

**Mt. Pleasant Elementary School District
Business Office Meeting Room
3434 Marten Avenue
San Jose, CA 95148**

**CITIZENS' BOND OVERSIGHT COMMITTEE MEETING
Monday, January 22, 2024
5:30 P.M.**

AGENDA

PLEASE POST

- I. CALL TO ORDER/WELCOME
- II. ROLL CALL
- III. PUBLIC COMMENT
- IV. APPROVAL OF MINUTES
- V. ACTION ITEMS
- VI. BUSINESS
 - A. 2022-2023 Bond Audit Reports
 - B. Bond Financial Update
 - C. Bond Resolutions Review
 - 1. Resolution #22/23-39 – A Resolution of the Board of Trustees of the Mount Pleasant Elementary School District, Santa Clara County, California, Authorizing the Issuance of Mount Pleasant Elementary School District (Santa Clara County, California) Election of 2018 General Obligation Bonds, Series B, and Actions Related Thereto (*Measure JJ*)
 - 2. Resolution #22/23-40 – A Resolution of the Board of Trustees of the Mount Pleasant Elementary School District, Santa Clara County, California, Authorizing the Issuance of Mount Pleasant Elementary School District (Santa Clara County, California) Election of 2018 General Obligation Bonds, Series B, and Actions Related Thereto (*Measure Q*)
 - D. Facility Master Plan Update
- VII. 2023/2024 NEXT SCHEDULED MEETINGS
 - A. Dates: Monday, May 13, 2024

AGENDA

Meeting of the Board of Trustees

October 26, 2023

VIII. OTHER COMMUNICATIONS/REQUESTS FOR FUTURE AGENDA ITEMS

IX. ADJOURNMENT

Should you need a disability-related modification or accommodation to review this agenda or to participate in the public meeting, please call (408) 223-3710 at least 72 hours prior to the scheduled meeting.

Public Record Writings related to an agenda item for open session regular meetings of the Mt. Pleasant School District Citizen's Bond Oversight Committee distributed within 72 hours can be viewed at the Mt. Pleasant School District Office, 3434 Marten Avenue, San Jose, CA 95148.

DRAFT MINUTES
CITIZENS' BOND OVERSIGHT COMMITTEE
MT. PLEASANT SCHOOL DISTRICT
3434 Marten Avenue
San Jose, CA 95148

**MINUTES OF THE
REGULAR MEETING OF
THE MT. PLEASANT SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE**

Held May 18, 2023

COMMITTEE MEMBERS PRESENT: Debbie Hermange, Wendy Nichols, Lissa Oros, and Bud Lomonaco

ADMINISTRATIVE STAFF

MEMBERS PRESENT: Elida MacArthur (*Superintendent*), Tracy Huynh (*CBO*), Kevin Hutchings (*Chief, Maintenance & Operations*)

ITEM 1. CALL TO ORDER

The May 18, 2023, committee meeting was called to order at 6:04 p.m.

ITEM 2. ROLL CALL

Roll call was taken: Sarah Agrella and Maribel Carrillo absent.

ITEM 3. PUBLIC COMMENT

There were no public comments.

ITEM 4. APPROVAL OF MINUTES

Motion was made by Lissa Oros and seconded by Bud Lomonaco to approve the minutes of the September 29, 2022, meeting. The motion passed unanimously.

ITEM 5. BUSINESS

A. Master Plan Update

Kevin Hutchings reviewed current, ongoing, and future projects planned throughout the district.

B. Measure JJ Reports

Tracy Huynh presented the financial and performance audit reports for Bond Measure JJ for the fiscal year ending June 30, 2022.

C. Measure Q Reports

Tracy Huynh presented the financial and performance audit reports for Bond Measure Q for the fiscal year ending June 30, 2022.

D. Bond Financial Audit Update

Tracy Huynh presented the financial audit update for Bond Measures Q, JJ, and L.

E. Letter Regarding Proposed Waiver of Bonding Capacity

Tracy Huynh reviewed the Letter regarding the proposed waiver of bonding capacity with the committee.

ITEM 6. 2023/2024 NEXT SCHEDULED MEETINGS

A. Dates: Mondays, September 18, 2023, January 22, 2024, May 13, 2024

ITEM 8. OTHER COMMUNICATIONS/REQUESTS FOR FUTURE AGENDA ITEMS

There were no other communications of request for future agenda items.

ITEM 9. ADJOURNMENT

Motion was made by Lissa Oros and seconded by Debbie Hermange to adjourn the meeting at 7:30 p.m.
The motion passed unanimously.

APPROVED:

Date

Committee Chair

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

**MEASURE JJ GENERAL OBLIGATION BONDS
FINANCIAL STATEMENTS**

June 30, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

MEASURE JJ GENERAL OBLIGATION BONDS
FINANCIAL STATEMENTS

For the Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Mount Pleasant Elementary School District
San Jose, California

Report on the Audit of the Financial Statements***Opinion***

We have audited the financial statements of the Measure JJ General Obligation Bonds (the "Bonds") activity of Mount Pleasant Elementary School District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Measure JJ General Obligation Bonds activity, of Mount Pleasant Elementary School District, as of June 30, 2023, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mount Pleasant Elementary School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the financial activity and balances of the Measure JJ General Obligation Bonds activity and do not purport to, and do not, present fairly the financial position of Mount Pleasant Elementary School District, as of June 30, 2023, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(Continued)

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mount Pleasant Elementary School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the Bonds activity. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance for the Bonds activity. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance for the Bonds activity.


Crowe LLP

Sacramento, California
December 7, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
BALANCE SHEET
June 30, 2023

ASSETS

Cash in County Treasury (Note 3)	\$ 44,129
Accounts Receivable	<u>363</u>
Total assets	<u>\$ 44,492</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts Payable	<u>\$ 6,024</u>
Fund balance – restricted (Note 4)	<u>38,468</u>
Total liabilities and fund balance	<u>\$ 44,492</u>

See accompanying notes to financial statements.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the Year Ended June 30, 2023

Revenues:	
Interest income	\$ <u>6,318</u>
Expenditures:	
Current:	
Classified salaries	49,525
Employee benefits	28,435
Contract services	12,379
Capital outlay	<u>1,263,135</u>
Total expenditures	<u>1,353,474</u>
Change in fund balance	<u>(1,347,156)</u>
Fund balance, July 1, 2022	<u>1,385,624</u>
Fund balance, June 30, 2023	<u>\$ <u>38,468</u></u>

See accompanying notes to financial statements.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Mount Pleasant Elementary School District (the "District") conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practices within California School Districts. The District accounts for its financial transactions in accordance with policies and procedures of the Department of Education's *California School Accounting Manual*. The activities of the Measure JJ General Obligation Bonds (the "Bonds") are recorded along with other activities in the District's Building Fund. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies:

Financial Reporting Entity: The financial statements include the activity and balances of the Bonds only. The activities of the Bonds are recorded along with other activities in the District's Building Fund. These financial statements are not intended to present the financial position or results of operations of Mount Pleasant Elementary School District as a whole.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term liabilities, if any, is recognized when due.

Budgets and Budgetary Accounting: Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all government funds. By State law, the District's Board of Trustees must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Board of Trustees satisfied these requirements.

The District's Board of Trustees and Superintendent revise the budgets during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

Receivables: Receivables are made up principally of amounts due from local and state agencies for shared project reimbursements and funding. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2023.

Interfund Activity: Transactions between funds of the District are recorded as interfund transfers. The unpaid balances at year end, as a result of such transactions, are shown as due to and due from other funds. There was no interfund activity at June 30, 2023 or during the year then ended.

(Continued)

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Encumbrances: Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

NOTE 2 – PURPOSE OF BOND ISSUANCE

Bond Authorization: The Mount Pleasant Elementary School District, Santa Clara County, California Election of 2018 General Obligation Bonds, Measure JJ were authorized at an election of the registered voters of the Mount Pleasant Elementary School District held on November 6, 2018 at which more than fifty-five percent of the persons voting on the proposition voted to authorize the issuance and sale of \$27,500,000 principal amount of general obligation bonds of the District. The Bonds are being issued to finance the addition and modernization of certain District facilities. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes.

Purpose of Bonds: The summarized text of the ballot language was as follows:

“To repair leaking roofs, dry rot, termite and structural damage, upgrade wiring, fire alarms and fencing to improve student safety, repair deteriorating restrooms, and acquire, renovate, construct classrooms, equipment, sits and facilities, shall this Mt. Pleasant Elementary School District measure authorizing \$27,500,000 in bonds at legal rates, levying \$0.3 cents/\$100 assessed value, \$1,600,000 annually while bonds are outstanding, with independent citizen oversight, no money for administrators’ salaries/pensions/benefits, and all money benefiting local schools?”

As required by the California Constitution, the proceeds from the sale of bonds will be used only for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Bond Project List: The Bond Project List lists the specific projects the District proposes to finance with proceeds of the Measure JJ Bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed at a particular school site. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Therefore, the Board of Trustees cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

(Continued)

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 – CASH AND INVESTMENTS

Cash in County Treasury: In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest bearing Santa Clara County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Interest Rate Risk: The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2023, the District had no significant interest rate risk related to cash and investments held.

Credit Risk: The District does not have a formal investment policy that limits its investment choices other than the limitations of State law.

Concentration of Credit Risk: The District does not place limits on the amount it may invest in any one issuer. At June 30, 2023, the District had no concentration of credit risk.

NOTE 4 – FUND BALANCE

Governmental Accounting Standards Board Codification Sections 1300 and 1800, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications are nonspendable, restricted, committed, assigned and unassigned. The fund balance of the Bonds is restricted, as described below.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation. The fund balance is restricted for the purposes as approved through the Measure JJ authorization.

(Continued)

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 5 – GENERAL OBLIGATION BOND ISSUANCES

The bonds are general obligations of the District, and Santa Clara County is obligated to levy ad valorem taxes for the payment of and interest on, the principal of the bonds. The Bond Interest and Redemption Fund is maintained by the County Treasurer and is used to account for both the accumulation of resources from ad valorem tax levies and the payment of interest and redemption of principal of the bonds issued by the District.

On December 5, 2019 the District issued General Obligation Bonds (Series A) totaling of \$10,000,000 to finance the repair, modernization, acquisition, construction and equipping the District site and facilities. The Current Interest Bonds bear interest at rates ranging from 3.0% to 4.0% and mature during succeeding years through August 2049.

The financial activity related to the Measure JJ General Obligation Bonds is recorded in the District's Financial Activity Report for Fund 212. The Financial Activity Reports for District Funds 210, 211 and 212 are combined to comprise Fund 21 (Building Fund) in the District's audited financial statements for the year ended June 30, 2023.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Mount Pleasant Elementary School District
San Jose, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure JJ General Obligation Bonds (the "Bonds") activity of Mount Pleasant Elementary School District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's Measure JJ General Obligation Bonds activity financial statements, and have issued our report thereon dated December 7, 2023 .

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Mount Pleasant Elementary School District's internal control over Measure JJ General Obligation Bonds activity financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mount Pleasant Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Mount Pleasant Elementary School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mount Pleasant Elementary School District's Measure JJ General Obligation Bonds activity financial statements are free from material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Sacramento, California
December 7, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

No matters were reported.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

No matters were reported.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

**MEASURE JJ GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT**

June 30, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

MEASURE JJ GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT
June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Mount Pleasant Elementary School District
San Jose, California

We have conducted a performance audit of the Mount Pleasant Elementary School District Measure JJ General Obligation Bond funds for the period ended June 30, 2023.

We conducted our performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 3 of this report which includes determining the compliance with the performance requirements for the Proposition 39 Measure JJ General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the bonds and the net proceeds thereof. Management is responsible for Mount Pleasant Elementary School District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of Mount Pleasant Elementary School District to determine the audit procedures that are appropriate for the purpose of providing a conclusion on the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express any assurance on the internal control.

The results of our procedures indicated that, in all significant respects, Mount Pleasant Elementary School District expended Measure JJ General Obligation Bond funds for the year ended June 30, 2023 only for the specific projects developed by the District's Board of Trustees and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

Crowe LLP
Crowe LLP

Sacramento, California
December 7, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
BACKGROUND INFORMATION

LEGISLATIVE HISTORY

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools, and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities", upon approval by 55% of the electorate.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT GENERAL OBLIGATION BONDS, MEASURE JJ

The Mount Pleasant Elementary School District, Santa Clara County, California Election of 2018 General Obligation Bonds, Measure JJ were authorized at an election of the registered voters of the Mount Pleasant Elementary School District held on November 6, 2018, at which more than fifty-five percent of the persons voting on the proposition voted to authorize the issuance and sale of \$27,500,000 principal amount of general obligation bonds of the District. The Bonds are being issued to finance the addition and modernization of certain District facilities. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes. The summarized text of the ballot language was as follows:

"To repair leaking roofs, dry rot, termite and structural damage, upgrade wiring, fire alarms and fencing to improve student safety, repair deteriorating restrooms, and acquire, renovate, construct classrooms, equipment, sits and facilities, shall this Mt. Pleasant Elementary School District measure authorizing \$27,500,000 in bonds at legal rates, levying \$0.3 cents/\$100 assessed value, \$1,600,000 annually while bonds are outstanding, with independent citizen oversight, no money for administrators' salaries/pensions/benefits, and all money benefiting local schools?"

The financial activity related to the Measure JJ General Obligation Bonds is recorded in the Fund 21 (Building Fund) in the District's audited financial statements.

On December 5, 2019, the District issued General Obligation Bonds (Series A) totaling of \$10,000,000 to finance the repair, modernization, acquisition, construction and equipping the District site and facilities. The Current Interest Bonds bear interest at rates ranging from 3.0% to 4.0% and mature during succeeding years through August 2049.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE JJ GENERAL OBLIGATION BONDS
OBJECTIVES, SCOPE, METHODOLOGY AND CONCLUSIONS

OBJECTIVES

The objective of our performance audit was to determine that the District expended Measure JJ General Obligation Bond funds for the period ended June 30, 2023 only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.

SCOPE

The District provided to us a list of all Measure JJ General Obligation Bond project expenditures for the period ended June 30, 2023 (the "List"). A total of \$1,353,474 in expenditures from July 1, 2022 through June 30, 2023 were identified.

METHODOLOGY

We performed the following procedures to the List of Measure JJ General Obligation Bond project expenditures for the period ended June 30, 2023:

- Verified the mathematical accuracy of the List.
- Reconciled the List of Bond expenditures and transfers to total expenditures and transfers as reported by the District in the District's Measure JJ General Obligation Bonds audited financial statements for the period ended June 30, 2023.
- Selected a sample of 10 nonpayroll expenditures totaling \$904,094 and representing 70.8% of all nonpayroll expenditures. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. Verified that the expenditures were for the approved projects developed by the District's Board of Trustees.
- Selected a sample of 12 payroll expenditure totaling \$21,670 and representing 27.8% of total payroll expenditures. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. Verified that the expenditures were for the approved projects developed by the District's Board of Trustees.

CONCLUSION

The results of our procedures indicated that, in all significant respects, Mount Pleasant Elementary School District expended Measure JJ General Obligation Bond funds for the year ended June 30, 2023 only for the specific projects developed by the District's Board of Trustees and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

**MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS**

FINANCIAL STATEMENTS

June 30, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS

FINANCIAL STATEMENTS
June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Mount Pleasant Elementary School District
San Jose, California

Report on the Audit of the Financial Statements***Opinion***

We have audited the financial statements of the Measure Q General Obligation Bonds (the "Bonds") activity of Mount Pleasant Elementary School District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Measure Q General Obligation Bonds activity, of Mount Pleasant Elementary School District, as of June 30, 2023, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mount Pleasant Elementary School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the financial activity and balances of the Measure Q General Obligation Bonds activity and do not purport to, and do not, present fairly the financial position of Mount Pleasant Elementary School District as of June 30, 2023, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mount Pleasant Elementary School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the Bonds activity. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance for the Bonds activity. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance for the Bonds activity.


