATED COACHES

Kucera Middle School

Melara, Steven	Wrestling	2022/2023	$1,302.00

CERTIFICATED COACHES (Continued)

Rialto Middle School

Ochoa Ruiz, Jesus	Boys' Soccer	2022/2023	$1,302.00

SUBMITTED/REVIEWED BY: Roxanne Dominguez, Rhonda Kramer, and Armando Urteaga

RESOLUTION NO. 22-23-44
REGARDING LAYOFF AND REDUCTION IN WORK YEAR OF CLASSIFIED PERSONNEL

BE IT RESOLVED that the Governing Board of the Rialto Unified School District hereby determines that the following classified positions be eliminated or reduced in work year due to lack of work and/or lack of funds pursuant to Education Code sections 45117 and 45308:

POSITION	HOURS	NO. OF POSITIONS
Clerk Typist III	8	1
Instructional Assistant II-SE (RSP/SDC)	3	81
Instructional Assistant II-SE (RSP/SDC)	3.5	6
Instructional Assistant II-SE (RSP/SDC)	3.75	2
Instructional Assistant II-SE (RSP/SDC)	6	4
Instructional Assistant II-SE (RSP/SDC)	6.5	1
Instructional Assistant II/Bilingual-Bi-literate	3	23
Special Education Child Development Instructional Assistant	3.5	7

BE IT FURTHER RESOLVED by the Governing Board as follows:

1. That due to a lack of funds and/or lack of work, the number of classified employees and the amount of service rendered shall be reduced by layoff as specified above, pursuant to Education Code section 45308, and in accordance with Education Code section 45117.

2. That the Superintendent or designee is directed to give notice of layoff or reduction in work year to the affected classified employees pursuant to law.

3. That layoff proceedings shall be conducted in accordance with Education Code section 45117.

4. That the layoff shall become effective at the conclusion of the 2022-2023 school year.

5. That employees laid off pursuant to this Resolution, if any, shall be eligible for reemployment pursuant to Education Code section 45298.

Adopted by the Governing Board of the Rialto Unified School District on March 8, 2023, by the following vote:

Stephanie E. Lewis	___________
Joseph W. Martinez	___________
Nancy G. O'Kelley	___________
Evelyn P. Dominguez	___________
Edgar Montes	___________

____

Stephanie E. Lewis
President, Board of Education

I, Cuauhtémoc Avila, Ed.D., Superintendent of Rialto Unified School District of San Bernardino County, California, do hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted by the District's Board of Education at a duly scheduled meeting thereof.

Dated: March 8, 2023

____

Cuauhtémoc Avila, Ed.D.
Superintendent

MINUTES

RIALTO UNIFIED SCHOOL DISTRICT

February 8, 2023
Eisenhower High School
Performing Arts Center (Theater)
1321 N. Lilac Avenue
Rialto, California 92376

Board Members Present:	**Stephanie E. Lewis, President** **Nancy G. O'Kelley, Vice President** **Joseph W. Martinez, Clerk** **Evelyn P. Dominguez, Member (Arrived at 6:05 p.m.)** **Edgar Montes, Member**
Board Members Absent:	**Steven Gaytan, Student Board Member**
Administrators Present:	**Cuauhtémoc Avila, Ed.D., Superintendent** **Rhea McIver Gibbs, Ed.D., Lead Strategic Agent** **Patricia Chavez, Lead Innovation Agent** **Diane Romo, Lead Business Services Agent** **Rhonda Kramer, Lead Personnel Agent** **Armando Urteaga, Lead Personnel Agent** **Martha Degortari, Executive Administrative Agent, and Jose Reyes, Interpreter/Translator**

A. OPENING

A.1 CALL TO ORDER - 6:00 p.m.

The regular Board Meeting of the Board of Education of the Rialto Unified School District was called to order at 6:00 p.m., by Board President, Stephanie E. Lewis, at Eisenhower High School, Performing Arts Center, at 1321 N. Lilac Avenue, Rialto, California 92376.

A.2 OPEN SESSION

A.3 CLOSED SESSION

As provided by law, the following are the items for discussion and consideration at the Closed Session of the Board Meeting:

- **PUBLIC EMPLOYEE EMPLOYMENT/DISCIPLINE/DISMISSAL/RELEASE/ REASSIGNMENT OF EMPLOYEES (GOVERNMENT CODE SECTION 54957)**
- **STUDENT EXPULSIONS/REINSTATEMENTS/EXPULSION ENROLLMENTS**
- **CONFERENCE WITH LABOR NEGOTIATORS**

  Agency designated representatives: Cuauhtémoc Avila, Ed.D., Superintendent; Rhonda Kramer, Lead Personnel Agent, Personnel Services.

  Employee organizations: California School Employees Association, Chapter 203 (CSEA), Rialto Education Association (REA), Communications Workers of America (CWA)

- **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) and/or (d)(3). CONFERENCE WITH LEGAL COUNSEL - ANTICPATED LITIGATION SIGNIFICANT EXPOSURE LITIGATION**

  Number of Potential Claims: 1

COMMENTS ON CLOSED SESSION AGENDA ITEMS

Any person wishing to speak on any item on the Closed Session Agenda will be granted three minutes.

None.