Crowe LLP

Sacramento, California
December 7, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
BALANCE SHEET
June 30, 2023

ASSETS

Cash in County Treasury (Note 3)	\$ 3,874,918
Accounts receivable	<u>35,534</u>
Total assets	<u>\$ 3,910,451</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ <u>12,406</u>
Fund balance - restricted (Note 5)	<u>3,898,046</u>
Total liabilities and fund balance	<u>\$ 3,910,451</u>

See accompanying notes to financial statements.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the Year Ended June 30, 2023

Revenues:	
Interest income	\$ 112,338
Expenditures:	
Current:	
Contract services and operating expenditures	12,155
Capital outlay	<u>949,103</u>
Total expenditures	<u>961,258</u>
Change in fund balance	<u>(848,920)</u>
Fund balance, July 1, 2022	<u>4,746,966</u>
Fund balance, June 30, 2023	<u>\$ 3,898,046</u>

See accompanying notes to financial statements.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Mount Pleasant Elementary School District (the "District") conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practices within California School Districts. The District accounts for its financial transactions in accordance with policies and procedures of the Department of Education's *California School Accounting Manual*. The activities of the Measure Q General Obligation Bonds (the "Bonds") are recorded along with other activities in the District's Building Fund. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies:

Financial Reporting Entity: The financial statements include the activity and balances of the Bonds, only. The activities of the Bonds are recorded along with other activities in the District's Building Fund. These financial statements are not intended to present the financial position or results of operations of Mount Pleasant Elementary School District as a whole.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term liabilities, if any, is recognized when due.

Budgets and Budgetary Accounting: Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all government funds. By State law, the District's Board of Trustees must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Board of Trustees satisfied these requirements.

The District's Board of Trustees and Superintendent revise the budgets during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

Receivables: Receivables are made up principally of amounts due from local and state agencies for shared project reimbursements and funding. The District has determined that no allowance for doubtful accounts was needed as of June 30, 2023.

Interfund Activity: Transactions between funds of the District are recorded as interfund transfers. The unpaid balances at year end, as a result of such transactions, are shown as due to and due from other funds. There was no interfund activity at or during the year ended June 30, 2023.

(Continued)

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Encumbrances: Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

NOTE 2 - PURPOSE OF BOND ISSUANCE

Bond Authorization: The Mount Pleasant Elementary School District, Santa Clara County, California Election of 2018 General Obligation Bonds, Measure Q were authorized at an election of the registered voters of the Mount Pleasant Elementary School District held on November 3, 2020 at which more than fifty-five percent of the persons voting on the proposition voted to authorize the issuance and sale of \$12,000,000 principal amount of general obligation bonds of the District. The Bonds are being issued to finance the addition and modernization of certain District facilities. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes.

Purpose of Bonds: The summarized text of the ballot language was as follows:

“To acquire equipment/instructional technology to improve distance learning and internet access; renovate heating/cooling systems, aging restrooms; upgrade school emergency preparedness, outdated electrical wiring, handicapped accessibility; acquire, renovate, construct classrooms, equipment, sites and facilities, shall Mt. Pleasant Elementary School District’s measure authorizing \$12,000,000 in bonds at legal rates, levying 3 cents/\$100 assessed value, \$975,000 annually while bonds are outstanding, with independent citizen oversight, no money for administrators’ salaries, pensions or benefits, and all money benefiting local schools?”

As required by the California Constitution, the proceeds from the sale of bonds will be used only for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

Bond Project List: The Bond Project List lists the specific projects the District proposes to finance with proceeds of the Measure Q Bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed at a particular school site. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. In addition, certain construction funds expected from non-bond sources, including State grant funds for eligible projects, have not yet been secured. Therefore, the Board of Trustees cannot guarantee that the bonds will provide sufficient funds to allow completion of all listed projects.

(Continued)

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 3 - CASH AND INVESTMENTS

Cash in County Treasury: In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the interest bearing Santa Clara County Treasurer's Pooled Investment Fund. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Interest Rate Risk: The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2023, the District had no significant interest rate risk related to cash and investments held.

Credit Risk: The District does not have a formal investment policy that limits its investment choices other than the limitations of State law.

Concentration of Credit Risk: The District does not place limits on the amount it may invest in any one issuer. At June 30, 2023, the District had no concentration of credit risk.

NOTE 4 - FUND BALANCE

Governmental Accounting Standards Board Codification Sections 1300 and 1800, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications are nonspendable, restricted, committed, assigned and unassigned. The fund balance of the Bonds is restricted, as described below. The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation. The fund balance is restricted for the purposes as approved through the Measure Q authorization.

(Continued)

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 5 - GENERAL OBLIGATION BOND ISSUANCES

The bonds are general obligations of the District, and Santa Clara County is obligated to levy ad valorem taxes for the payment of and interest on, the principal of the bonds. The Bond Interest and Redemption Fund is maintained by the County Treasurer and is used to account for both the accumulation of resources from ad valorem tax levies and the payment of interest and redemption of principal of the bonds issued by the District.

On July 7, 2021 the District issued General Obligation Bonds (Series A) totaling of \$5,800,000 to finance the repair, modernization, acquisition, construction and equipping the District site and facilities. The Current Interest Bonds bear interest at rates ranging from 2.125% to 2.250% and mature during succeeding years through August 2046.

The financial activity related to the Measure Q General Obligation Bonds is recorded in the District's Financial Activity Report for Fund 213, with \$190,000 of the initial proceeds being deposited to a debt service fund at the time of issuance. The Financial Activity Reports for District Funds 210, 211, 212 and 213 are combined to comprise Fund 21 (Building Fund) in the District's audited financial statements for the year ended June 30, 2022.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Mount Pleasant Elementary School District
San Jose, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure Q General Obligation Bonds (the "Bonds") activity of Mount Pleasant Elementary School District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's Measure Q General Obligation Bonds activity financial statements, and have issued our report thereon dated December 7, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Mount Pleasant Elementary School District's internal control over Measure Q General Obligation Bonds activity financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mount Pleasant Elementary School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Mount Pleasant Elementary School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mount Pleasant Elementary School District's Measure Q General Obligation Bonds activity financial statements are free from material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Sacramento, California
December 7, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2023

No matters were reported.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2023

No matters were reported.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

**MEASURE Q GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT**

June 30, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT

MEASURE Q GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT
June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Mount Pleasant Elementary School District
San Jose, California

We have conducted a performance audit of the Mount Pleasant Elementary School District Measure Q General Obligation Bond funds for the period ended June 30, 2023.

We conducted our performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 3 of this report which includes determining the compliance with the performance requirements for the Proposition 39 Measure Q General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the bonds and the net proceeds thereof. Management is responsible for Mount Pleasant Elementary School District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of Mount Pleasant Elementary School District to determine the audit procedures that are appropriate for the purpose of providing a conclusion on the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express any assurance on the internal control.

The results of our procedures indicated that, in all significant respects, Mount Pleasant Elementary School District expended Measure Q General Obligation Bond funds for the period ended June 30, 2023 only for the specific projects developed by the District's Board of Trustees and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

Crowe LLP
Crowe LLP

Sacramento, California
December 7, 2023

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
BACKGROUND INFORMATION

LEGISLATIVE HISTORY

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools, and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities", upon approval by 55% of the electorate.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT GENERAL OBLIGATION BONDS, MEASURE Q

The Mount Pleasant Elementary School District, Santa Clara County, California Election of 2018 General Obligation Bonds, Measure Q were authorized at an election of the registered voters of the Mount Pleasant Elementary School District held on November 3, 2020, at which more than fifty-five percent of the persons voting on the proposition voted to authorize the issuance and sale of \$12,000,000 principal amount of general obligation bonds of the District. The Bonds are being issued to finance the addition and modernization of certain District facilities. The Bonds are general obligations of the District, payable solely from *ad valorem* property taxes. The summarized text of the ballot language was as follows:

"To acquire equipment/instructional technology to improve distance learning and internet access; renovate heating/cooling systems, aging restrooms; upgrade school emergency preparedness, outdated electrical wiring, handicapped accessibility; acquire, renovate, construct classrooms, equipment, sites and facilities, shall Mt. Pleasant Elementary School District's measure authorizing \$12,000,000 in bonds at legal rates, levying 3 cents/\$100 assessed value, \$975,000 annually while bonds are outstanding, with independent citizen oversight, no money for administrators' salaries, pensions or benefits, and all money benefiting local schools?"

The financial activity related to the Measure Q General Obligation Bonds is recorded in the Fund 21 (Building Fund) in the District's audited financial statements.

On July 7, 2021, the District issued General Obligation Bonds (Series A) totaling of \$5,800,000 to finance the repair, modernization, acquisition, construction and equipping the District site and facilities. The Current Interest Bonds bear interest at rates ranging from 2.125% to 2.250% and mature during succeeding years through August 2046.

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
MEASURE Q GENERAL OBLIGATION BONDS
OBJECTIVES, SCOPE, METHODOLOGY AND CONCLUSIONS

OBJECTIVES

The objective of our performance audit was to determine that the District expended Measure Q General Obligation Bond funds for the period ended June 30, 2023 only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.

SCOPE

The District provided to us a list of all Measure Q General Obligation Bond project expenditures for the period ended June 30, 2023 (the "List"). A total of \$961,258 in expenditures from July 1, 2022 through June 30, 2023 were identified.

METHODOLOGY

We performed the following procedures to the List of Measure Q General Obligation Bond project expenditures for the period ended June 30, 2023:

- Verified the mathematical accuracy of the List.
- Reconciled the List of Bond expenditures and transfers to total expenditures and transfers as reported by the District in the District's Measure Q General Obligation Bonds audited financial statements for the period ended June 30, 2023.
- Selected a sample of four expenditure totaling \$197,349 and representing 20.5% of the expenditures. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. Verified that the expenditures were for the approved projects developed by the District's Board of Trustees.

CONCLUSION

The results of our procedures indicated that, in all significant respects, Mount Pleasant Elementary School District expended Measure Q General Obligation Bond funds for the year ended June 30, 2023, only for the specific projects developed by the District's Board of Trustees and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

MOUNT PLEASANT SCHOOL DISTRICT
2022-23 BOND FUNDS

Expenditures by Site as of

6/30/2023

MEASURE-L						Beginning Balance			\$	547.34
	<u>Fund 211</u>	<u>District Wide</u>	<u>August Boeger</u>	<u>Mount Pleasant</u>	<u>Robert Sanders</u>	<u>Valle Vista</u>	<u>Ida Jew</u>	<u>TOTAL</u>		
Interest		\$ 13.26							\$	13.26
TOTAL		\$ 13.26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13.26		
						Ending Balance			\$	560.60

MEASURE-JJ		Beginning Balance						\$1,385,624.42
Fund 212	District Wide	August Boeger	Mount Pleasant	Robert Sanders	Valle Vista	Ida Jew	TOTAL	
Interest	\$ 6,318.28						\$ 6,318.28	
Maint. Salary & Benefit	\$ 77,959.62						\$ 77,959.62	
Maintenance Repairs		\$ 3,075.00					\$ 3,075.00	
Advertising-Legal						\$ 902.50	\$ 902.50	
Assessment and Fees		\$ 19,350.00	\$ 28,500.00				\$ 47,850.00	
Contracted Services	\$ 8,401.25						\$ 8,401.25	
Architects/Engineers-Sites/Bldgs	\$ 8,973.13	\$ 86,632.03	\$ 10,917.69	\$ 3,322.95	\$ 1,203.25	\$ 34,869.34	\$ 145,918.39	
Improvement of Sites/Buildings		\$ 47,750.00		\$ 28,274.87	\$ 22,763.00	\$ 19,757.00	\$ 118,544.87	
Paving							\$ -	
Fencing		\$372,205.62	\$ 53,453.65	\$ 38,456.36		\$ 130,269.78	\$ 594,385.41	
Inspector Fees						\$ 11,500.00	\$ 11,500.00	
Roofing							\$ -	
Carpet							\$ -	
Painting			\$ 121,070.00			\$ 11,525.00	\$ 132,595.00	
Fixtures							\$ -	
Utility Installation							\$ -	
New Construction						\$ 102,150.00	\$ 102,150.00	
Fixtures Replacement							\$ -	
Technolgy Equipment	\$ 97,161.38	\$ 13,031.00					\$ 110,192.38	
Equipment Replacement							\$ -	
TOTAL	\$ 192,495.38	\$542,043.65	\$ 213,941.34	\$ 70,054.18	\$ 23,966.25	\$ 310,973.62	\$1,353,474.42	
						Ending Balance	\$ 38,468.28	

MEASURE-Q						Beginning Balance \$4,746,965.70		
	<u>Fund 213</u>	<u>District Wide</u>	<u>August Boeger</u>	<u>Mount Pleasant</u>	<u>Robert Sanders</u>	<u>Valle Vista</u>	<u>Ida Jew</u>	<u>TOTAL</u>
Interest		\$ 112,337.66						\$ 112,337.66
Maintenance Repairs								\$ -
Advertising-Legal		\$ 1,235.00						\$ 1,235.00
Assessment and Fees				\$ 3,400.00				\$ 3,400.00
Contracted Services		\$ 10,920.00						\$ 10,920.00
Architects/Engineers-Sites/Bldgs			\$ 51,040.00	\$ 165,136.56				\$ 216,176.56
Improvement of Sites/Buildings				\$ 592,323.73			\$ 38,812.50	\$ 631,136.23
Paving			\$ 7,000.00					\$ 7,000.00
Fencing				\$ 70,832.60				\$ 70,832.60
Inspector Fees								\$ -
Roofing								\$ -
Asbestos Abatement				\$ 1,060.00				\$ 1,060.00
Painting								\$ -
Fixtures								\$ -
Utility Installation								\$ -
New Construction								\$ -
Fixtures Replacement								\$ -
Technolgy Equipment		\$ 12,428.98						\$ 12,428.98
Equipment Replacement				\$ 7,068.38				\$ 7,068.38
TOTAL		\$ 24,583.98	\$ 58,040.00	\$ 839,821.27	\$ -	\$ -	\$ 38,812.50	\$ 961,257.75
						Ending Balance \$3,898,045.61		

2022-23 Total	<u>District Wide</u>	<u>Boeger</u>	<u>Mount Pleasant</u>	<u>Sanders</u>	<u>Valle Vista</u>	<u>Ida Jew</u>	<u>TOTAL</u>
Expenditures by Site	\$ 217,079.36	\$600,083.65	\$ 1,053,762.61	\$ 70,054.18	\$ 23,966.25	\$ 349,786.12	\$2,314,732.17

MOUNT PLEASANT SCHOOL DISTRICT
BOND PROJECTS
From Fiscal Year End 2022-2023 thru Jan 2024