Moved By Vice President O'Kelley

Seconded By Clerk Martinez

Member Dominguez was not present during this vote. Vote by Board Members to move into Closed Session:

Time: 6:02 p.m. **Majority Vote**

A.4 ADJOURNMENT OF CLOSED SESSION

Moved By Vice President O'Kelley

Seconded By Clerk Martinez

Vote by Board Members to move adjourn Closed Session:

Time: 7:00 p.m.

Approved by a Unanimous Vote

A.5 OPEN SESSION RECONVENED - 7:00 p.m.

Open session reconvened at 7:00 p.m.

A.6 PLEDGE OF ALLEGIANCE

Adrianna Stanton, Carter High School senior led the pledge of allegiance.

A.7 PRESENTATION BY CARTER HIGH SCHOOL

Small ensemble of string instruments musicians representing the Carter High School String Orchestra, performed the piece, "Luminescence" by Alan Lee Silva, led by Mrs. Susan Barnes.

A.8 REPORT OUT OF CLOSED SESSION

Moved By Vice President O'Kelley

Seconded By Clerk Martinez

The Board of Education accepted the administrative appointment of Adam Bailey, Elementary Principal, Fitzgerald Elementary School.

Approved by a Unanimous Vote

A.9 ADOPTION OF AGENDA

Moved By Vice President O'Kelley

Seconded By Clerk Martinez

Prior to adoption of the agenda, the following corrections were made:

After “Public Comments on Agenda Items”, we will hear:

COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS

Rialto Education Association (REA), California School Employees Association (CSEA), Communications Workers of America (CWA), and Rialto School Managers Association (RSMA)

BUSINESS AND CONSENT CALENDAR ITEMS:

Item E.3.8 AGREEMENT WITH ENCORE IMAGE – Rialto High School

Approve an agreement with Encore Image to provide and install exterior and interior raised lettering signage, effective February 9, 2023, at a cost not-to-exceed **$13,791.00** ~~$8,814.48~~, and to be paid from the California Adult Education Program (CAEP). (As reflected on page 30)

Item E.3.11 AGREEMENT WITH VARIOUS VENDORS – FITZGERALD ELEMENTARY SCHOOL

On supporting page 33, under "Reasoning", vendor should read Danza Azteca, and not Danza Azteca Xochipilli, in the amount of **$400.00** ~~$800.00~~, for a total cost for all vendors not to exceed **$800.00** ~~$1,200.00.~~

Item E.6.1 MINUTES OF THE REGULAR BOARD OF EDUCATION MEETING HELD NOVEMBER 16, 2022 will be voted on separately as Member Dominguez was not present during that meeting and will need to abstain from voting on this item.

Vote by Board Members to adopt the agenda as amended:

Approved by a Unanimous Vote

B. <u>PRESENTATION</u>

B.1 HIGH SCHOOL - DISTRICT STUDENT ADVISORY COMMITTEE (DSAC)

The following DSAC students shared information and activities held at the schools:

Santiago Baltazar - Eisenhower High School

Sienna Rivera - Rialto High School

Franchesqa Stevens - Milor High School

Tayla Rhoten - Carter High School

B.2 KEY TO THE DISTRICT

Presentation of Key to the District to Nutrition Services, by Board Member Edgar Montes.

Member Montes presented his key to the District to Nutrition Services.

C. <u>COMMENTS</u>

C.1 PUBLIC COMMENTS NOT ON THE AGENDA

At this time, any person wishing to speak on any item **<u>not on</u>** the Agenda will be granted three minutes.

Sonya Gonzalez, District Parent at Boyd Elementary School, shared that she is very happy and appreciative of the staff at Boyd Elementary School. She said her son is a bit hyper, but with the support of the teacher, the staff, and principal, they have been able to provide resources to help him and he is now in first grade and has straight A's. She said she could definitely feel the kindness at Boyd Elementary School.

Celia Saravia, Representative of Parents of Children with Special Needs, shared about the Christmas celebration put together for children with special needs and thanked Superintendent, Dr. Avila and all District staff who made it possible for children to receive toys. She thanked the staff who was able to join them at their celebration. They were extremely grateful and hoped they could continue to count on the District's support.

Ms. Saravia also thanked Mrs. Wendy Gavini and Dr. Raymond Delgado for all the support and assistance they provide to parents at the Parent Institute. She congratulated special needs student, and daughter, of Ms. Mirna Ruiz, who has been selected to play for a national soccer team. She reminded parents and the community that all is possible for these children, and they should never give up. She thanked everyone who was involved in putting together the Parent Summit and congratulated the Nutrition Services Staff for being honored with the Key to the District.

C.2 PUBLIC COMMENTS ON AGENDA ITEMS

Any person wishing to speak on any item **<u>on</u>** the Agenda will be granted three minutes.

None.

C.3 COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS

Rialto Education Association (REA), California School Employees Association (CSEA), Communications Workers' of America (CWA), Rialto School Managers Association (RSMA).

Tobin Brinker, Rialto Education Association (REA) President, congratulated all school counselors and talked about all they do for the students of the District, such as providing guidance and social/emotional support. He recalled when they came to one of the Board Meetings last year to share the impact they make on students and to request the District's support in lowering the student-counselor ratio.