1/12/2024

PROJECT NAME	SITE	Measure Q - 213 Contract Amount	Measure JJ - 212 Contract Amount	Measure L- 211 Contract Amount	TOTAL
TECHNOLOGY UPGRADES	DW	207,468.87			207,468.87
PRESCHOOL/PRE-K RENOVATIONS	DW	25,000.00			25,000.00
ROOFING REPLACEMENT	AB	50,000.00			50,000.00
ADMISTRATION REMODEL	AB	115,625.00			115,625.00
MARQUEE SIGN	AB	8,500.00			8,500.00
TRACK & FIELD	AB	156,000.00			156,000.00
WELLNESS CENTER	AB	11,000.00			11,000.00
ADMISTRATION REMODEL/RENOVATION	MP	4,238,697.00			4,238,697.00
MARQUEE SIGN	MP	47,454.00			
SHADE/PLAY STRUCTURE	MP	36,300.00			36,300.00
TK RESTROOM ADDITION	MP	69,000.00			69,000.00
FIRE HYDRANT	MP	12,500.00			
ROOF REPLACEMENT	RS		65,000.00		65,000.00
SHADE/PLAY STRUCTURE	RS	22,300.00			22,300.00
RESTROOM RENOVATIONS	IJA	18,000.00	18,000.00		36,000.00
LANDSCAPING/PARKING LOT	IJA	19,000.00			19,000.00
FIRE ALARM UPGRADE	IJA	97,250.00			
ROOF REPLACEMENT	IJA	225,000.00			225,000.00
SHADE/PLAY STRUCTURE	IJA	30,400.00			
					-
TOTAL		5,157,026.00	83,000.00	-	5,240,026.00

**MOUNT PLEASANT SCHOOL DISTRICT
2023-24 BOND FUNDS**

Expenditures by Site as of 1/12/2024

MEASURE-L								Beginning Balance	\$	560.60
	<u>Fund 211</u>	<u>District Wide</u>	<u>August Boeger</u>	<u>Mount Pleasant</u>	<u>Robert Sanders</u>	<u>Valle Vista</u>	<u>Ida Jew</u>	<u>TOTAL</u>		
Interest		\$ 4.27						\$ 4.27		
TOTAL REVENUE		<u>\$ 4.27</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4.27</u>		
								Ending Balance	\$	564.87

MEASURE-JJ								Beginning Balance	\$	38,468.28
	<u>Fund 212</u>	<u>District Wide</u>	<u>August Boeger</u>	<u>Mount Pleasant</u>	<u>Robert Sanders</u>	<u>Valle Vista</u>	<u>Ida Jew</u>	<u>TOTAL</u>		
Interest		\$ 299.20						\$ 299.20		
Proceeds from Sale of Bonds		\$12,000,000.00						\$ 12,000,000.00		
TOTAL REVENUE		<u>\$12,000,299.20</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,000,299.20</u>		
Other Insurance		\$ 33,025.39						\$ 33,025.39		
Prof/Consulting Operating Exp		\$ 69,600.00						\$ 69,600.00		
Issuance Costs		\$ 170,000.00						\$ 170,000.00		
Architects/Engineers-Sites/Bldgs		\$ 217.50						\$ 217.50		
TOTAL EXPENDITURES		<u>\$ 272,842.89</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,842.89</u>		
								Ending Balance	\$	11,765,924.59

MEASURE-Q		Beginning Balance						\$ 3,898,045.61
Fund 213	District Wide	August Boeger	Mount Pleasant	Robert Sanders	Valle Vista	Ida Jew	TOTAL	
Interest	\$ 23,375.65						\$ 23,375.65	
Proceeds from Sale of Bonds	\$ 6,200,000.00						\$ 6,200,000.00	
TOTAL REVENUE	\$ 6,223,375.65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,223,375.65	
Maintenance Salary & Benefitrs	\$ 38,578.94						\$ 38,578.94	
Other Insurance	\$ 12,943.49						\$ 12,943.49	
Prof/Consulting Operating Exp	\$ 35,960.00						\$ 35,960.00	
Advertising-Legal							\$ -	
Issuance Costs	\$ 170,000.00						\$ 170,000.00	
Contracted Services	\$ 29,690.00						\$ 29,690.00	
Architects/Engineers-Sites/Bldgs		\$118,037.50	\$ 50,882.25				\$ 168,919.75	
Improvement of Sites/Buildings			\$ 2,463,042.84				\$ 2,463,042.84	
Paving						\$ 50,000.00	\$ 50,000.00	
Fencing							\$ -	
Inspector Fees			\$ 111,349.80				\$ 111,349.80	
Roofing							\$ -	
Asbestos Abatement			\$ 6,655.00				\$ 6,655.00	
Painting							\$ -	
Fixtures							\$ -	
Utility Installation							\$ -	
TOTAL EXPENDITURES	\$ 287,172.43	\$118,037.50	\$ 2,631,929.89	\$ -	\$ -	\$ 50,000.00	\$ 3,087,139.82	
		Ending Balance						\$ 7,034,281.44

2023-24 Total	District Wide	Boeger	Mount Pleasant	Sanders	Valle Vista	Ida Jew	TOTAL
Expenditures by Site	\$ 560,015.32	\$118,037.50	\$ 2,631,929.89	\$ -	\$ -	\$ 50,000.00	\$ 3,359,982.71

RESOLUTION NO. 22/23-39

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT, SANTA CLARA COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT (SANTA CLARA COUNTY, CALIFORNIA) ELECTION OF 2018 GENERAL OBLIGATION BONDS, SERIES B, AND ACTIONS RELATED THERETO

WHEREAS, a duly called election was held in the Mount Pleasant Elementary School District (the “District”), Santa Clara County (the “County”), State of California, on November 6, 2018 (the “Election”) and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite 55% vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$27,500,000, payable solely from the levy of an *ad valorem* property tax against the taxable property in the District (the “Authorization”);

WHEREAS, the District has previously caused the issuance of the first series of bonds under the Authorization, in the aggregate principal amount of \$10,000,000;

WHEREAS, at this time this Board of Trustees (the “Board”) has determined that it is necessary and desirable to issue the second series of bonds under the Authorization, in an aggregate principal amount not-to-exceed \$12,000,000 and styled as “Mount Pleasant Elementary School District (Santa Clara County, California) Election of 2018 General Obligation Bonds, Series B” (the “Bonds”);

WHEREAS, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Government Code”), the Bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to the voters at the Election;

WHEREAS, the Board of Supervisors of the County is expected to adopt a resolution pursuant to Education Code Section 15140(b) that will provide that the District may sell the Bonds on its own behalf and such sale is contingent thereon;

WHEREAS, this Board desires to authorize the issuance of the Bonds in one or more Series of Taxable or Tax-Exempt Current Interest Bonds (as such terms are defined herein);

WHEREAS, the District has not filed with nor received from the county office of education having jurisdiction over the District a qualified or negative certification in its most recent interim financial report pursuant to Education Code Section 42131;

WHEREAS, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds;

WHEREAS, pursuant to Government Code Section 5852.1, the District has obtained from the Municipal Advisor (as defined herein) and disclosed herein, in a meeting open to the public, prior to authorization of the execution and delivery of the Bonds, good faith estimates of (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, (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 to be evidenced by the Bonds calculated to the final payment date evidenced by the Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF TRUSTEES OF THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT, SANTA CLARA COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Authorization for Issuance of the Bonds. To raise money for the purposes authorized by the voters of the District at the Election, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code in one or more Series of Taxable or Tax-Exempt Current Interest Bonds, with appropriate designations if more than one Series is issued, all as more fully set forth in the executed Purchase Contract (as defined herein). The Board further orders such Bonds sold such that the Bonds shall be dated as of a date to be determined by an Authorized Officer (defined herein), shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$12,000,000.

SECTION 2. Paying Agent. This Board hereby appoints the Paying Agent, as defined in Section 5 hereof, to serve as the paying agent, bond registrar, transfer agent and authentication agent for the Bonds on behalf of the District. This Board hereby authorizes the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from *ad valorem* property taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Education Code Section 15232.

SECTION 3. Terms and Conditions of Sale. The Bonds shall be sold upon the direction of the Superintendent, Chief Business Officer of the District, or such other officers or employees of the District as the Superintendent or the Chief Business Officer may designate for such purpose (collectively, the "Authorized Officers"), and pursuant to such terms and conditions set forth in the Purchase Contract. The Board hereby authorizes the sale of the Bonds at a negotiated sale, which is determined to 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 Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriter (as defined herein) to pre-market the 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.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract by and between the District and the Underwriter, substantially in the form on file with the Secretary to the Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and requested to execute such Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced

by his or her execution and delivery thereof; provided, however, (i) that the interest rates on the Bonds shall not exceed the maximum rate permitted by law; and (ii) the underwriting discount on the Bonds, excluding original issue discount, shall not exceed 0.70% of the aggregate principal amount of Bonds actually issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$12,000,000 and to enter into and execute the Purchase Contract with the Underwriter, if the conditions set forth in this Resolution are satisfied.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **“Beneficial Owner”** means, when used with reference to book-entry Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Bonds pursuant to the arrangements for book-entry determination of ownership applicable to the Depository.

(b) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(c) **“Bond Payment Date”** means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing on February 1, 2024 with respect to interest on the Bonds, and August 1 of each year, commencing August 1, 2024, with respect to payments of principal of the Bonds.

(d) **“Bond Register”** means the registration books which the Paying Agent shall keep or cause to be kept on which the registered ownership, transfer and exchange of Bonds shall be recorded.

(e) **“Code”** means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to any particular section of the Code shall be deemed to be a reference to any successor to any such section.

(f) **“Continuing Disclosure Certificate”** means that certain contractual undertaking executed by the District in connection with the issuance of the Bonds pursuant to paragraph (b)(5) of the Rule, and relating to the Bonds, dated as of the date of issuance thereof, as amended from time to time in accordance with the provisions thereof.

(g) **“Current Interest Bonds”** means Bonds, the interest on which is payable semiannually on each Bond Payment Date specified for each such Bond as designated and maturing in the years and in the amounts set forth in the Purchase Contract.

(h) **“Date of Delivery”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Purchase Contract or Official Statement.

(i) **“Depository”** means the entity acting as securities depository for the Bonds pursuant to Section 6(c) hereof.

(j) **“Director of Finance”** means the Director of the Santa Clara County Finance Agency.

(k) **“DTC”** means The Depository Trust Company, 55 Water Street, New York, New York, 10041, a limited purpose trust company organized under the laws of the State of New York, in its capacity as the initial Depository for the Bonds.

(l) **“Holder” or “Owner”** means the registered owner of a Bond as set forth on the Bond Register maintained by the Paying Agent pursuant to Section 6 hereof.

(m) **“Information Services”** means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System; or, such other services providing information with respect to called municipal obligations as the District may specify in writing to the Paying Agent or as the Paying Agent may select.

(n) **“Long Current Interest Bonds”** means Current Interest Bonds that mature more than 30 years from their Date of Delivery.

(o) **“Moody’s”** means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, such other nationally recognized securities rating agency designated by the District.

(p) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(q) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 17 hereof.

(r) **“Outstanding”** means, when used with reference to the Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Bonds canceled at or prior to such date;

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 of this Resolution.

(s) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(t) **“Paying Agent”** means initially U.S. Bank Trust Company, National Association, or any other Paying Agent as shall be named in the Purchase Contract or Official Statement, and afterwards any successor financial institution, acting as paying agent, transfer agent, authentication agent and bond registrar for the Bonds.

(u) **“Permitted Investments”** means (i) any lawful investments permitted by Government Code Section 16429.1 and Section 53601, (ii) shares in a California common law

trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Government Code Section 53635, but without regard to any limitations in such Section concerning the percentage of moneys available for investment being invested in a particular type of security, (iii) a guaranteed investment contract with a provider having a rating meeting the minimum rating requirements of the County investment pool maintained by the Director of Finance, (iv) the Local Agency Investments Fund of the California State Treasurer, (v) the County investment pool maintained by the Director of Finance, or (vi) United States Treasury Securities, State and Local Government Series.

(v) **“Principal”** or **“Principal Amount”** means, with respect to any Bond, the initial principal amount thereof.

(w) **“Purchase Contract”** means the contract or contracts for purchase and sale of the Bonds, by and between the District and the Underwriter named therein. To the extent the Bonds are sold pursuant to more than one Purchase Contract, each shall be substantially in the form presented to the Board, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve.

(x) **“Record Date”** means the close of business on the 15th day of the month preceding each Bond Payment Date.

(y) **“Rule”** means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 CFR §240.15c2-12)

(z) **“Series”** means any Bonds executed, authenticated and delivered pursuant to the provisions hereof identified as a separate series of Bonds.

(aa) **“S&P”** means S&P Global Ratings, its successors and assigns, or, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, such other nationally recognized securities rating agency designated by the District.

(bb) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(cc) **“Tax-Exempt Bonds”** means any Bonds the interest on which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Bonds.

(dd) **“Term Bonds”** means those Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(ee) **“Transfer Amount”** means, with respect to any Outstanding Bond, the principal amount.

(ff) **“Underwriter”** means the underwriter of the Bonds identified in the Purchase Contract.

SECTION 6. Terms of the Bonds.

(a) Denomination, Interest, Dated Dates and Terms. The Bonds shall be issued as fully registered Current Interest Bonds registered as to both Principal and interest, in denominations of \$5,000 Principal Amount or any integral multiple thereof. The Bonds will initially be registered in the name of "Cede & Co.," the Nominee of DTC.

Each Bond shall be dated as of the Date of Delivery, and shall bear interest at the rates set forth in the Purchase Contract, from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Date of Delivery. Interest shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of twelve, 30-day months.

To the extent the issuance of Bonds includes Long Current Interest Bonds, the useful life of any facility financed with such Long Current Interest Bonds will equal or exceed the maturity of such Long Current Interest Bonds.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the optional redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District, and if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that with respect to redemption by lot, the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that a portion of any Term Bond is optionally redeemed prior to maturity pursuant to Section 6(b)(i) hereof, the remaining mandatory sinking fund payments with respect to such Term Bonds shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 Principal Amount, in respect of the portion of such Term Bonds optionally redeemed, and (ii) within a maturity, Bonds shall be selected for redemption on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures, provided further that, such pro-rata redemption is made in accordance with the operational arrangements of DTC then in effect.

(iii) Redemption Notice. When redemption is authorized or required pursuant to Section 6(b) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the portion of the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated

maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest thereon shall cease to accrue.

The Paying Agent shall take the following actions with respect to each such Redemption Notice:

1. At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

2. At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Depository.

3. At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.

4. Such Redemption Notice shall be given such other persons as may be required pursuant to the Continuing Disclosure Certificate.

A certificate of the Paying Agent to the effect that a Redemption Notice has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer. The Redemption Notice may state that no representation is made as to the accuracy or correctness of CUSIP numbers printed thereon.

With respect to any notice of optional redemption of Bonds (or portions thereof) pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Bonds shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by the independent escrow agent selected by the District, on or prior to the date fixed for such redemption, of the moneys necessary and sufficient to pay the principal of, premium, if any, and interest on, such Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, the Bonds shall not be subject to redemption on such date and the Bonds shall not be required to be redeemed on such date. In the event that such Redemption Notice contains such a condition and such moneys are not so received, the redemption shall not be made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the Redemption Notice was given, that such moneys were not so received. In addition, the District shall have the right to rescind any Redemption Notice, by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The Paying Agent shall distribute a notice of such rescission in the same manner as the Redemption Notice was originally provided.

(iv) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor

and maturity and of authorized denominations equal in Principal Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Redemption Notice. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 6(b) hereof, together with interest accrued to such redemption date, shall be held in trust as provided in Section 19 hereof, as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as aforesaid, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds to be so redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(vi) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust as provided in Section 19 hereof for the payment of the redemption price of such Bonds or portions thereof, and accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination. The ownership of each such Bond shall be registered in the Bond Register in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any Redemption Notice, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to Principal of, premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose

name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of Principal of and premium and interest on and to such Bond, for the purpose of giving Redemption Notices and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Principal of and premium, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of Principal of, premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word Nominee in this Resolution shall refer to such nominee of the Depository.

(1) Delivery of Letter of Representations. In order to qualify the book-entry Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in such book-entry Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify book-entry Bonds for the Depository's book-entry program.

(2) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the Beneficial Owners of the Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such Outstanding book-entry Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Section 6(c).