Mr. Brinker shared that he has had the opportunity to visit schools to see the smiling faces of the students. He commented on the staff's concerns for safety at the schools and the lack of trust from administration. He reminded everyone that he is here as their voice. He would like to see that trust regained and for all to feel safe at the school sites. He thanked Dr. Avila for his support and desire to work together. He congratulated Nutrition Services on their recognition and shared of his experience when invited to distribute food at a food pantry event. He thanked Member Montes for honoring the hard work and services they provide to the students and community.

Heather Estruch, Communications Workers of America, shared that they will be presenting their proposal for the coming school year.

Chis Cordasco, California School Employees Association (CSEA) President, thanked Member Montes for honoring the Nutrition Services staff and recognizing the amazing work by classified employees. He commented on the work they are doing to increase the hours of instructional aides and they will continue to support staff needs.

C.4 COMMENTS FROM THE STUDENT BOARD MEMBER

C.5 COMMENTS FROM THE SUPERINTENDENT

C.6 COMMENTS FROM MEMBERS OF THE BOARD OF EDUCATION

D. <u>PUBLIC HEARING</u>

D.1 PUBLIC INFORMATION

D.1.1 SECOND QUARTER – WILLIAMS UNIFORM COMPLAINT REPORT

D.2 OPEN PUBLIC HEARING

Any person wishing to speak on the item on the Public Hearing Agenda will be granted three minutes.

Moved By Vice President O'Kelley

Seconded By Member Dominguez

RIALTO EDUCATION ASSOCIATION 2023-2024 PROPOSAL

Vote by Board Members to open public hearing:

Time: 8:47 a.m.

Approved by a Unanimous Vote

D.2.1 RIALTO EDUCATION ASSOCIATION 2023-2024 PROPOSAL

Pursuant to the requirements of Governmental Code and Board Policy, the initial 2023-2024 contract proposal submitted by the Rialto Education Association (REA), for an agreement between the Rialto Education Association (REA) and the Rialto Unified School District, Board of Education, is hereby posted in compliance with the legislative requirements for public notice.

D.3 CLOSE PUBLIC HEARING

Moved By Vice President O'Kelley

Seconded By Member Dominguez

RIALTO EDUCATION ASSOCIATION 2023-2024 PROPOSAL

Vote by Board Members to close public hearing:

Time: 8:48 p.m.

Approved by a Unanimous Vote

E. <u>CONSENT CALENDAR ITEMS</u>

All items on the Consent Calendar will be acted upon in one motion unless pulled by Board of Education members or the Superintendent for individual action.

Moved By Member Montes

Seconded By Clerk Martinez

Vote by Board Members to approve Consent Calendar Items, except for Board Item E.17 Agreement with Rosetta Stone LLC - Werner Elementary School; and Board Item E.6.1 Minutes of the Regular Board of Education Meeting of November 16, 2022, which will be voted on separately:

Approved by a Unanimous Vote

E.1 GENERAL FUNCTIONS CONSENT ITEMS - None

E.2 INSTRUCTION CONSENT ITEMS

E.2.1 BOYS BASKETBALL STATE CHAMPIONSHIP – RIALTO HIGH SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve thirteen (13) male athletes and two (2) coaches to participate in the State Championship title at Golden 1 Center in Sacramento, California on Friday, March 10, 2023 through Saturday, March 11, 2023, at a cost not-to-exceed $4,000.00, and to be paid from the ASB Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.2.2 GIRLS BASKETBALL STATE CHAMPIONSHIP - RIALTO HIGH SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve thirteen (13) female athletes and two (2) coaches to participate in the State Championship title at Golden 1 Center in Sacramento, California on Friday, March 10, 2023 through Saturday, March 11, 2023, at a cost not-to-exceed $4,000.00, and to be paid from the ASB Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.2.3 PHYSICAL EDUCATION EXEMPTION

Moved By Member Montes

Seconded By Clerk Martinez

Approve exemption from all physical activities for student 117461 for the 2022-2023 school year.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3 BUSINESS AND FINANCIAL CONSENT ITEMS

E.3.1 WARRANT LISTING AND PURCHASE ORDER LISTING

Moved By Member Montes

Seconded By Clerk Martinez

Approve the Warrant Listing Register and Purchase Order Listing for all funds from January 6, 2023 through January 19, 2023, (Sent under separate cover to Board Members). A copy for public review will be available on the District's website.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.2 DONATIONS

Moved By Member Montes

Seconded By Clerk Martinez

Accept the donation from The Blackbaud Giving Fund, and send a letter of appreciation be sent to the donor.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.3 NEW BANK ACCOUNT- ATHLETICS

Moved By Member Montes

Seconded By Clerk Martinez

Approve the addition of an athletics clearing account to be opened at JP Morgan Chase for online payments related to athletic events, at no cost to the District.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.4 ESTABLISH SUB FUND FOR MULTI-YEAR SCHOOL IMPROVEMENT

Moved By Member Montes

Seconded By Clerk Martinez

Approve the establishment of the Reserve for Capital Outlay Sub Fund 40-9869, at no cost to the District.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.5 AGREEMENT WITH AFRICAN SOUL INTERNATIONAL – FITZGERALD ELEMENTARY SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with African Soul International to provide a school-wide assembly for all students at Fitzgerald Elementary School on February 16, 2023, at a cost not-to-exceed $1,600.00, and to be paid from the ASB Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.6 AGREEMENT WITH THE ECOHERO SHOW LLC

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with EcoHero LLC to provide EcoHero shows at Boyd and Werner Elementary, effective February 9, 2023 through June 30, 2023, at no cost to the District.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.7 AGREEMENT WITH ENCORE IMAGE

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with Encore Image to provide and install interior signage at the Support Services facility, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $28,000.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.8 AGREEMENT WITH ENCORE IMAGE – RIALTO ADULT SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with Encore Image to provide and install exterior and interior raised lettering signage, effective February 9, 2023, at a cost not-to-exceed **$13,791.00** ~~$8,814.48~~, and to be paid from the California Adult Education Program (CAEP).

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.9 AGREEMENT WITH FINISHED RESULTS – EISENHOWER HIGH SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with Finished Results to provide timing services for Eisenhower High School, effective February 9, 2023 through February 8, 2024, at a cost not-to-exceed $3,500.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.10 AGREEMENT WITH LAKESHORE LEARNING MATERIALS

Moved By Member Montes

Seconded By Clerk Martinez

Ratify an agreement with Lakeshore Learning Materials for the purchase of two-hundred and seventy student license subscriptions for students who receive special services, effective August 1, 2022 through June 30, 2023, at a cost not-to-exceed $20,790.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.11 AGREEMENT WITH VARIOUS VENDORS – FITZGERALD ELEMENTARY SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with multiple vendors to provide cultural dance and music during the Multicultural Family Night festival at Fitzgerald Elementary School on February 16, 2023, in the amount of **$400.00** ~~$800.00~~, for a total cost for all vendors not to exceed **$800.00** ~~$1,200.00~~, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.12 AGREEMENT WITH ONE ON ONE LEARNING, CORPORATION – ST. CATHERINE OF SIENA SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve a renewal agreement with One on One Learning, Corporation, to provide tutoring services for identified students at St. Catherine of Siena, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $9,785.00, and to be paid from the General Fund (Title I, Part A – Equitable Services).

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.13 AGREEMENT WITH PEPPERMINT CANDY PUBLISHING COMPANY – WERNER ELEMENTARY SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with Peppermint Candy Publishing Company to provide two interactive assemblies with an author signing at Werner Elementary School, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $1,300.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.14 AGREEMENT WITH PROJECT LEAD THE WAY – EISENHOWER HIGH SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve a renewal agreement with Project Lead the Way (PLTW) to allow participation in the PLTW Engineering curriculum, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $3,200.00, and to be paid from the CTE Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.15 AGREEMENT WITH PRISMATIC MAGIC LLC – CASEY ELEMENTARY SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with Prismatic Magic LLC to provide three school assemblies at Casey Elementary, to celebrate Black History month on February 17, 2023, at a cost not-to-exceed $1,500.00, and to be paid from the ASB Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.16 AGREEMENT WITH RENAISSANCE LEARNING – RIALTO MIDDLE SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve a renewal agreement with Renaissance Learning to provide reading practice to Rialto Middle School students as a pilot for the remainder of the 2022-2023 school year and first semester of the 2023-2024 school year, effective February 8, 2023 through February 8, 2024, at a cost not-to-exceed $2,700.00, and to be paid from the General Fund (Title I).

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.18 AGREEMENT WITH SMARTPASS – EISENHOWER HIGH SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with SmartPass to provide digital pass service for attendance at Eisenhower High School for the remainder of the 2022-2023 school year, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $4,500.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.19 AGREEMENT WITH TRAVELING TIDEPOOLS – FITZGERALD ELEMENTARY SCHOOL

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with Traveling Tidepools to provide a learning experience assembly for students at Fitzgerald Elementary School, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $1,495.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.20 AGREEMENT WITH T.H.E. TRUTH HEALING EVOLUTION LLC

Moved By Member Montes

Seconded By Clerk Martinez

Approve an agreement with T.H.E. Truth Healing Evolution LLC to provide a Keynote presentation for the Black History Celebration on February 25, 2023, at a cost not-to-exceed $4,000.00, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.21 AGREEMENT WITH SHI, INC. FOR CIRESON SOFTWARE

Moved By Member Montes

Seconded By Clerk Martinez

Ratify a renewal agreement with SHI International Corporation for the purchase of Cireson software, effective February 3, 2023 through February 2, 2024, at a cost not-to-exceed $10,764.88, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.3.22 AGREEMENT WITH UDEMY, INC

Moved By Member Montes

Seconded By Clerk Martinez

Ratify a renewal agreement with Udemy, Inc. for an annual license, effective January 27, 2023 through January 26, 2024, at a cost not-to-exceed $5,315.76, and to be paid from the General Fund.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.4 FACILITIES PLANNING CONSENT ITEMS - None

E.5 PERSONNEL SERVICES CONSENT ITEMS

E.5.1 PERSONNEL REPORT NO. 1292 FOR CLASSIFIED AND CERTIFICATED EMPOLOYEES

Moved By Member Montes

Seconded By Clerk Martinez

Approve Personnel Report No. 1292 for classified and certificated employees.