(3) Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all Outstanding Bonds are held in book entry form and registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to Principal of and premium, if any, or interest on the Bonds and all notices with respect to such Bonds, including Redemption Notices, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise required or instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

(4) Transfer of Bonds to Substitute Depository.

(A) The Bonds shall be initially issued as described in the Official Statement described herein. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, 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 that DTC (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

(3) to any person as provided below, 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 that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of 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 Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the Principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in Principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners

of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

SECTION 7. Execution of the Bonds. The Bonds shall be signed by the President of the Board, or other member of the Board authorized to sign on behalf of the President, by their manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary to or Clerk of the Board, or the designee thereof, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 8. Paying Agent; Transfer and Exchange. So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its designated corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal of and premium, if any, and interest on any Bond shall be made only to or upon the order of such Owner; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like Series, tenor, maturity and Principal Amount upon presentation and surrender at the designated corporate trust office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the designated corporate trust office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new bond or bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Principal Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any Bond shall become mutilated, the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and Principal Amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and Principal Amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender thereof upon receipt of

indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the District as provided in Section 7. In all cases of exchanged or transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any Bond shall be made on any Bond Payment Date to the person appearing on the Bond Register of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer to such Owner on the Bond Payment Date to the bank and account number on file with the Paying Agent for that purpose on or before the Record Date. The Principal of, and redemption premiums, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The Principal of, premiums, if any, and interest on, the Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are obligations of the District payable solely from the levy of *ad valorem* property taxes upon all property within the District subject to taxation, which taxes shall be without limit as to rate or amount. The Bonds do not constitute an obligation of the County except as provided in this Resolution, and no part of any fund of the County is pledged or obligated to the payment of the Bonds.

SECTION 10. Form of Bonds. The Bonds shall be in substantially the form as set forth in Exhibit A hereto, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution, the Purchase Contract and the Official Statement, or to correct or cure any defect, inconsistency, ambiguity or omission therein. Pending the preparation of definitive Bonds, the Bonds may be executed and delivered in temporary form exchangeable for definitive Bonds when ready for delivery. If the Paying Agent delivers temporary Bonds, it shall execute and deliver definitive Bonds in an equal aggregate Principal Amount of authorized denominations, when

available, and thereupon the temporary Bonds shall be surrendered to the Paying Agent. Until so exchanged, the temporary Bonds shall be entitled to the same benefits hereunder as definitive Bonds

SECTION 11. Delivery of Bonds. The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriter upon payment of the purchase price therefor.

SECTION 12. Deposit of Proceeds of Bonds. (a) The purchase price received from the Underwriter pursuant to the Purchase Contract, to the extent of the Principal Amount thereof, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "Mount Pleasant Elementary School District Election of 2018 General Obligation Bonds, Series B Building Fund" (the "Building Fund") of the District, shall be kept separate and distinct from all other District and County funds, and such proceeds shall be used solely for the purposes for which the Bonds are being issued and provided further that such proceeds shall be applied solely to the purposes authorized by the voters of the District at the Election. The County shall have no responsibility for assuring the proper use of the Bond proceeds by the District. At the election of the District, (i) to the extent the Bonds are issued in more than one Series, there shall be created a separate Building Fund for each such Series of Bonds, with appropriate Series designation, and all references herein to the Building Fund shall be deemed to include any Building Fund created for a Series of Bonds, or (ii) the Building Fund may be established as a subaccount of, or otherwise combined with, a fund established by the County for the purpose of holding proceeds of bonds issued pursuant to the Authorization.

The purchase price received from the Underwriter pursuant to the Purchase Contract, to the extent of any accrued interest and any original issue premium, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "Mount Pleasant Elementary School District Election of 2018 General Obligation Bonds, Series B Debt Service Fund" (the "Debt Service Fund") for the Bonds and used for payment of Principal of and interest on the Bonds, and for no other purpose. At the election of the District, (i) to the extent the Bonds are issued in more than one Series, there shall be created a separate Debt Service Fund for each such Series of Bonds, with appropriate Series designation, and all references herein to the Debt Service Fund shall be deemed to include any Debt Service Fund created for a Series of Bonds, or (ii) the Debt Service Fund may be established as a subaccount of, or otherwise combined with, a fund established by the County for the purpose of holding proceeds of *ad valorem* property tax levies made to pay bonds issued pursuant to the Authorization.

Interest earnings on monies held in Building Fund shall be retained therein. Interest earnings on monies held in the Debt Service Fund shall be retained therein. Any excess proceeds of the Bonds on deposit in the Building Fund not needed for the authorized purposes set forth herein for which the Bonds are being issued shall, upon written notice from the District, be transferred to the Debt Service Fund and applied to the payment of Principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds in the Debt Service Fund, any such excess amounts shall be transferred to the general fund of the District as permitted by law.

The costs of issuance of the Bonds, and the compensation of the Underwriter, are hereby authorized to be paid either from premium withheld by the Underwriter upon the sale of the Bonds, from the Principal Amount of the Bonds received from the Underwriter, or from a combination thereof. To the extent costs of issuance are paid from such Principal Amount, the District may direct that a portion thereof, in an amount not-to-exceed 2.0% of such Principal Amount, in lieu of being deposited into the

Building Fund, be deposited in a costs of issuance account to be held by a fiscal agent of the District appointed for such purpose.

(b) Subject to federal tax restrictions, all funds held by the County hereunder shall be invested in Permitted Investments pursuant to law and the investment policy of the County. Neither the County nor its officers and agents, as the case may be, shall have any responsibility or obligation to determine the tax consequences of any investment. The District hereby authorizes investments made pursuant to this Resolution with maturities exceeding five years. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund. Except as required to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of moneys held in the Debt Service Fund shall be retained in the Debt Service Fund and used by the County to pay the Principal of and interest on the Bonds when due.

SECTION 13. Rebate Fund. The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) The District shall create and establish a special fund designated the "Mount Pleasant Elementary School District Election of 2018 General Obligation Bonds, Series B Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District in connection with the Tax-Exempt Bonds (the "Tax Certificate").

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the "rebate amount" and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the “rebate amount” and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the “rebate amount” calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the “rebate amount” calculated as of the date of such payment (and any income attributable to the “rebate amount” determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the “rebate amount” calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

SECTION 14. Security for the Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the Principal of and interest on the Bonds when due, which moneys when collected will be deposited in the Debt Service Fund of the District, and which fund is hereby designated for the payment of the Principal of and interest on the Bonds when and as the falls due, and for no other purpose. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* property tax in accordance with this Section 14. Pursuant to

Government Code Section 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof.

Pursuant to Government Code Sections 5450 and 5451, the District hereby pledges all revenues received from the levy and collection *ad valorem* property taxes for the payment of the Bonds and all amounts on deposit in the Debt Service Fund to the payment of the Bonds. Such pledge shall constitute a lien on and security interest in such taxes and amounts in the Debt Service Fund. This pledge shall constitute an agreement between the District and the Owners of the Bonds to provide security for the payment of the Bonds in addition to any statutory lien that may exist.

The moneys in the Debt Service Fund, to the extent necessary to pay the Principal of and interest on the Bonds as the same become due and payable, shall be transferred by the Director of Finance to the Paying Agent which, in turn, shall pay such moneys to DTC to pay such Principal of and interest on. DTC will thereupon make payments of Principal of and interest on the Bonds to the DTC Participants who will thereupon make payments of such Principal of and interest on to the Beneficial Owners of the Bonds. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District, pursuant to Education Code Section 15234.

SECTION 15. Arbitrage Covenant. The District covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed thereunder or any predecessor section. Calculations for determining arbitrage requirements are the sole responsibility of the District.

SECTION 16. Conditions Precedent. The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

SECTION 17. Official Statement. The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Secretary to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriter to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement "final" pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriter a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds, and such Underwriter is directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District's approval of the Official Statement.

SECTION 18. Insurance. In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the Principal of and interest on the Bonds, it

shall become the Owner of such Bonds with the right to payment of such Principal of or interest on, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest the Paying Agent shall note the Bond Insurer's rights as subrogee on the Bond Register for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due Principal, the Paying Agent shall note the Bond Insurer as subrogee on the Bond Register for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 19. Defeasance. All or any portion of the Outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with any amounts transferred from the Debt Service Fund, is sufficient to pay all Bonds Outstanding and designated for defeasance (including all Principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations together with any amounts transferred from the Debt Service Fund and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds Outstanding and designated for defeasance (including all Principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), and obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated;

provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Moody's or S&P.

SECTION 20. Nonliability of County. Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County nor the officials, officers, employees or agents thereof, shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from *ad valorem* property taxes lawfully levied to pay the Principal of or interest on the Bonds, which taxes shall be unlimited as to rate or amount.

SECTION 21. Reimbursement of County Costs. The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

SECTION 22. Request to County to Levy Tax. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors of the County to annually levy a tax upon all taxable property in the District sufficient to pay all such principal of and interest on coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The Board hereby finds and determines that such *ad valorem property* taxes shall be levied specifically to pay the Bonds being issued to finance specific projects authorized by the voters of the District at the Election.

SECTION 23. Other Actions. (a) Officers of the Board and District officials and staff, including the Authorized Officers, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Dale Scott and Company, as Municipal Advisor, and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel and Disclosure Counsel, each with respect to the Bonds. The Board further authorizes the appointment of such Underwriter as shall be identified in the Purchase Contract.

(c) Based on a good faith estimate from the Municipal Advisor, the District finds that (i) the True Interest Cost of the Bonds (as defined in Government Code Section 5852.1) is expected to be approximately 4.46%, (ii) the total Finance Charge of the Bonds (as defined in Government Code Section 5852.1) is expected to be \$260,000, (iii) the total proceeds expected to be received by the District from the sale of the Bonds, less the Finance Charge of the Bonds and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$11,782,000, and (iv) the District expects that the Total Payment Amount (as defined in Government Code Section 5852.1), calculated to the final maturity of the Bonds, will be \$26,758,167. The information presented in this Section 23(c) is included in satisfaction of Government Code Section 5852.1, and shall not abrogate or otherwise limit any provision of this Resolution.

(d) The provisions of this Resolution as they relate to the Bonds may be amended by the Purchase Contract or the Official Statement.

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

SECTION 24. Resolution to Director of Finance. The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Director of Finance immediately following its adoption.

SECTION 25. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated as of the Date of Delivery, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The Board hereby approves the form of the Continuing Disclosure Certificate appended to the draft Preliminary Official Statement presented at this meeting. The Authorized Officers, each alone, are hereby authorized to execute the Continuing Disclosure Certificate with such changes thereto as the Authorized Officers executing the same shall approve, such approval to be conclusively evidenced by such execution and delivery. Noncompliance with the Continuing Disclosure Certificate shall not result in acceleration of the Bonds.

SECTION 26. Effective Date. This Resolution shall take effect immediately upon its passage.

SECTION 27. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

SECTION 28. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

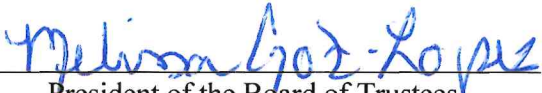
PASSED, ADOPTED AND APPROVED this 28th day of June, 2023, by the following vote:

AYES: MEMBERS Got-Lopez, Grasty, Perez, Ramirez, Serrano

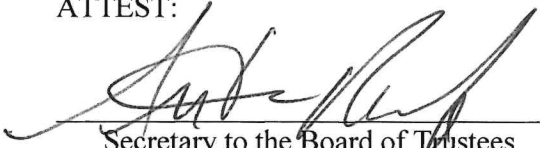
NOES: MEMBERS _____

ABSTAIN: MEMBERS _____

ABSENT: MEMBERS _____



President of the Board of Trustees
Mount Pleasant Elementary School District

ATTEST:


Secretary to the Board of Trustees
Mount Pleasant Elementary School
District

SECRETARY'S CERTIFICATE

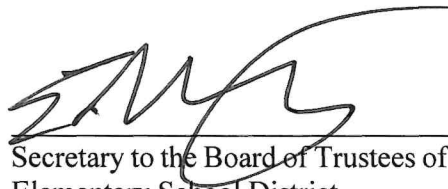
I, Dr. Elida MacArthur, Superintendent and Secretary to the Board of Trustees of the Mount Pleasant Elementary School District, Santa Clara County, California, hereby certify as follows:

The foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly and legally held at the regular meeting place thereof on June 28, 2023, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original Resolution adopted at said meeting and entered in said minutes.

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: June __, 2023

A handwritten signature in black ink, appearing to be 'E. MacArthur', is written over a horizontal line.

Secretary to the Board of Trustees of the Mount Pleasant
Elementary School District

EXHIBIT A
FORM OF BONDS

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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

REGISTERED
NO.

REGISTERED
\$

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
(SANTA CLARA COUNTY, CALIFORNIA)
ELECTION OF 2018 GENERAL OBLIGATION BONDS, SERIES B

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED AS OF:</u>	<u>CUSIP</u>
_____ % per annum	August 1, _____	_____, 20__	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Mount Pleasant Elementary School District (the "District") in Santa Clara County, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing on February 1, 2024. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2024, in which event it shall bear interest from the Date of Delivery. Interest shall be computed on the basis of a 360-day year of twelve, 30-day months. Principal of and interest on are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered, such owner being the Registered Owner, on the Register maintained by the Paying Agent, initially U.S. Bank Trust Company, National Association. Principal is payable upon presentation and surrender of this bond at the designated corporate trust office of the Paying Agent. Interest is payable by wire transfer to the bank and account number on file with the Paying Agent.

as of the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date").

This bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite vote of the electors of the District cast at a general election held on November 6, 2018 (the "Election"), upon the question of issuing bonds in the amount of \$27,500,000 and the resolution of the Board of Trustees of the District adopted on June 28, 2023 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one are payable as to both principal of and interest on solely from the proceeds of the levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount in accordance with Education Code Sections 15250 and 15252. Pursuant to California Government Code Section 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of such *ad valorem* property taxes.

Pursuant to Government Code Sections 5450 and 5451, the District has pledged all revenues received from the levy and collection *ad valorem* property taxes for the payment of the Bonds, and all amounts on deposit in the Debt Service Fund (as defined in the Bond Resolution), to the payment of the Bonds. Such pledge shall constitute a lien on and security interest in such taxes and amounts in the Debt Service Fund, and shall constitute an agreement between the District and the Registered Owners of the Bonds to provide security for the payment of the Bonds in addition to any statutory lien that may exist.

The bonds of this issue comprise \$_____ Principal Amount of current interest bonds, of which this bond is a part (collectively, the "Bonds").

This bond is exchangeable and transferable for Bonds of like series, tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated corporate trust office of the Paying Agent in San Francisco, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bond during a period beginning with the opening of business on the 16th day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

The Bonds maturing on or before August 1, 20__ are not subject to redemption prior to their respective stated maturity dates. The Bonds maturing on or after August 1, 20__ are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, in whole or in part, on any date on or after August 1, 20__ at a redemption price equal to the Principal Amount of the Bonds called for redemption, without premium, plus interest accrued thereon to the date of redemption.

The Bonds maturing on August 1, 20__, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the Principal Amount to the dated fixed for redemption, together with accrued interest to the date set for such redemption, without premium. The Principal Amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date are as indicated in the following table:

<u>Redemption Dates</u>	<u>Principal Amounts</u>
(1)	
TOTAL	
(1) Maturity.	

In the event that portions of the Bonds shown above are optionally redeemed prior to their respective maturity dates, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately, in integral multiples of \$5,000 Principal Amount, in respect of the portion of such Bonds optionally redeemed.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by Paying Agent as directed by the District, and if not so directed, by lot. Redemption by lot shall be in such manner as shall be determined by the Paying Agent, provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called by the Paying Agent in any order directed by the District and, if not so directed, in the inverse order of maturity.

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

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the Mount Pleasant Elementary School District, Santa Clara County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Trustees of the District, and to be countersigned by the manual or facsimile signature of the [Secretary to/Clerk of] the Board of Trustees of the District, all as of the date stated above.

**MOUNT PLEASANT ELEMENTARY SCHOOL
DISTRICT**

By: _____ (Facsimile Signature)
President of the Board of Trustees

COUNTERSIGNED:

(Facsimile Signature)
[Secretary to/Clerk of] the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 20__.

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

Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)
[Secretary to/Clerk of] the Board of Trustees

RESOLUTION NO. 22/23-40

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT, SANTA CLARA COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT (SANTA CLARA COUNTY, CALIFORNIA) ELECTION OF 2020 GENERAL OBLIGATION BONDS, SERIES B, AND ACTIONS RELATED THERETO

WHEREAS, a duly called election was held in the Mount Pleasant Elementary School District (the “District”), Santa Clara County (the “County”), State of California, on November 3, 2020 (the “Election”) and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite 55% vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$12,000,000, payable solely from the levy of an *ad valorem* property tax against the taxable property in the District (the “Authorization”);

WHEREAS, the District has previously caused the issuance of the first series of bonds under the Authorization, in the aggregate principal amount of \$5,800,000;

WHEREAS, at this time this Board of Trustees (the “Board”) has determined that it is necessary and desirable to issue the second series of bonds under the Authorization, in an aggregate principal amount not-to-exceed \$6,200,000 and styled as “Mount Pleasant Elementary School District (Santa Clara County, California) Election of 2020 General Obligation Bonds, Series B” (the “Bonds”);

WHEREAS, pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Government Code”), the Bonds are authorized to be issued by the District for the purposes set forth in the ballot submitted to the voters at the Election;

WHEREAS, the Board of Supervisors of the County is expected to adopt a resolution pursuant to Education Code Section 15140(b) that will provide that the District may sell the Bonds on its own behalf and such sale is contingent thereon;

WHEREAS, this Board desires to authorize the issuance of the Bonds in one or more Series of Taxable or Tax-Exempt Current Interest Bonds (as such terms are defined herein);

WHEREAS, the District has not filed with nor received from the county office of education having jurisdiction over the District a qualified or negative certification in its most recent interim financial report pursuant to Education Code Section 42131;

WHEREAS, this Board desires to appoint certain professionals to provide services related to the issuance of the Bonds;

WHEREAS, pursuant to Government Code Section 5852.1, the District has obtained from the Municipal Advisor (as defined herein) and disclosed herein, in a meeting open to the public, prior to

authorization of the execution and delivery of the Bonds, good faith estimates of (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, (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 to be evidenced by the Bonds calculated to the final payment date evidenced by the Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Bonds; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE BOARD OF TRUSTEES OF THE MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT, SANTA CLARA COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Authorization for Issuance of the Bonds. To raise money for the purposes authorized by the voters of the District at the Election, and to pay all necessary legal, financial, engineering and contingent costs in connection therewith, the Board hereby authorizes the issuance of the Bonds pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code in one or more Series of Taxable or Tax-Exempt Current Interest Bonds, with appropriate designations if more than one Series is issued, all as more fully set forth in the executed Purchase Contract (as defined herein). The Board further orders such Bonds sold such that the Bonds shall be dated as of a date to be determined by an Authorized Officer (defined herein), shall be payable upon such terms and provisions as shall be set forth in the Bonds, and shall be in an aggregate principal amount not-to-exceed \$6,200,000.

SECTION 2. Paying Agent. This Board hereby appoints the Paying Agent, as defined in Section 5 hereof, to serve as the paying agent, bond registrar, transfer agent and authentication agent for the Bonds on behalf of the District. This Board hereby authorizes the payment of the reasonable fees and expenses of the Paying Agent as they shall become due and payable. The fees and expenses of the Paying Agent which are not paid as a cost of issuance of the Bonds may be paid in each year from *ad valorem* property taxes levied and collected for the payment thereof, insofar as permitted by law, including specifically by Education Code Section 15232.

SECTION 3. Terms and Conditions of Sale. The Bonds shall be sold upon the direction of the Superintendent, Chief Business Officer of the District, or such other officers or employees of the District as the Superintendent or the Chief Business Officer may designate for such purpose (collectively, the "Authorized Officers"), and pursuant to such terms and conditions set forth in the Purchase Contract. The Board hereby authorizes the sale of the Bonds at a negotiated sale, which is determined to 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 Bonds to fit the needs of particular purchasers, and a greater opportunity for the Underwriter (as defined herein) to pre-market the 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.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract by and between the District and the Underwriter, substantially in the form on file with the Secretary to the

Board, is hereby approved and the Authorized Officers, each alone, are hereby authorized and requested to execute such Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, (i) that the interest rates on the Bonds shall not exceed the maximum rate permitted by law; and (ii) the underwriting discount on the Bonds, excluding original issue discount, shall not exceed 0.70% of the aggregate principal amount of Bonds actually issued. The Authorized Officers, each alone, are further authorized to determine the principal amount of the Bonds to be specified in the Purchase Contract for sale by the District up to \$6,200,000 and to enter into and execute the Purchase Contract with the Underwriter, if the conditions set forth in this Resolution are satisfied.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) **“Beneficial Owner”** means, when used with reference to book-entry Bonds registered pursuant to Section 6 hereof, the person who is considered the beneficial owner of such Bonds pursuant to the arrangements for book-entry determination of ownership applicable to the Depository.

(b) **“Bond Insurer”** means any insurance company which issues a municipal bond insurance policy insuring the payment of principal of and interest on the Bonds.

(c) **“Bond Payment Date”** means, unless otherwise provided by the Purchase Contract, February 1 and August 1 of each year commencing on February 1, 2024 with respect to interest on the Bonds, and August 1 of each year, commencing August 1, 2024, with respect to payments of principal of the Bonds.

(d) **“Bond Register”** means the registration books which the Paying Agent shall keep or cause to be kept on which the registered ownership, transfer and exchange of Bonds shall be recorded.

(e) **“Code”** means the Internal Revenue Code of 1986, as the same may be amended from time to time. Reference to any particular section of the Code shall be deemed to be a reference to any successor to any such section.

(f) **“Continuing Disclosure Certificate”** means that certain contractual undertaking executed by the District in connection with the issuance of the Bonds pursuant to paragraph (b)(5) of the Rule, and relating to the Bonds, dated as of the date of issuance thereof, as amended from time to time in accordance with the provisions thereof.

(g) **“Current Interest Bonds”** means Bonds, the interest on which is payable semiannually on each Bond Payment Date specified for each such Bond as designated and maturing in the years and in the amounts set forth in the Purchase Contract.

(h) **“Date of Delivery”** means the date of initial issuance and delivery of the Bonds, or such other date as shall appear in the Purchase Contract or Official Statement.

(i) **“Depository”** means the entity acting as securities depository for the Bonds pursuant to Section 6(c) hereof.

(j) **“Director of Finance”** means the Director of the Santa Clara County Finance Agency.

(k) **“DTC”** means The Depository Trust Company, 55 Water Street, New York, New York, 10041, a limited purpose trust company organized under the laws of the State of New York, in its capacity as the initial Depository for the Bonds.

(l) **“Holder” or “Owner”** means the registered owner of a Bond as set forth on the Bond Register maintained by the Paying Agent pursuant to Section 6 hereof.

(m) **“Information Services”** means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System; or, such other services providing information with respect to called municipal obligations as the District may specify in writing to the Paying Agent or as the Paying Agent may select.

(n) **“Long Current Interest Bonds”** means Current Interest Bonds that mature more than 30 years from their Date of Delivery.

(o) **“Moody’s”** means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, such other nationally recognized securities rating agency designated by the District.

(p) **“Nominee”** means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(q) **“Official Statement”** means the Official Statement for the Bonds, as described in Section 17 hereof.

(r) **“Outstanding”** means, when used with reference to the Bonds, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

(i) Bonds canceled at or prior to such date;

(ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 8 hereof; or

(iii) Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 19 of this Resolution.

(s) **“Participants”** means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(t) **“Paying Agent”** means initially U.S. Bank Trust Company, National Association, or any other Paying Agent as shall be named in the Purchase Contract or Official

Statement, and afterwards any successor financial institution, acting as paying agent, transfer agent, authentication agent and bond registrar for the Bonds.

(u) **“Permitted Investments”** means (i) any lawful investments permitted by Government Code Section 16429.1 and Section 53601, (ii) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code which invests exclusively in investments permitted by Government Code Section 53635, but without regard to any limitations in such Section concerning the percentage of moneys available for investment being invested in a particular type of security, (iii) a guaranteed investment contract with a provider having a rating meeting the minimum rating requirements of the County investment pool maintained by the Director of Finance, (iv) the Local Agency Investments Fund of the California State Treasurer, (v) the County investment pool maintained by the Director of Finance, or (vi) United States Treasury Securities, State and Local Government Series.

(v) **“Principal”** or **“Principal Amount”** means, with respect to any Bond, the initial principal amount thereof.

(w) **“Purchase Contract”** means the contract or contracts for purchase and sale of the Bonds, by and between the District and the Underwriter named therein. To the extent the Bonds are sold pursuant to more than one Purchase Contract, each shall be substantially in the form presented to the Board, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve.

(x) **“Record Date”** means the close of business on the 15th day of the month preceding each Bond Payment Date.

(y) **“Rule”** means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 CFR §240.15c2-12)

(z) **“Series”** means any Bonds executed, authenticated and delivered pursuant to the provisions hereof identified as a separate series of Bonds.

(aa) **“S&P”** means S&P Global Ratings, its successors and assigns, or, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, such other nationally recognized securities rating agency designated by the District.

(bb) **“Taxable Bonds”** means any Bonds not issued as Tax-Exempt Bonds.

(cc) **“Tax-Exempt Bonds”** means any Bonds the interest on which is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax, as further described in an opinion of Bond Counsel supplied to the original purchasers of such Bonds.

(dd) **“Term Bonds”** means those Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(ee) **“Transfer Amount”** means, with respect to any Outstanding Bond, the principal amount.

(ff) **“Underwriter”** means the underwriter of the Bonds identified in the Purchase Contract.

SECTION 6. Terms of the Bonds.

(a) Denomination, Interest, Dated Dates and Terms. The Bonds shall be issued as fully registered Current Interest Bonds registered as to both Principal and interest, in denominations of \$5,000 Principal Amount or any integral multiple thereof. The Bonds will initially be registered in the name of “Cede & Co.,” the Nominee of DTC.

Each Bond shall be dated as of the Date of Delivery, and shall bear interest at the rates set forth in the Purchase Contract, from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated during the period from the 16th day of the month next preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before the first Record Date, in which event it shall bear interest from its Date of Delivery. Interest shall be payable on the respective Bond Payment Dates and shall be calculated on the basis of a 360-day year of twelve, 30-day months.

To the extent the issuance of Bonds includes Long Current Interest Bonds, the useful life of any facility financed with such Long Current Interest Bonds will equal or exceed the maturity of such Long Current Interest Bonds.

(b) Redemption.

(i) Terms of Redemption. The Bonds shall be subject to optional or mandatory sinking fund redemption prior to maturity as provided in the Purchase Contract or the Official Statement.

(ii) Selection of Bonds for Redemption. Whenever provision is made in this Resolution for the optional redemption of Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select Bonds for redemption as so directed and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select Bonds for redemption as directed by the District, and if not so directed, by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that with respect to redemption by lot, the portion of any Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

The Purchase Contract may provide that (i) in the event that a portion of any Term Bond is optionally redeemed prior to maturity pursuant to Section 6(b)(i) hereof, the remaining mandatory sinking fund payments with respect to such Term Bonds shall be reduced proportionately or as otherwise directed by the District, in integral multiples of \$5,000 Principal Amount, in respect of the portion of such Term Bonds optionally redeemed, and (ii) within a maturity, Bonds shall be selected for redemption on a “Pro Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided further that, such pro-rata redemption is made in accordance with the operational arrangements of DTC then in effect.

(iii) Redemption Notice. When redemption is authorized or required pursuant to Section 6(b) hereof, the Paying Agent, upon written instruction from the District, shall give notice (a “Redemption Notice”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the

Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the portion of the Principal Amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date, and that from and after such date, interest thereon shall cease to accrue.

The Paying Agent shall take the following actions with respect to each such Redemption Notice:

1. At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.
2. At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to the Depository.
3. At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, or (ii) overnight delivery service, to one of the Information Services.
4. Such Redemption Notice shall be given such other persons as may be required pursuant to the Continuing Disclosure Certificate.

A certificate of the Paying Agent to the effect that a Redemption Notice has been given as provided herein shall be conclusive as against all parties. Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer. The Redemption Notice may state that no representation is made as to the accuracy or correctness of CUSIP numbers printed thereon.

With respect to any notice of optional redemption of Bonds (or portions thereof) pursuant to Section 6(b)(i) hereof, unless upon the giving of such notice such Bonds shall be deemed to have been defeased pursuant to Section 19 hereof, such notice shall state that such redemption shall be conditional upon the receipt by the independent escrow agent selected by the District, on or prior to the date fixed for such redemption, of the moneys necessary and sufficient to pay the principal of, premium, if any, and interest on, such Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect, the Bonds shall not be subject to redemption on such date and the Bonds shall not be required to be redeemed on such date. In the event that such Redemption Notice contains such a condition and such moneys are not so received, the redemption shall not be

made and the Paying Agent shall within a reasonable time thereafter give notice, to the persons to whom and in the manner in which the Redemption Notice was given, that such moneys were not so received. In addition, the District shall have the right to rescind any Redemption Notice, by written notice to the Paying Agent, on or prior to the date fixed for such redemption. The Paying Agent shall distribute a notice of such rescission in the same manner as the Redemption Notice was originally provided.

(iv) Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Principal Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Redemption Notice. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside as provided in Section 19 hereof, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in Section 6(b) hereof, together with interest accrued to such redemption date, shall be held in trust as provided in Section 19 hereof, as to be available therefor on such redemption date, and if a Redemption Notice thereof shall have been given as aforesaid, then from and after such redemption date, interest on the Bonds to be redeemed shall cease to accrue and become payable. All money held for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds to be so redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent.

(vi) Bonds No Longer Outstanding. When any Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held irrevocably in trust as provided in Section 19 hereof for the payment of the redemption price of such Bonds or portions thereof, and accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The Bonds shall initially be delivered in the form of a separate single fully-registered bond (which may be typewritten) for each maturity date of such Bonds in an authorized denomination. The ownership of each such Bond shall be registered in the Bond Register in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

With respect to book-entry Bonds, the District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such book-entry Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in book-entry Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to book-entry Bonds, including any Redemption Notice, (iii) the selection by the Depository and its Participants of the beneficial interests in book-entry Bonds to be prepaid in the event the District redeems the Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to Principal of, premium, if any, or interest on the book-entry Bonds. The District and the Paying Agent may treat and consider the person in whose name each book-entry Bond is registered in the Bond Register as the absolute Owner of such book-entry Bond for the purpose of payment of Principal of and premium and interest on and to such Bond, for the purpose of giving Redemption Notices and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Principal of and premium, if any, and interest on the Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of Principal of, premium, if any, and interest on the Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word Nominee in this Resolution shall refer to such nominee of the Depository.

(1) Delivery of Letter of Representations. In order to qualify the book-entry Bonds for the Depository's book-entry system, the District and the Paying Agent shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in such book-entry Bonds other than the Owners, as shown on the Bond Register. By executing a Letter of Representations, the Paying Agent shall agree to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify book-entry Bonds for the Depository's book-entry program.