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.6 MINUTES

E.6.2 MINUTES OF REGULAR BOARD OF EDUCATION MEETING HELD JANUARY 11, 2023

Moved By Member Montes

Seconded By Clerk Martinez

Approve the minutes of the Regular Board of Education Meeting held January 11, 2023.

Vote by Board Members to approve Consent Calendar:

Approved by a Unanimous Vote

E. CONSENT CALENDAR ITEMS

E.3 BUSINESS AND FINANCIAL CONSENT ITEMS

E.3.17 AGREEMENT WITH ROSETTA STONE LLC – WERNER ELEMENTARY SCHOOL

Moved By Vice President O'Kelley

Seconded By Clerk Martinez

Approve an agreement with Rosetta Stone to provide an extended day intervention platform for second language learners at Werner Elementary School, effective February 9, 2023 through June 30, 2023.

Vote by Board Members to approve Consent Calendar Items:

Majority Vote

E. CONSENT CALENDAR ITEMS

E.6 MINUTES

E.6.1 MINUTES OF REGULAR BOARD OF EDUCATION MEETING HELD NOVEMBER 16, 2022

Moved By Vice President O'Kelley

Seconded By Member Montes

Approve the minutes of the Regular Board of Education Meeting held November 16, 2022.

Vote by Board Members to approve Consent Calendar Items:

(Ayes) President Lewis, Vice President O'Kelley, Clerk Martinez, Member Montes

(Abstain) Member Dominguez

Majority Vote

F. DISCUSSION/ACTION ITEMS

F.1 AGREEMENT WITH BOOK NOOK

Moved By President Lewis

Seconded By Vice President O'Kelley

Approve a renewal agreement with Book Nook to provide services at Boyd, Fitzgerald, Henry, Preston, and Werner Elementary Schools, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $52,055.00, and to be paid from the General Fund (Title I, Extended Learning Opportunities (ELO), or McKinney Vento Funds.

Vote by Board Members:

Approved by a Unanimous Vote

F.2 AGREEMENT WITH SMG ONTARIO ARENA, LLC

Moved By Vice President O'Kelley

Seconded By Clerk Martinez

Approve an agreement with SMG Ontario Arena, LLC for the 2023 graduation ceremonies to be held on June 4, 2023 for an estimated cost not-to-exceed $97,798.68, including license fees and other reimbursable expenses, and to be paid from the General Fund.

Vote by Board Members:

Approved by a Unanimous Vote

F.3 AGREEMENT WITH ELEVO – KUCERA MIDDLE SCHOOL

Moved By Vice President O'Kelley

Seconded By President Lewis

Approve an agreement with Elevo to provide staffing for before school enrichment support, effective February 9, 2023 through June 30, 2023, at a cost not-to-exceed $99,735.00, and to be paid from the ELO-P Funds.

Vote by Board Members:

Approved by a Unanimous Vote

F.4 STIPULATED EXPULSION

Moved By Vice President O'Kelley

Seconded By President Lewis

Case Number:

22-23-44

Vote by Board Members:

Approved by a Unanimous Vote

G. ADJOURNMENT

The next regular meeting of the Board of Education of the Rialto Unified School District will be held on February 22, 2023, at 7:00 p.m. at the Dr. John Kazalunas Education Center, 182 East Walnut Ave, Rialto, California.

Materials distributed or presented to the Board of Education at the Board Meeting are available upon request from the Superintendent's Office.

Moved By President Lewis

Seconded By Member Dominguez

Vote by Board Members to adjourn:

Time: 9:02 p.m.

Approved by a Unanimous Vote

Clerk, Board of Education

Secretary, Board of Education

SECOND INTERIM FINANCIAL REPORT: FY 2022-23

BACKGROUND:

Pursuant to Education Code section 42131, twice each year, the Board of Education must certify to the San Bernardino County Superintendent of Schools (SBCSS) and the California Department of Education (CDE) that the District can meet its financial obligations for the current and subsequent two fiscal years.

The Second Interim Financial Report presents actual to date data as of January 31, 2023. This report must be approved and certified as positive, qualified, or negative by the Governing Board and submitted to the SBCSS by March 15, 2023. The three certifications are defined as follows:

1. A Positive Certification means that a district will meet its financial obligations (including the 3 percent reserve) for the current and subsequent two fiscal years.

2. A Qualified Certification means that a district may not meet its financial obligations for the current or subsequent two fiscal years (less than the 3 percent reserve in any year).

3. A Negative Certification means that a district will not meet its financial obligations for the remainder of the fiscal year or for the next subsequent fiscal year (depleted cash).

REASONING:

The Second Interim Report consists of projections for average daily attendance (ADA) and General Fund Summary (revenues, expenditures, and fund balance) for the current and subsequent two fiscal years. Also included are a current year Cash Flow Projection, a Summary Review of State Financial Criteria and Standards, and a Certification that the District will meet its financial obligations for the current and subsequent two fiscal years.

The Second Interim Financial Report (under separate cover) and Assumptions and Recap are presented to the Board of Education for approval with a Positive Certification as the District will meet its obligations in the current and subsequent two fiscal years.

RECOMMENDATION:

Approve the FY 2022-2023 Second Interim Financial Report with a Positive Certification, as the District will meet its obligations in the current and subsequent two fiscal years.

SUBMITTED/REVIEWED BY: Nicole Albiso/Diane Romo

AGREEMENT WITH LEXIA LEARNING-LETRS

BACKGROUND:

Developed by renowned literacy experts Dr. Louisa Moats and Dr. Carol Tolman, LETRS (Language Essentials for Teachers of Reading and Spelling) is a flexible literacy professional learning solution for educators. LETRS provides teachers with the research, depth of knowledge, and skills to make a significant improvement in the literacy and language development of every student. It is a literacy and language course of study backed by more than 30 years of evidence-based scientific research, and more than a decade of proven success. LETRS addresses the structures of English language, the cognitive processes of learning to read, and the teaching practices proven to be most effective in preventing and remediating reading difficulties, including dyslexia.

REASONING:

The goal in the District literacy plan is to have all first through third grade teachers participate in the science of reading professional development such as the LETRS training. The two year course provides educators with an in-depth understanding of the science behind teaching literacy, and gives them the background and depth of knowledge to teach language and literacy skills to every student. Over the last two years, 160 teachers have completed the LETRS program. Survey results from participating teachers showed 100% agreed that the training sessions content will enhance their ability to use research-based practices in their role as a teacher. In addition, 100% of the respondents stated they can apply the skills and concepts they learned from the sessions in their classrooms. This year, forty (40) more first, second, and third grade teachers will begin a two year-long LETRS (Language Essentials for Teachers of Reading and Spelling) professional development.

RECOMMENDATION:

Approve a renewal agreement with Lexia Learning to provide LETRS (Language Essentials for Teachers of Reading and Spelling) professional learning in the area of literacy to forty (40) first, second, and third grade teachers, effective July 1, 2023 through June 30, 2025, at a cost not-to-exceed $62,323.00 and to be paid by the General Fund.

SUBMITTED/REVIEWED BY: Elizabeth Curtiss/Patricia Chavez, Ed.D.

AGREEMENT WITH PF VISION, INC.

BACKGROUND:

On March 23, 2022, the Board of Education approved an agreement with PF Vision, Inc. to provide inspection services for the Special Services Renovation Project. The original contract term with PF Vision, Inc. was from March 23, 2022 through December 31, 2022, for a total amount of $84,000.00. Unfortunately, the project has experienced numerous unexpected delays.

On November 16, 2022, the Board of Education approved Amendment No.1 to the agreement with PF Vision, Inc. to extend the term of the agreement from December 31, 2022 to June 30, 2023, and to increase the contract amount by $25,000.00, for a revised contract amount of $109,000.00.

REASONING:

The project was scheduled to be completed in November 2022, but has continued to experience delays. Due to the extended project schedule it is necessary to amend the contract with PF Vision, for an additional amount of $48,000.00. All other terms and conditions of the agreement will remain the same.

RECOMMENDATION:

Approve Amendment No. 2 to the agreement with PF Vision, Inc., to provide inspection services for the Special Services Renovation Project for an additional cost of $48,000.00 for a total revised contract amount of $157,000.00 to provide inspection services for the Special Services Renovation Project and to be paid from the Special Reserve for Capital Outlay Projects Fund 40.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo

AGREEMENT WITH EDUPOINT

BACKGROUND:

Synergy Assessment, a module offered by Edupoint, was purchased at the beginning of the 2021-2022 school year to create assessments for students. Edupoint also offers the Inspect Item Bank, a collection of English Language Arts (ELA), Math, and Science readymade questions that are aligned to the Common Core State Standards.

REASONING:

Offering the Inspect Plus item bank through Edupoint is in congruence with our District's Literacy and Numeracy focus. The item bank is also congruent with Strategy 2 of our District's Strategic Plan, "We will create structures to ensure resources and assets are allocated and developed to directly support students."

The item bank offers over 50,000 English Language Arts, Math, and Science questions that have been created by content experts to ensure content is accurately aligned and is free of bias and sensitivity concerns. Questions include performance tasks and technology-enhanced items that reflect the rigor and format of questions on state tests.

District assessments will be created to monitor the progress of literacy and numeracy skills at each grade level, kindergarten through eighth grade, on a trimester or quarterly basis. Teachers at all grade levels, kindergarten through twelfth grade, will also have access to the item bank to create their own assessments.

RECOMMENDATION:

Approve an agreement with Edupoint to provide the Inspect Item bank for all English Language Arts, Math, and Science teachers in grades kindergarten grade 12, effective March 9, 2023 through June 30, 2024, at a cost-not-to-exceed $124,035.00 and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Paulina Villalobos/Patricia Chavez, Ed.D.

AGREEMENT WITH NEFF CONSTRUCTION, INC.

BACKGROUND:

On January 26, 2022, the Board of Education awarded Bid No. 21-22-006 for the Special Services Renovation Project to SJD&B Inc. The project was scheduled to be completed in November 2022, but has experienced numerous delays caused by the general contractor, SJD&B Inc.

REASONING:

Due to the numerous delays and the general contractor's inefficiency to complete the project on schedule, the District needs a construction management firm to provide on-site, day-to-day construction management and oversight to assist SJD&B with completion of their scope, as well as correction of deficient work.