(2) Selection of Depository. In the event (i) the Depository determines not to continue to act as securities depository for book-entry Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the Beneficial Owners of the Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such Outstanding book-entry Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in

whatever name or names the Owners transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Section 6(c).

(3) Payments and Notices to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all Outstanding Bonds are held in book entry form and registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to Principal of and premium, if any, or interest on the Bonds and all notices with respect to such Bonds, including Redemption Notices, shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise required or instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

(4) Transfer of Bonds to Substitute Depository.

(A) The Bonds shall be initially issued as described in the Official Statement described herein. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, 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 that DTC (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

(3) to any person as provided below, 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 that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of 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 Section 6(c)(i)(4)(A)(3), upon receipt of all Outstanding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption or an advance refunding of any Bonds evidencing a portion of the Principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such Bonds indicating the date and amounts of such reduction in Principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any Beneficial Owners of the Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such Beneficial Owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the Bonds.

SECTION 7. Execution of the Bonds. The Bonds shall be signed by the President of the Board, or other member of the Board authorized to sign on behalf of the President, by their manual or facsimile signature and countersigned by the manual or facsimile signature of the Secretary to or Clerk of the Board, or the designee thereof, all in their official capacities. No Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 8. Paying Agent; Transfer and Exchange. So long as any of the Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its designated corporate trust office all books and records necessary for the registration, exchange and transfer of the Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a Bond is registered on the Bond Register shall be regarded as the absolute Owner of that Bond for all purposes of this Resolution. Payment of or on account of the Principal of and premium, if any, and interest on any Bond shall be made only to or upon the order of such Owner; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the Bonds, including interest, to the extent of the amount or amounts so paid.

Any Bond may be exchanged for Bonds of like Series, tenor, maturity and Principal Amount upon presentation and surrender at the designated corporate trust office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A Bond may be transferred on the Bond Register only upon presentation and surrender of the Bond at the designated corporate trust office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new bond or bonds of like tenor and of any authorized denomination or

denominations requested by the Owner equal to the Principal Amount of the Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any Bond shall become mutilated, the District, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and Principal Amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and Principal Amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of Bonds only after the new Bonds are signed by the authorized officers of the District as provided in Section 7. In all cases of exchanged or transferred Bonds, the District shall sign and the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the Bonds surrendered upon that exchange or transfer.

Any Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered Bonds that the District may have acquired in any manner whatsoever, and those Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of Bonds shall be made to the District by the Paying Agent as requested by the District. The cancelled Bonds shall be retained for three years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 16th business day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable Redemption Notice is given or (b) to transfer any Bonds which have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any Bond shall be made on any Bond Payment Date to the person appearing on the Bond Register of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by wire transfer to such Owner on the Bond Payment Date to the bank and account number on file with the Paying Agent for that purpose on or before the Record Date. The Principal of, and redemption premiums, if any, payable on the Bonds shall be payable upon maturity or redemption upon surrender at the designated office of the Paying Agent. The Principal of, premiums, if any, and interest on, the

Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the Bonds when duly presented for payment at maturity, and to cancel all Bonds upon payment thereof. The Bonds are obligations of the District payable solely from the levy of *ad valorem* property taxes upon all property within the District subject to taxation, which taxes shall be without limit as to rate or amount. The Bonds do not constitute an obligation of the County except as provided in this Resolution, and no part of any fund of the County is pledged or obligated to the payment of the Bonds.

SECTION 10. Form of Bonds. The Bonds shall be in substantially the form as set forth in Exhibit A hereto, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution, the Purchase Contract and the Official Statement, or to correct or cure any defect, inconsistency, ambiguity or omission therein. Pending the preparation of definitive Bonds, the Bonds may be executed and delivered in temporary form exchangeable for definitive Bonds when ready for delivery. If the Paying Agent delivers temporary Bonds, it shall execute and deliver definitive Bonds in an equal aggregate Principal Amount of authorized denominations, when available, and thereupon the temporary Bonds shall be surrendered to the Paying Agent. Until so exchanged, the temporary Bonds shall be entitled to the same benefits hereunder as definitive Bonds

SECTION 11. Delivery of Bonds. The proper officials of the District shall cause the Bonds to be prepared and, following their sale, shall have the Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Bonds, to the Underwriter upon payment of the purchase price therefor.

SECTION 12. Deposit of Proceeds of Bonds. (a) The purchase price received from the Underwriter pursuant to the Purchase Contract, to the extent of the Principal Amount thereof, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "Mount Pleasant Elementary School District Election of 2020 General Obligation Bonds, Series B Building Fund" (the "Building Fund") of the District, shall be kept separate and distinct from all other District and County funds, and such proceeds shall be used solely for the purposes for which the Bonds are being issued and provided further that such proceeds shall be applied solely to the purposes authorized by the voters of the District at the Election. The County shall have no responsibility for assuring the proper use of the Bond proceeds by the District. At the election of the District, (i) to the extent the Bonds are issued in more than one Series, there shall be created a separate Building Fund for each such Series of Bonds, with appropriate Series designation, and all references herein to the Building Fund shall be deemed to include any Building Fund created for a Series of Bonds, or (ii) the Building Fund may be established as a subaccount of, or otherwise combined with, a fund established by the County for the purpose of holding proceeds of bonds issued pursuant to the Authorization.

The purchase price received from the Underwriter pursuant to the Purchase Contract, to the extent of any accrued interest and any original issue premium, shall be paid to the County to the credit of the fund hereby authorized to be created to be known as the "Mount Pleasant Elementary School District Election of 2020 General Obligation Bonds, Series B Debt Service Fund" (the "Debt Service Fund") for the Bonds and used for payment of Principal of and interest on the Bonds, and for no other purpose. At the election of the District, (i) to the extent the Bonds are issued in more than one Series, there shall be created a separate Debt Service Fund for each such Series of Bonds, with appropriate Series designation, and all references herein to the Debt Service Fund shall be deemed to include any Debt Service Fund created for a Series of Bonds, or (ii) the Debt Service Fund may be established as a subaccount of, or otherwise combined with, a fund established by the County for the purpose of

holding proceeds of *ad valorem* property tax levies made to pay bonds issued pursuant to the Authorization.

Interest earnings on monies held in Building Fund shall be retained therein. Interest earnings on monies held in the Debt Service Fund shall be retained therein. Any excess proceeds of the Bonds on deposit in the Building Fund not needed for the authorized purposes set forth herein for which the Bonds are being issued shall, upon written notice from the District, be transferred to the Debt Service Fund and applied to the payment of Principal of and interest on the Bonds. If, after payment in full of the Bonds, there remain excess proceeds in the Debt Service Fund, any such excess amounts shall be transferred to the general fund of the District as permitted by law.

The costs of issuance of the Bonds, and the compensation of the Underwriter, are hereby authorized to be paid either from premium withheld by the Underwriter upon the sale of the Bonds, from the Principal Amount of the Bonds received from the Underwriter, or from a combination thereof. To the extent costs of issuance are paid from such Principal Amount, the District may direct that a portion thereof, in an amount not-to-exceed 2.0% of such Principal Amount, in lieu of being deposited into the Building Fund, be deposited in a costs of issuance account to be held by a fiscal agent of the District appointed for such purpose.

(b) Subject to federal tax restrictions, all funds held by the County hereunder shall be invested in Permitted Investments pursuant to law and the investment policy of the County. Neither the County nor its officers and agents, as the case may be, shall have any responsibility or obligation to determine the tax consequences of any investment. The District hereby authorizes investments made pursuant to this Resolution with maturities exceeding five years. The interest earned on the moneys deposited in the Building Fund shall be deposited in the Building Fund and used for the purposes of that fund. Except as required to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of moneys held in the Debt Service Fund shall be retained in the Debt Service Fund and used by the County to pay the Principal of and interest on the Bonds when due.

SECTION 13. Rebate Fund. The following provisions shall apply to any Bonds issued as Tax-Exempt Bonds.

(a) The District shall create and establish a special fund designated the "Mount Pleasant Elementary School District Election of 2020 General Obligation Bonds, Series B Rebate Fund" (the "Rebate Fund"). All amounts at any time on deposit in the Rebate Fund shall be held in trust, to the extent required to satisfy the requirement to make rebate payments to the United States (the "Rebate Requirement") pursuant to Section 148 of the Code, and the Treasury Regulations promulgated thereunder (the "Treasury Regulations"). Such amounts shall be free and clear of any lien hereunder and shall be governed by this Section and by the Tax Certificate to be executed by the District in connection with the Tax-Exempt Bonds (the "Tax Certificate").

(b) Within 45 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), (1) the District shall calculate or cause to be calculated with respect to the Bonds the amount that would be considered the "rebate amount" within the meaning of Section 1.148-3 of the Treasury Regulations, using as the "computation date" for this purpose the end of such Bond Year, and (2) the District shall deposit to the Rebate Fund from amounts on deposit in the other funds established hereunder or from other District funds, if and to the extent required, amounts sufficient to cause the balance in the Rebate Fund to be equal to the "rebate amount" so calculated. The District shall not be required to deposit any amount to the Rebate Fund in accordance with the preceding sentence, if the

amount on deposit in the Rebate Fund prior to the deposit required to be made under this subsection (b) equals or exceeds the "rebate amount" calculated in accordance with the preceding sentence. Such excess may be withdrawn from the Rebate Fund to the extent permitted under subsection (g) of this Section. The District shall not be required to calculate the "rebate amount" and shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b), with respect to all or a portion of the proceeds of the Bonds (including amounts treated as proceeds of the Bonds) (1) to the extent such proceeds satisfy the expenditure requirements of Section 148(f)(4)(B) or Section 148(f)(4)(C) of the Code or Section 1.148-7(d) of the Treasury Regulations, whichever is applicable, and otherwise qualify for the exception to the Rebate Requirement pursuant to whichever of said sections is applicable, (2) to the extent such proceeds are subject to an election by the District under Section 148(f)(4)(C)(vii) of the Code to pay a one and one-half percent (1½%) penalty in lieu of arbitrage rebate in the event any of the percentage expenditure requirements of Section 148(f)(4)(C) are not satisfied, or (3) to the extent such proceeds qualify for the exception to arbitrage rebate under Section 148(f)(4)(A)(ii) of the Code for amounts in a "bona fide debt service fund." In such event, and with respect to such amounts, the District shall not be required to deposit any amount to the Rebate Fund in accordance with this subsection (b).

(c) Any funds remaining in the Rebate Fund after redemption of all the Bonds and any amounts described in paragraph (2) of subsection (d) of this Section, or provision made therefor satisfactory to the District, including accrued interest, shall be remitted to the District.

(d) Subject to the exceptions contained in subsection (b) of this Section to the requirement to calculate the "rebate amount" and make deposits to the Rebate Fund, the District shall pay to the United States, from amounts on deposit in the Rebate Fund,

(1) not later than 60 days after the end of (i) the fifth Bond Year, and (ii) each fifth Bond Year thereafter, an amount that, together with all previous rebate payments, is equal to at least 90% of the "rebate amount" calculated as of the end of such Bond Year in accordance with Section 1.148-3 of the Treasury Regulations; and

(2) not later than 60 days after the payment of all Bonds, an amount equal to 100% of the "rebate amount" calculated as of the date of such payment (and any income attributable to the "rebate amount" determined to be due and payable) in accordance with Section 1.148-3 of the Treasury Regulations.

(e) In the event that, prior to the time any payment is required to be made from the Rebate Fund, the amount in the Rebate Fund is not sufficient to make such payment when such payment is due, the District shall calculate (or have calculated) the amount of such deficiency and deposit an amount equal to such deficiency into the Rebate Fund prior to the time such payment is due.

(f) Each payment required to be made pursuant to subsection (d) of this Section shall be made to the Internal Revenue Service, on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, such form to be prepared or caused to be prepared by the District.

(g) In the event that immediately following the calculation required by subsection (b) of this Section, but prior to any deposit made under said subsection, the amount on deposit in the Rebate Fund exceeds the "rebate amount" calculated in accordance with said subsection, the District may withdraw the excess from the Rebate Fund and credit such excess to the Debt Service Fund.

(h) The District shall retain records of all determinations made hereunder until three years after the complete retirement of the Bonds.

(i) Notwithstanding anything in this Resolution to the contrary, the Rebate Requirement shall survive the payment in full or defeasance of the Bonds.

SECTION 14. Security for the Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* property tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the Principal of and interest on the Bonds when due, which moneys when collected will be deposited in the Debt Service Fund of the District, and which fund is hereby designated for the payment of the Principal of and interest on the Bonds when and as the falls due, and for no other purpose. The District covenants to cause the County to take all actions necessary to levy such *ad valorem* property tax in accordance with this Section 14. Pursuant to Government Code Section 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of *ad valorem* property taxes for the payment thereof.

Pursuant to Government Code Sections 5450 and 5451, the District hereby pledges all revenues received from the levy and collection *ad valorem* property taxes for the payment of the Bonds and all amounts on deposit in the Debt Service Fund to the payment of the Bonds. Such pledge shall constitute a lien on and security interest in such taxes and amounts in the Debt Service Fund. This pledge shall constitute an agreement between the District and the Owners of the Bonds to provide security for the payment of the Bonds in addition to any statutory lien that may exist.

The moneys in the Debt Service Fund, to the extent necessary to pay the Principal of and interest on the Bonds as the same become due and payable, shall be transferred by the Director of Finance to the Paying Agent which, in turn, shall pay such moneys to DTC to pay such Principal of and interest on. DTC will thereupon make payments of Principal of and interest on the Bonds to the DTC Participants who will thereupon make payments of such Principal of and interest on to the Beneficial Owners of the Bonds. Any moneys remaining in the Debt Service Fund after the Bonds and the interest thereon have been paid in full, or provision for such payment has been made, shall be transferred to the general fund of the District, pursuant to Education Code Section 15234.

SECTION 15. Arbitrage Covenant. The District covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary, so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code and the applicable regulations prescribed thereunder or any predecessor section. Calculations for determining arbitrage requirements are the sole responsibility of the District.

SECTION 16. Conditions Precedent. The Board determines that all acts and conditions necessary to be performed by the Board or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the Bonds have been performed and have been met, in regular and due form as required by law; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Bonds.

SECTION 17. Official Statement. The Preliminary Official Statement relating to the Bonds, substantially in the form on file with the Secretary to the Board is hereby approved and the Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf

of the District, to deliver such Preliminary Official Statement to the Underwriter to be used in connection with the offering and sale of the Bonds. The Authorized Officers, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement "final" pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution and to execute and deliver to the Underwriter a final Official Statement, substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve. The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds, and such Underwriter is directed to deliver copies of any final Official Statement to the purchasers of the Bonds. Execution of the Official Statement shall conclusively evidence the District's approval of the Official Statement.

SECTION 18. Insurance. In the event the District purchases bond insurance for the Bonds, and to the extent that the Bond Insurer makes payment of the Principal of and interest on the Bonds, it shall become the Owner of such Bonds with the right to payment of such Principal of or interest on, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest the Paying Agent shall note the Bond Insurer's rights as subrogee on the Bond Register for the Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the Bonds, and (ii) in the case of subrogation as to claims for past due Principal, the Paying Agent shall note the Bond Insurer as subrogee on the Bond Register for the Bonds maintained by the Paying Agent upon surrender of the Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 19. Defeasance. All or any portion of the Outstanding maturities of the Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which, together with any amounts transferred from the Debt Service Fund, is sufficient to pay all Bonds Outstanding and designated for defeasance (including all Principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date; or

(b) Government Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable Government Obligations together with any amounts transferred from the Debt Service Fund and any other cash, if required, in such amount as will, together with interest to accrue thereon, in the opinion of an independent certified public accountant, be fully sufficient to pay and discharge all Bonds Outstanding and designated for defeasance (including all Principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date;

then, notwithstanding that any of such Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated Outstanding Bonds shall cease and terminate, except only the obligation of the independent escrow agent selected by the District to pay or cause to be paid from funds deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, Government Obligations shall mean:

Direct and general obligations of the United States of America, obligations that are unconditionally guaranteed as to principal and interest by the United States of America (which may consist of obligations of the Resolution Funding Corporation that constitute interest strips), and obligations secured or otherwise guaranteed, directly or indirectly, as to principal and interest by a pledge of the full faith and credit of the United States of America. In the case of direct and general obligations of the United States of America, Government Obligations shall include evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances where (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed at least as high as direct and general obligations of the United States of America by either Moody's or S&P.

SECTION 20. Nonliability of County. Notwithstanding anything to the contrary contained herein, in the Bonds or in any other document mentioned herein, neither the County nor the officials, officers, employees or agents thereof, shall have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby, the Bonds are not a debt of the County or a pledge of the County's full faith and credit, and the Bonds and any liability in connection therewith shall be paid solely from *ad valorem* property taxes lawfully levied to pay the Principal of or interest on the Bonds, which taxes shall be unlimited as to rate or amount.

SECTION 21. Reimbursement of County Costs. The District shall reimburse the County for all costs and expenses incurred by the County, its officials, officers, agents and employees in issuing or otherwise in connection with the issuance of the Bonds.

SECTION 22. Request to County to Levy Tax. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of *ad valorem* property taxes in each year sufficient to pay all principal of and interest coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The District hereby requests the Board of Supervisors of the County to annually levy a tax upon all taxable property in the District sufficient to pay all such principal of and interest on coming due on the Bonds in such year, and to pay from such taxes all amounts due on the Bonds. The Board hereby finds and determines that such *ad valorem property* taxes shall be levied specifically to pay the Bonds being issued to finance specific projects authorized by the voters of the District at the Election.

SECTION 23. Other Actions. (a) Officers of the Board and District officials and staff, including the Authorized Officers, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Board hereby appoints Dale Scott and Company, as Municipal Advisor, and Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel and Disclosure

Counsel, each with respect to the Bonds. The Board further authorizes the appointment of such Underwriter as shall be identified in the Purchase Contract.

(c) Based on a good faith estimate from the Municipal Advisor, the District finds that (i) the True Interest Cost of the Bonds (as defined in Government Code Section 5852.1) is expected to be approximately 3.87%, (ii) the total Finance Charge of the Bonds (as defined in Government Code Section 5852.1) is expected to be \$210,000, (iii) the total proceeds expected to be received by the District from the sale of the Bonds, less the Finance Charge of the Bonds and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$6,005,200, and (iv) the District expects that the Total Payment Amount (as defined in Government Code Section 5852.1), calculated to the final maturity of the Bonds, will be \$9,862,778. The information presented in this Section 23(c) is included in satisfaction of Government Code Section 5852.1, and shall not abrogate or otherwise limit any provision of this Resolution.

(d) The provisions of this Resolution as they relate to the Bonds may be amended by the Purchase Contract or the Official Statement.

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

SECTION 24. Resolution to Director of Finance. The Secretary to this Board is hereby directed to provide a certified copy of this Resolution to the Director of Finance immediately following its adoption.

SECTION 25. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the District and dated as of the Date of Delivery, as originally executed and as it may be amended from time to time in accordance with the terms thereof. The Board hereby approves the form of the Continuing Disclosure Certificate appended to the draft Preliminary Official Statement presented at this meeting. The Authorized Officers, each alone, are hereby authorized to execute the Continuing Disclosure Certificate with such changes thereto as the Authorized Officers executing the same shall approve, such approval to be conclusively evidenced by such execution and delivery. Noncompliance with the Continuing Disclosure Certificate shall not result in acceleration of the Bonds.

SECTION 26. Effective Date. This Resolution shall take effect immediately upon its passage.

SECTION 27. Further Actions Authorized. It is hereby covenanted that the District, and its appropriate officials, have duly taken all actions necessary to be taken by them, and will take any additional actions necessary to be taken by them, for carrying out the provisions of this Resolution.

SECTION 28. Recitals. All the recitals in this Resolution above are true and correct and this Board so finds, determines and represents.

PASSED, ADOPTED AND APPROVED this 28th day of June, 2023, by the following vote:

AYES: 5 MEMBERS Got-Lopez, Grasty, Perez, Ramirez, Serrano

NOES: 0 MEMBERS _____

ABSTAIN: n/a MEMBERS _____

ABSENT: n/a MEMBERS _____

Melina Got-Lopez
President of the Board of Trustees
Mount Pleasant Elementary School District

ATTEST:

[Signature]
Secretary to the Board of Trustees
Mount Pleasant Elementary School
District

SECRETARY'S CERTIFICATE

I, Dr. Elida MacArthur, Superintendent and Secretary to the Board of Trustees of the Mount Pleasant Elementary School District, Santa Clara County, California, hereby certify as follows:

The foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Trustees of said District duly and regularly and legally held at the regular meeting place thereof on June 28, 2023, of which meeting all of the members of the Board of said District had due notice and at which a quorum was present.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office and the foregoing is a full, true and correct copy of the original Resolution adopted at said meeting and entered in said minutes.

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: June __, 2023


Secretary to the Board of Trustees of the Mount
Pleasant Elementary School District

EXHIBIT A
FORM OF BONDS

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY 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 THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), 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

REGISTERED
NO.

REGISTERED
\$

MOUNT PLEASANT ELEMENTARY SCHOOL DISTRICT
(SANTA CLARA COUNTY, CALIFORNIA)
ELECTION OF 2020 GENERAL OBLIGATION BONDS, SERIES B

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED AS OF:</u>	<u>CUSIP</u>
_____% per annum	August 1, ____	____, 20__	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Mount Pleasant Elementary School District (the "District") in Santa Clara County, California, for value received, promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above, on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing on February 1, 2024. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 16th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2024, in which event it shall bear interest from the Date of Delivery. Interest shall be computed on the basis of a 360-day year of twelve, 30-day months. Principal of and interest on are payable in lawful money of the United States of America, without deduction for the paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered, such owner being the Registered Owner, on the Register maintained by the Paying Agent, initially U.S. Bank Trust Company, National Association. Principal is payable upon presentation and surrender of this bond at the designated corporate trust office of the Paying Agent. Interest is payable by wire transfer to the bank and account number on file

with the Paying Agent as of the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date").

This bond is one of an authorization of bonds approved to raise money for the purposes authorized by voters of the District at the Election (defined herein) and to pay all necessary legal, financial, engineering and contingent costs in connection therewith under authority of and pursuant to the laws of the State of California, and the requisite vote of the electors of the District cast at a general election held on November 3, 2020 (the "Election"), upon the question of issuing bonds in the amount of \$12,000,000 and the resolution of the Board of Trustees of the District adopted on June 28, 2023 (the "Bond Resolution"). This bond is being issued under the provisions of Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code. This bond and the issue of which this bond is one are payable as to both principal of and interest on solely from the proceeds of the levy of *ad valorem* property taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount in accordance with Education Code Sections 15250 and 15252. Pursuant to California Government Code Section 53515, the Bonds shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of such *ad valorem* property taxes.

Pursuant to Government Code Sections 5450 and 5451, the District has pledged all revenues received from the levy and collection *ad valorem* property taxes for the payment of the Bonds, and all amounts on deposit in the Debt Service Fund (as defined in the Bond Resolution), to the payment of the Bonds. Such pledge shall constitute a lien on and security interest in such taxes and amounts in the Debt Service Fund, and shall constitute an agreement between the District and the Registered Owners of the Bonds to provide security for the payment of the Bonds in addition to any statutory lien that may exist.

The bonds of this issue comprise \$_____ Principal Amount of current interest bonds, of which this bond is a part (collectively, the "Bonds").

This bond is exchangeable and transferable for Bonds of like series, tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the designated corporate trust office of the Paying Agent in San Francisco, California, by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any Bond during a period beginning with the opening of business on the 16th day next preceding either any Bond Payment Date or any date of selection of Bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

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

Principal Amount of the Bonds called for redemption, without premium, plus interest accrued thereon to the date of redemption.

The Bonds maturing on August 1, 20__, are subject to redemption prior to maturity from mandatory sinking fund payments on August 1 of each year, on and after August 1, 20__, at a redemption price equal to the Principal Amount to the dated fixed for redemption, together with accrued interest to the date set for such redemption, without premium. The Principal Amount represented by such Bonds to be so redeemed and the dates therefor and the final principal payment date are as indicated in the following table:

<u>Redemption Dates</u>	<u>Principal Amounts</u>
(1)	
TOTAL	
(1)	Maturity.

In the event that portions of the Bonds shown above are optionally redeemed prior to their respective maturity dates, the remaining mandatory sinking fund payments with respect thereto shall be reduced proportionately, in integral multiples of \$5,000 Principal Amount, in respect of the portion of such Bonds optionally redeemed.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by Paying Agent as directed by the District, and if not so directed, by lot. Redemption by lot shall be in such manner as shall be determined by the Paying Agent, provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called by the Paying Agent in any order directed by the District and, if not so directed, in the inverse order of maturity.

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

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been signed.

IN WITNESS WHEREOF, the Mount Pleasant Elementary School District, Santa Clara County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Trustees of the District, and to be countersigned by the manual or facsimile signature of the [Secretary to/Clerk of] the Board of Trustees of the District, all as of the date stated above.

**MOUNT PLEASANT ELEMENTARY SCHOOL
DISTRICT**

By: _____ (Facsimile Signature)
President of the Board of Trustees

COUNTERSIGNED:

(Facsimile Signature)
[Secretary to/Clerk of] the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the Bond Resolution referred to herein which has been authenticated and registered on _____, 20__.

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

Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): _____ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _____

Unless this bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

LEGAL OPINION

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with the issuance of, and dated as of the date of the original delivery of, the bonds. A signed copy is on file in my office.

(Facsimile Signature)

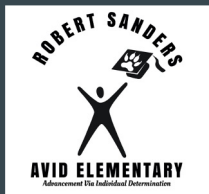
[Secretary to/Clerk of] the Board of Trustees

Facility Master Plan Update Based on Community and District Feedback



September 2023

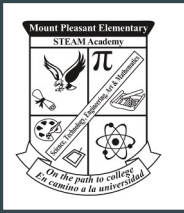




Robert Sanders Elementary

2020 Community Feedback	September 2023 Update
Modernize Cafeteria \$875,000*	<ul style="list-style-type: none">• 2026-2027
Shade structure in quad \$150,000*	<ul style="list-style-type: none">• 2023-2024
Shade structure over kinder playground \$175,000*	<ul style="list-style-type: none">• 2023-2024
Install new Security fencing \$430,000*	<ul style="list-style-type: none">• Complete \$769,127.26
Irrigation and Plumbing \$250,000*	
Other: Bathrooms and Carpet \$950,000*	

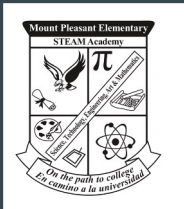
**Cost estimate does not include 25% soft costs*



Mt. Pleasant Elementary Ida Jew Academy ALAS

2020 Community Feedback	September 2023 Update
Modernize Cafeteria \$800,000*	<ul style="list-style-type: none">• 2027-2028
Admin & Kinder Building renovation \$1,800,000*	<ul style="list-style-type: none">• Kinder - Summer 2023 Completion• Admin - March 2024 Completion
Playground structures, water stations, canopies, basketball courts, kickball area, and blacktop \$750,000*	<ul style="list-style-type: none">• Water stations - partially complete• Basketball backboards - complete• 2024-2025
Upgrade Security fencing \$650,000*	<ul style="list-style-type: none">• Complete \$798,777.00

**Cost estimate does not include 25% soft costs*



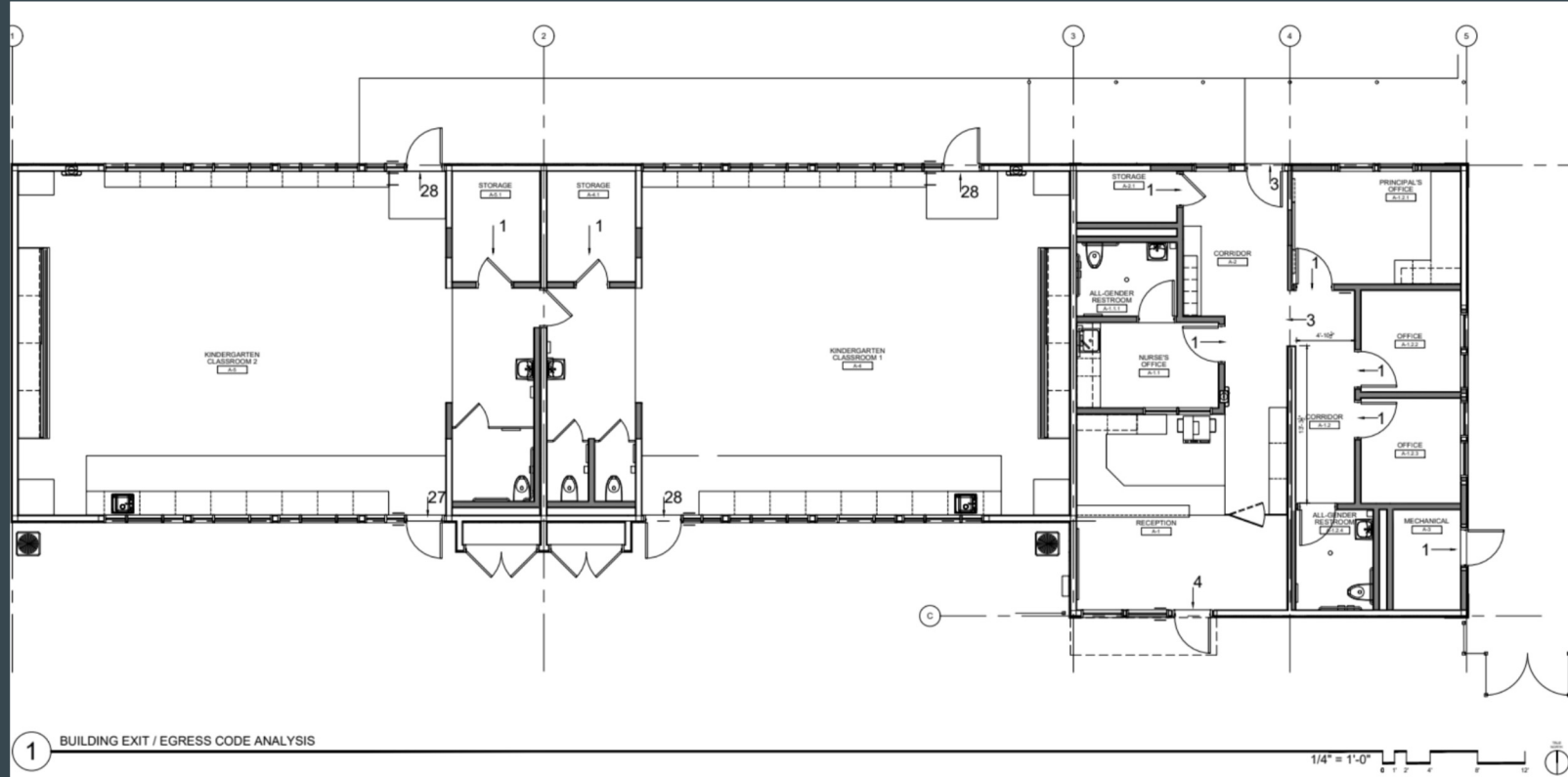
Mt. Pleasant Elementary Ida Jew Academy ALAS