District staff is recommending Neff Construction, Inc., from the 2015 approved list, to perform construction management services for the Special Services Renovation Project.

The proposal from Neff Construction Inc., is proposing using the "cost plus" method, which identifies fees capped at 10%. A cost-plus-fixed-fee contract is a cost-reimbursement contract that provides for payment to a contractor, consultant, representative, etc. of a negotiated fee that is fixed at the inception of the contract and is based on direct costs associated with the work performed (based on scope of services). The fixed fee does not vary with actual construction costs, and will not be adjusted as a result of changes in the work to be performed under the contract by the contractor. The cost plus method is mainly tied to time and resources required, requiring the district to only pay for services rendered until completion of the project.

An estimation of the cost of Neff's services is $50,000, of which $5,000 would be considered a fee. Given the current state of the project at the District Office, a cost-reimbursement contract will offer the best benefit to the district, allowing us to immediately onboard Neff Construction while they continue researching the project in order to identify how best to pursue completion. All costs associated with onboarding Neff are planned to be removed from the contract of SJD&B, utilizing Section 2.15 Contractor Responsibility for Additional Professional Services of the contract between the district and SJD&B Inc. This section states "If, due to any request, act, failure, or default of the Contractor in connection with the work or the performance pursuant to the Contract Documents by or on behalf of the Contractor, it is necessary for the District to provide or obtain professional services in addition to what otherwise would be required in connection with the administration of the Contract, the District shall be entitled to reimbursement from the Contractor for any and all costs of such additional services. The District may deduct such costs from any amounts otherwise due to the Contractor in accordance with the Contract Documents…" This section of the contract was mainly triggered by, among many other things, the contractor once it failed to deliver the project by November 2022 and failed to provide a recovery schedule noting a revised completion date for the project, as well as providing adequate labor/resources on the project in order to expeditiously complete the work.

RECOMMENDATION:

Approve an agreement with Neff Construction, Inc. to provide construction management services for the Special Services Renovation Project, effective March 9, 2023 through June 30, 2023, at a cost not-to-exceed $50,000.00 and to be paid from the Special Reserve for Capital Outlay Projects Fund 40.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo

AGREEMENT WITH IMAGINE LEARNING

BACKGROUND:

On June 8, 2022, the Board of Education approved an agreement with Imagine Learning curriculum for the 2022-2023 school year at Zupanic Virtual Academy (ZVA).

REASONING:

The current agreement was approved for an amount of $249,691.31 with a total enrollment of one hundred students in grades TK through grade 6. A correction on the amount is being requested for an additional $12,600.00 at a total not-to-exceed amount of $262,291.31 due to the enrollment increase of 35 students at Zupanic Virtual Academy. All services as stated on the agreement will remain the same through June 30, 2023.

RECOMMENDATION:

Approve an amendment to the agreement with Imagine Learning increasing the cost of the contract by $12,600.00 for a total not-to-exceed $262,291.31, effective March 9, 2023 through June 30, 2023 and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Angela Brantley/Patricia Chavez, Ed.D.

AGREEMENT WITH FOURPOINT EDUCATION PARTNERS

BACKGROUND:

FourPoint, a small business based in Maryland, brings unmatched organizational experience in helping schools and Local Educational Agency (LEA)s nationally engage communities, assess needs, and plan strategically. They have conducted special education reviews and provided technical assistance related to special education in several LEAs in California.

One of FourPoint's largest portfolios of work is to conduct needs assessments, which always include a review of the special education program, for districts and use the findings and recommendations to facilitate the development of a strategic plan.

FourPoint's most common consulting services is working with districts to assess their strengths and needs. To support RUSD, FourPoint will adapt the methodologies used successfully in their engagements with districts and states as diverse as Omaha and Grand Island (NE), Fayette County (KY), Jersey City (NJ), Hartford (CT), Champaign (IL), and Alexandria City (VA). These methodologies have been designed and shown both to collect the information necessary to complete a high-quality strategic plan and to engage stakeholders from across the district, ensuring that they feel that their perspectives have been represented.

REASONING:

Focusing on continual improvement, the Special Services area would like to have FourPoint Education Partners provide an in-depth audit of support provided to students who receive special services. The audit will review and investigate culture, practices, relationships, instruction, and services. The audit will include classroom observations, focus groups discussions, surveys, and individual conversation.

The information derived from the audit will help celebrate current practices and will support staff in developing a strategic plan for moving forward with the implementation of exceptional practices that will fill potential gaps found through the audit.

RECOMMENDATION:

Approve an agreement with FourPoint Education Partners to perform an education audit of the Special Services. Services to be rendered from April 2023 through June 2023, at a cost not-to-exceed $157,100.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Jennifer Johnson/Patricia Chavez, Ed.D.

Beliefs

We believe that...