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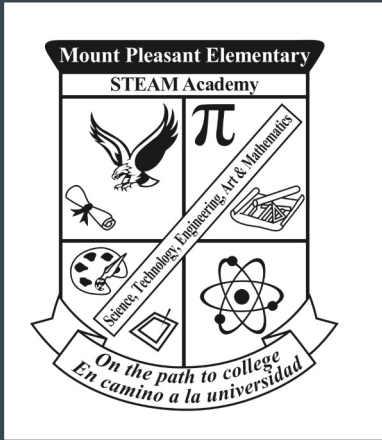
2020 Community Feedback	September 2023 Update
Parking lot renovation \$2,000,000*	● 2023 -2024
Activity Hall w/ flexible furniture \$75,000*	● 2025-2026
Improve landscaping \$200,000*	● 2023-2026
Other: bathrooms, field maintenance and Science Labs \$1,900,000*	● 2024-2027

**Cost estimate does not include 25% soft costs*

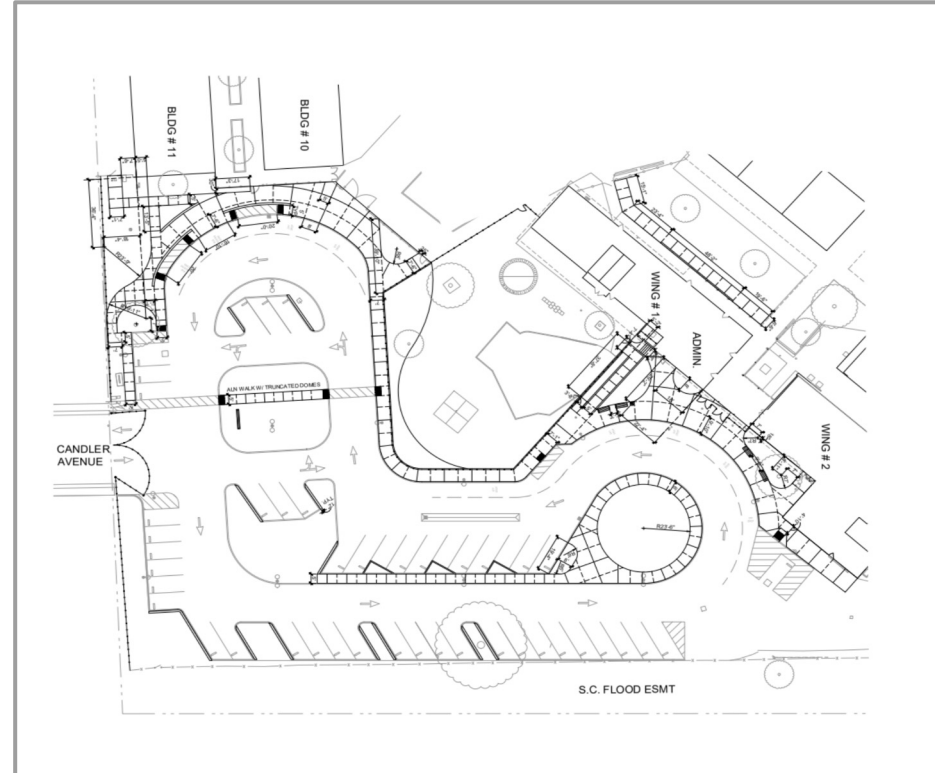
Mt. Pleasant Elementary Admin & Kinder Renovation



Mt. Pleasant Elementary Ida Jew ALAS



Parking Lot Renovation





August Boeger Middle School

2020 Community Feedback	September 2023 Update
Track & Field \$6,000,000*	<ul style="list-style-type: none">• Design complete/Ready for bids 2024-2026
Modify parking lot \$1,300,000*	<ul style="list-style-type: none">• Will be part of Admin renovation 2024-2026
Update bathrooms in SRC and Library \$400,000*	<ul style="list-style-type: none">• SRC to become August Boeger Admin - in design phase 2024-2026
Security fencing \$810,000*	<ul style="list-style-type: none">• Complete \$981,868.12
Shade structures \$400,000*	<ul style="list-style-type: none">• 2024-2026

**Cost estimate does not include 25% soft costs*

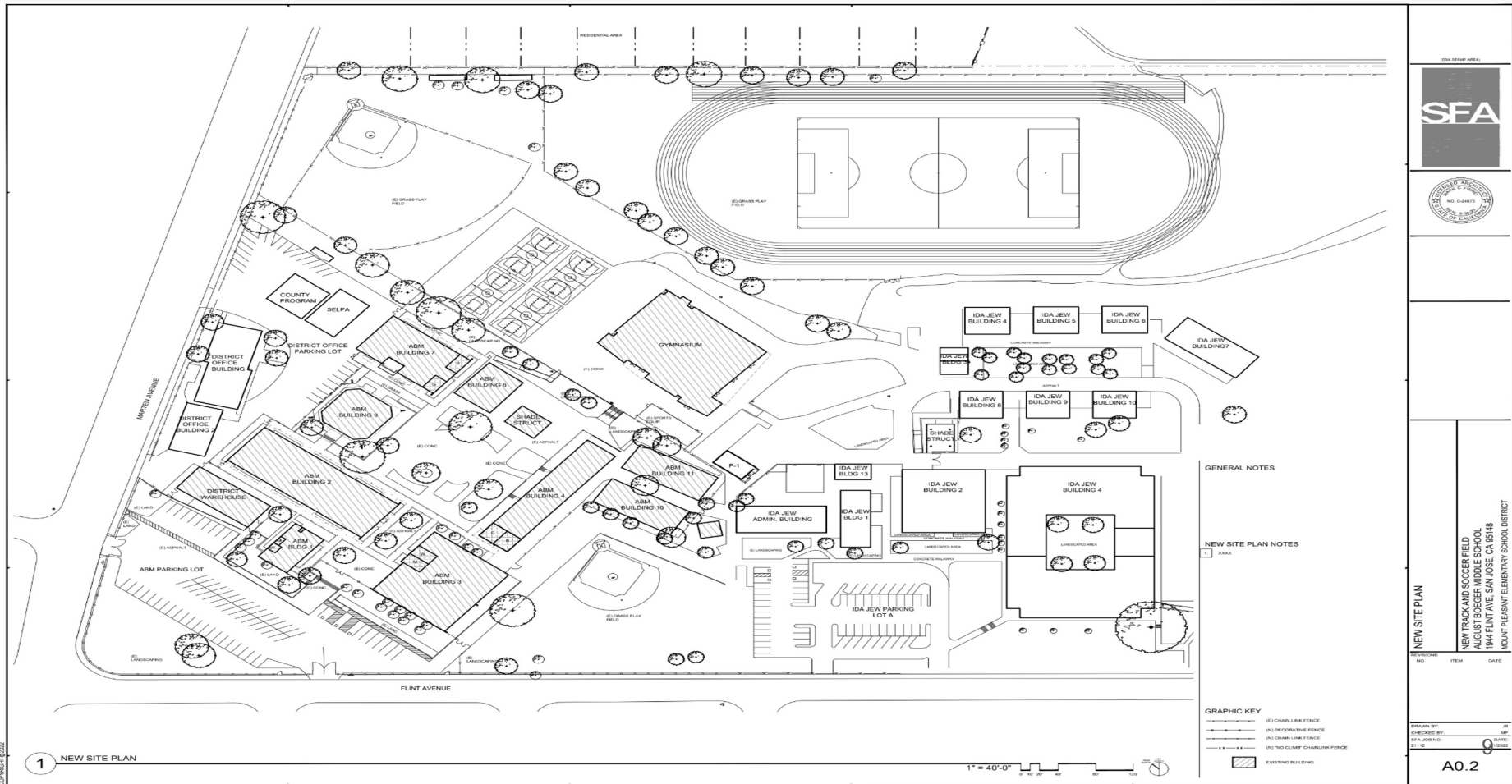


August Boeger Middle School (cont.)

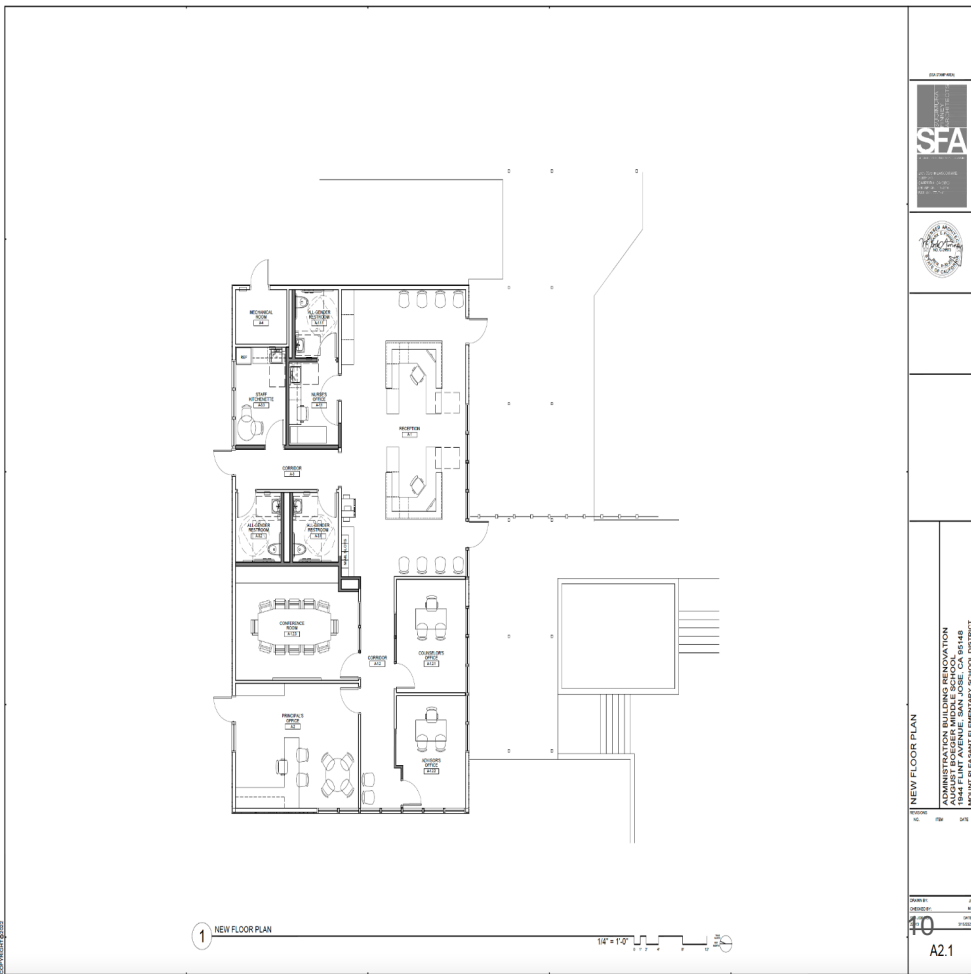
2020 Community Feedback	September 2023 Update
Modify/improve landscaping \$300,000*	<ul style="list-style-type: none">● Partially complete 2023-2025
Exterior lighting near bathrooms & overhangs \$75,000*	<ul style="list-style-type: none">● 2024-2025
Cafeteria floors & curtains \$200,000*	<ul style="list-style-type: none">● 2024-2026
Create snack shack in gym \$100,000*	<ul style="list-style-type: none">● 2026-2027

**Cost estimate does not include 25% soft costs*

AB TRACK AND SOCCER FIELD



AB OFFICE



August Boeger Landscaping





Ida Jew Academy & Valle Vista Elementary

2020 Community Feedback	September 2023 Update
Sun/shade canopy in multiple areas \$300,000*	● 2024-2026
Quad seating and tabletop games on grass areas \$150,000*	● 2024-2026
Walkway, remove junipers \$150,000*	● Complete
Replace playground matting \$300,000*	● 2024-2025
Seating by building 2/blacktop \$30,000*	● 2024-2025
Security fencing \$900,000*	● Complete \$885,824.00

**Cost estimate does not include 25% soft costs*



Ida Jew Academy & Valle Vista Elementary (cont.)

2020 Community Feedback	September 2023 Update
Workout & seating area \$200,000*	<ul style="list-style-type: none">• 2026-2027
Ball wall on blacktop \$50,000*	<ul style="list-style-type: none">• 2026-2027
Unused space near the blacktop area- a permanent seating area to sit and play games \$90,000*	<ul style="list-style-type: none">• 2027-2028
Walkway- going up the hill (ADA requirement) \$300,000*	<ul style="list-style-type: none">• 2027-2028
Lighting (safety) in the quad area \$50,000*	<ul style="list-style-type: none">• 2027-2028

**Cost estimate does not include 25% soft costs*



Valle Vista Elementary

2020 Community Feedback	September 2023 Update
Install new security fencing \$700,000*	<ul style="list-style-type: none">• Complete \$877,134.80
Replace AC pavement w/ concrete under shade structure \$50,000*	<ul style="list-style-type: none">• Complete
Replace cafeteria flooring \$85,000*	
Provide small covered areas \$200,000	
Enlarge work and staff room \$700,000	

**Cost estimate does not include 25% soft costs*



Valle Vista Elementary (cont.)

2020 Community Feedback	September 2023 Update
Repair and widen concrete walkways around campus \$150,000	
Install classroom walls \$2,500,000	
Replace all carpet \$500,000	
New roofing \$900,000	<ul style="list-style-type: none">● Complete

**Cost estimate does not include 25% soft costs*

Valle Vista Site Overview

- Main building currently unoccupied
 - E-pod being used by county
 - Upper portables (1 - 7) being leased by Kinship Academy
-

Feedback from District Administration



MPESD District Identified Facility Needs and Cost

1. Replace roofing (total \$7,735,000)
 - a. Valle Vista - \$1,990,000 (1985/2021) **Complete**
 - b. Robert Sanders - \$2,280,000 (1987/2021) **due**
 - c. Ida Jew - \$2,310,000 (1999/2021) **due**
 - d. Mount Pleasant - \$2,625,000 (2001/2022) **due**
 - e. August Boeger - \$2,130,000 (1982/2021) **due**
2. Community continued access to Internet
\$75,000 (Instruction/Access) **On going**
3. Trip hazards and sidewalk safety at VV- (Safety)-
\$200,000 **Partial**
4. Increased accessibility ADA upgrades -
\$2,800,000 **As Needed**
5. Security fencing - (Safety) -\$4,312,731 **Complete**
6. Modify main entrances for security- \$1,750,000 **As Needed**
7. Renovate IJA Office - \$2,200,000 **Future**
8. Upgrade Fire Alarm at VV,IJ,AB,MP,RS
\$5,200,000 **As Needed**
9. Renovate Cafeteria at AB - \$1,900,000
10. Modernize Cafeteria at RS - \$1,875,000
11. Modernize Cafeteria at MP - \$1,800,000
12. New Flexible Furnishing - \$1,300,000
13. Front of schools landscaping -
\$1,000,000 **Partial**
14. Install track and field at AB - \$6,000,000
15. Exterior paint at all sites - \$950,000
16. Dry rot & siding replacement - \$1,250,000
17. Field leveling & gopher removal -
\$2,350,000

Additional Needs, Continued

18. Complete all student & staff bathrooms -
\$1,500,000 Partial

19. Backup emergency power for DO for -
\$300,200

20. Provide internet to families - \$75,000

21. Exterior upgrade lighting - \$225,000

22. AC pavement blacktop at all sites
\$2,075,000

23. Upgrade classroom technology -
\$2,500,000

24. Additional shade & rain structures -
\$1,500,000

Total Estimate Construction Cost: \$54,746,000

Estimated Soft Costs:

\$13,686,000

Total Estimated Project Cost:

\$68,432,500