- Everyone has unique talent
- There is unlimited power in all of us
- All people have equal inherent worth
- Diversity is strength
- Each person deserves to be treated with respect
- High expectations lead to high achievement
- Risk is essential for success
- Common goals take priority over individual interest
- Integrity is critical to trust
- Honest conversation leads to understanding
- Music is the universal language
- A strong community serves all of its members
- Everyone has the ability to contribute to the good of the community

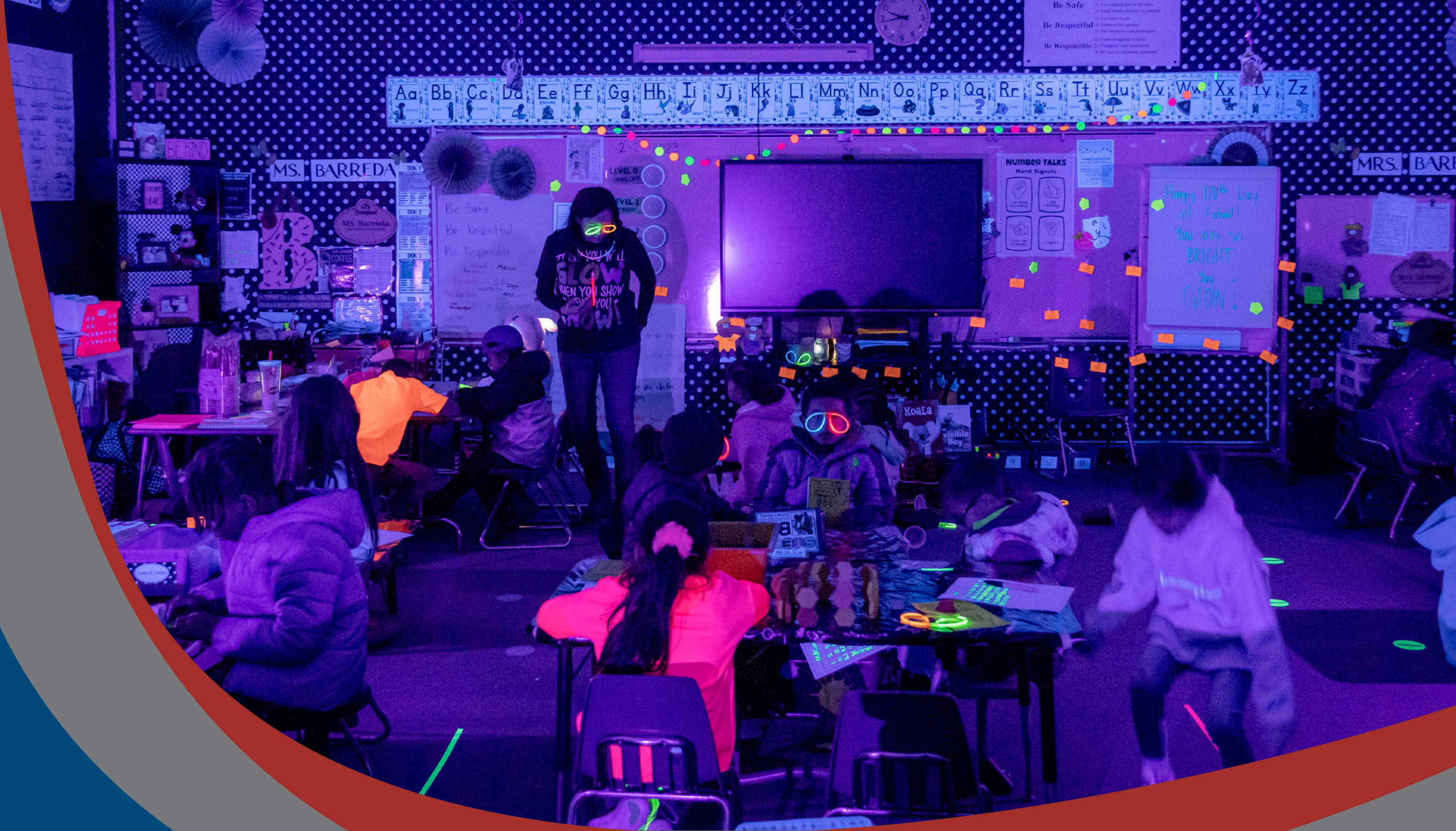
Parameters

- We will make all decisions in the best interest of students
- We will honor the worth and dignity of each person
- We will hold the highest expectations of everyone
- We will assert the unlimited potential of every student
- We will practice participatory decision-making throughout the district
- We will not allow the past to determine our future

Back Cover Pictures:

Top: At Myers Elementary School, teachers and students are so bright that they glow! In celebration of the 120th day of school, first-grade co-teachers **Mrs. Gina Barreda** and **Mrs. Alisa Barbosa** had several special activities planned for their classroom. They celebrated 120 days of school in style with blacklights, glow sticks, games, and more. Our innovative teachers made the day fun and educational, and our scholars were glowing with excitement.

Bottom: The District African American Parent Advisory Council (DAAPAC) put on an engaging Black History Celebration on Saturday, February 25, 2022, at the Eisenhower High School Performing Arts Center. Families packed the house with a celebration that included food, awards, and student performances. **Ms. Janet Chappell's** fifth-grade class from Kordyak Elementary School gave an outstanding performance that included students reciting information about Black history before moving into a step dance routine. Great job Lion Cubs!


MS. BARREDA
Be Safe
Be Respectful
Be Responsible
NUMBER TALKS
Happy 120th Day of School!
You are so BRIGHT
You GLOW!